2022

ENVIRONMENTAL, SOCIAL, GOVERNANCE REPORT



CREATING A MORE SECURE, RESILIENT, AND EQUITABLE FUTURE FOR ALL

# TABLE OF CONTENTS

Introduction	3
Leadership Welcome	3
FY22 Highlights	5
Our Business	6
Approach to ESG	7
Managing ESG Topics	9
Materiality	10
Our FSG Strategy	11

mpower Diverse Talent	12
Diversity, Equity, & Inclusion	14
Talent Acquisition	17
Talent Development	18
Employee Engagement & Retention	21
Pay Practices & Pay Equity	23
Employee Well-being	24
Environmental Health & Safety	25
Empower Diverse Talent in the Community?	26
Make Innovation Accessible to All	28
Cultivating an Innovation Ecosystem	
Expanding Our Innovation Capacity	31
Sparking Innovation in the Community	32

Orive Community Resilience	33
Resilient Enterprise & Workforce	35
Climate Change	37
Cybersecurity & Data Privacy	39
Resilience Through Community Engagemen	nt41
Corporate Governance	43
Board of Directors	44
Ethics & Compliance	45
Enterprise Risk Management	47
Supply Chain Management	47
Human Rights	48

Reporting Frameworks	49
Global Reporting Initiative (GRI) Content Index	49
Sustainability Accounting Standards Board (SASB) Content Index	59
Task Force on Climate-related Financial Disclosures (TCFD) Content Index	62
UN Guiding Principles (UNGP) Reporting Framework Index	64
World Economic Forum (WEF) Stakeholder Capitalism Metrics Content Index	68
About this Report	7
Data Assurance	7
Forward Looking Safe Harbor Statement	72

### Dear Booz Allen Stakeholders and Friends,

We are pleased to share our 2022 Environmental, Social, Governance (ESG) Report. Over the past year, our nation and world continued to experience complex, dynamic challenges, from healthcare to climate change to geopolitical conflicts—the disruption is constant. At the same time, systemic inequities make certain groups more vulnerable to these issues, creating uneven impacts. The solutions to these challenges require new and imaginative ways of thinking and collaborating to create a more secure, resilient, and equitable future for all people.

Booz Allen's growth strategy VoLT—which stands for Velocity, Leadership, and Technology—is how we drive our institution, industry, communities, and nation toward a better future, faster. VoLT is underway and already accelerating our ability to solve some of the U.S. government's most critical mission challenges. Our VoLT and ESG objectives are fully integrated and inextricably aligned to our purpose: To empower people to change the world.

The stories and results detailed in this report reflect our values and demonstrate our deep commitment to people, empowerment, innovation, access, equity, and resilience. We can only live our purpose and change the world if we are providing *all* of our people with the opportunity to achieve their full potential. Our talented employees and our stakeholders deserve nothing less. We continue to execute against the comprehensive DEI action plan we announced in 2021 and hold ourselves accountable to do more. In this year's report, you will see details on our DEI progress, as well as greater transparency in our workforce demographics.

As a leader in driving transformative change, we know today's societal issues and mission challenges cannot be solved by a single company or solely by the government or private sector. Success will rely on our ability to build strategic partnerships that enable people and organizations with the right technologies and vision to be included in the dialogue and solution development, regardless of their size. We believe inclusive innovation is how the best ideas get unlocked to deliver maximum impact.

At Booz Allen, we embrace our role in making tomorrow better than today, and we will continue to invest in ESG efforts that are relevant to our business, important to our stakeholders, and make the greatest positive impact on our people, nation, and world. We remain fully committed to grow our business in alignment with our ESG objectives.

With warm regards and gratitude,

Kozanski

Horacio D. Rozanski
President and Chief Executive Officer



On behalf of Booz Allen Hamilton's Board of Directors, I am thrilled to present our dynamic vision for a human-centric, mission-focused, technology-powered future. Please join us as we review our efforts over this past fiscal year to bring that vision to life.

Responsible governance is the cornerstone of everything we do at Booz Allen. As one of the first organizations in the United States to adopt a formal code of business ethics, we strive to exemplify and redefine the standard of best practices for ethics and compliance and to integrate environmental, social, and governance risk management into all levels of business strategy and execution. We continue to lead with our mission to act with purpose and live by our values.

At Booz Allen, we know strong teams are diverse teams, and we harness the power of diversity throughout our people, leadership, and governing bodies. We hold ourselves accountable by aligning our vision with tangible business commitments, such as tying executive compensation to progress on the firm's diversity, equity, and inclusion goals. We also know that our greatest strength is our people. Our integrated well-being strategy, which supports all aspects of our people's lives, was critical to our success during the height of the COVID-19 pandemic and will continue to evolve as we emerge and adjust to a new way of working and living.

We are committed to a resilient and sustainable future. We continue to make progress on our commitment to set firmwide emissions targets in line with climate science that will enable us to achieve net zero greenhouse gas emissions by 2050. As we work to integrate climate

risks across our organizational strategy and risk management processes, we are committed to developing a climate action plan and we plan to share more with you in the coming year.

We are driven by continuous improvement on all fronts, transforming ourselves to transform our clients. We know there is more work to be done to positively impact the world, and we look forward to communicating further developments and progress against our goal to empower people to change the world.

Throughout this report, you will see the many ways we are integrating environmental, social, and governance practices throughout our business and into our future. Thank you for your partnership as we move forward together to create a more secure, connected, equitable future for all.

Sincerely,

Michile & teamon

Michèle Flournoy
Chair, Nominating and Corporate Governance Committee



# **FY22 HIGHLIGHTS**

**73**%

73% of our Board of Directors<sup>1</sup> (8 of 11) are Women, Asian, Hispanic, and/or African American and 45% (5 of 11) are Women

√65%

Reduced our total greenhouse gas emissions by 65% compared to FY20 emissions<sup>2</sup>

# EXPANDED TECHNICAL LEARNING

Launched Technical Experience Groups (TXGs) and in-house technical badging programs in support of technical talent acquisition and skill development, creating a workforce prepared to support the firm's VoLT growth strategy

# NO EMPLOYEE PREMIUM MEDICAL PLAN

Introduced a medical plan option with zero employee premiums to make healthcare more affordable and attainable for employees

99%

Maintained a 99% completion rate of firmwide mandatory annual Ethics & Compliance training

## CORPORATE QUALITY CERTIFICATIONS

Maintained our ISO 14001:2015
Environmental Management System
certification for our global headquarters and
achieved ISO 22301:2019 Business Continuity
System certification of our Business
Continuity Program and ability to maintain
business operations during a disruption

\$100M

Launched Booz Allen Ventures, seeded initially with a \$100M commitment, to invest in early-stage technology poised to transform mission outcomes for the public sector

13%

Facilitated a 13% increase in employee charitable giving (\$) through a series of firmwide giving campaigns and our Booz Allen Cares donation platform

10%

Committed to increasing our pipeline of diverse senior leaders by 10%

### **SELECTED AWARDS & DESIGNATIONS**



World's Most Ethical
Companies by Ethisphere



Corporate Equality Index
Best Place to Work for
LGBTQ+ Equality



Military Spouse Top 10 Military
Spouse Friendly Employers and
by Military Times as Best for Vets



Best Place to Work for Disability
Inclusion by Disability:IN's
Disability Equity Index



Forbes Best Employers for Diversity



Diversity Lab's Mansfield Rule
Legal Department Edition
2.0 Certification

Refer to <u>our website</u> for a comprehensive list of awards and designations received from industry peers, media organizations, and others.

# **OUR BUSINESS**

Our founder Edwin Booz once said, "Start with character...and fear not the future." More than a century later, Booz Allen continues to live up to this philosophy through our commitment to act with purpose, live by <u>our values</u>, and manage with transparency environmental, social, and governance (ESG) topics most relevant to our business. We bring ferocious integrity to how we work and are proud of the positive difference our people make as we aspire to create a more secure, resilient, and equitable future for all.

Today, the world is transforming at exponential speed, and our government clients are increasingly reliant on technology as their missions become larger and more complex. To reflect our commitment to help our clients meet this moment, we have embraced a new growth strategy: **VoLT**. We advance with **Velocity**, investing ahead of emerging technology waves and expanding our market positions through strategic acquisitions and partnerships. We redefined **Leadership**, investing in people with the right expertise to lead and scale hypergrowth businesses at the mission-technology intersection. And we apply next-generation **Technology**, creating differentiated intellectual capital and property to address our clients' needs at or ahead of mission demands.

Our VoLT growth strategy reflects our ambitions and guides us as we build the Booz Allen of the future. In our next era, we will scale Booz Allen to an even greater level of industry leadership. We are uniquely positioned to power the digital revolution in government at the intersection of mission and technology—bringing our talent and resources to bear against multifaceted mission challenges, faster than ever. With the growing scale and significance of our work with the U.S. federal government, as well as our services and partnerships across the commercial sector, our VoLT growth strategy positions us to expand our impact around the world as we improve and protect people's lives and communities, every day.

We are a global firm of approximately 30,000<sup>1</sup> diverse, passionate, and exceptional people driven to excel, do right, and realize positive change in everything we do.

Through our work for clients, we have a positive impact on society and people's lives on a global scale. For example, we have been involved in:

- ► Improving how our increasingly diverse U.S. military veteran population accesses healthcare and other benefits programs.
- ► Identifying barriers in fair housing and home ownership programs in order to help people who have faced historical systemic inequities live in more secure housing.
- ► Empowering doctors to provide more secure, efficient, and effective care through our work on medical device and healthcare system cybersecurity.
- ► Expanding the scope and ease of access to U.S. National Parks through the <u>Recreation.gov</u> experience so that everyone can "get outside" and experience the nation's parks, history, and monuments.
- ► Harnessing the power of big data and technology to promote environmental justice and equitable health outcomes for those most vulnerable to the impacts of climate change.

<sup>&</sup>lt;sup>1</sup>Total active employees as of September 30, 2022.

to ESG

**Empower** 

**Diverse Talent** 

# APPROACH TO ESG

Our purpose is simple, yet bold in scope and lofty in aspiration: empower people to change the world®. It is what keeps us focused on our strength: our people. With our VoLT growth strategy as the catalyst, we are committed to embodying our values and applying our talents to create opportunities, transform our clients' missions, and change the world for the better—both through how we operate as an institution and how we support our people, our clients, and our communities.



We aspire to create a more secure, resilient, and equitable future for all. Our people embrace change and use it as a catalyst to modernize industries, transform security, and advance society. How we manage continuously evolving environmental, social, and governance (ESG) risks and opportunities is a key element of this change management process. Our purpose and values serve as our guide, informing our ESG programs and further enhancing our ability to create a more secure, resilient, and equitable world. Our VoLT growth strategy positions us to move faster than the pace of change through our service at the heart of the mission coupled with relentless technological innovation.



As a market leader and technology innovator, we are proud of our comprehensive ESG strategy, defined areas of focus, and work to implement sustainable business practices. These efforts act together to optimize the value of this work for our people, our clients, and our communities.

Looking ahead, our ESG efforts will continue to prioritize how we serve our various stakeholders as well as inform our VoLT growth strategy. See more on page 10 about these efforts. We know that continued growth requires increased speed, agility, and scale in a rapidly changing, highly competitive, and increasingly technical environment—and our ESG program is built to help us meet this demand.

Our ESG strategy and program operations reflect our corporate policies along with our commitments and perspectives on important ESG topics, many of which are publicly available. These policies and commitments express expectations of our directors, employees, and business partners, such as those included in the Code of Business Ethics and Conduct and the Supplier Code of Conduct. Our commitment statements describe how we address societal priorities such as conflict minerals, political activities, and environmental sustainability. Learn more about these policies and commitments on our website.

### OUR PURPOSE: EMPOWER PEOPLE TO CHANGE THE WORLD®

### **OUR VALUES:**

## FEROCIOUS INTEGRITY

- ▶ Do right
- ► Hold yourself and each other accountable

# UNFLINCHING COURAGE

- Bring bold thinking and speak truth to power
- ➤ Maintain conviction no matter the circumstances

### PASSIONATE SERVICE

- Listen and act with empathy as you make meaningful connections
- Build community through generosity and, above all, embrace the mission

### CHAMPION'S HEART

- Bring joy to the pursuit and learn from failure
- ► Compete with passion and crave being the best

## COLLECTIVE INGENUITY

- ▶ Be resourceful, creative, and seek to make a difference with every problem you solve
- ▶ Be devoted to the team and harness the power of diversity

# MANAGING ESG TOPICS

Our formal ESG governance includes oversight by our Board of Directors and an executive management-level ESG Committee, operational responsibility by an ESG Council, and enterprise-wide strategic direction by a dedicated function within the Office of the Corporate Secretary.

### **BOARD OF DIRECTORS**

Our Board of Directors provides governance and oversight over the strategy, risk, operations and management of the firm. The Nominating and Corporate Governance Committee provides primary oversight of—and engages with management on—our ESG strategy, including our approach to ESG-related risks, opportunities, disclosure, operations, and management.

### **ESG COMMITTEE**

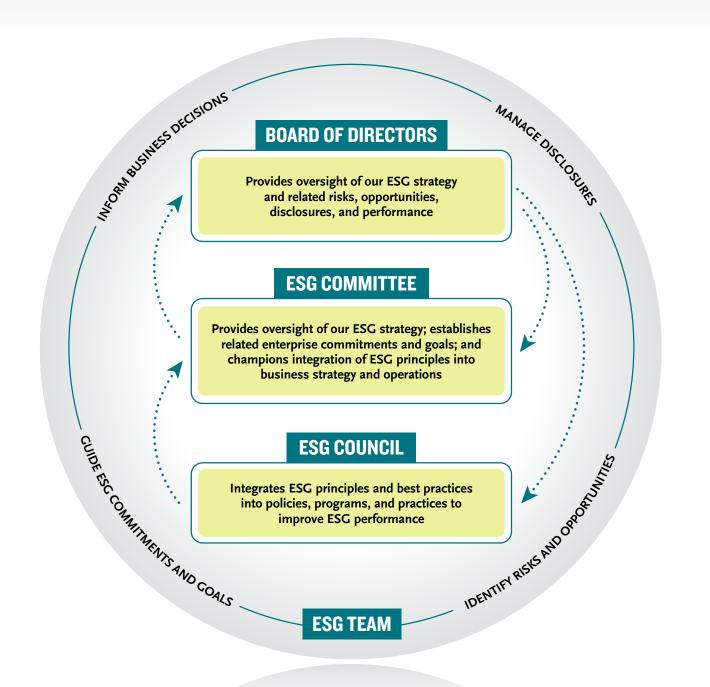
The executive management-level ESG Committee operates with the Board of Directors' authority to act on ESG matters. Chaired by our Chief Legal Officer and comprised of senior executives, including our President and Chief Executive Officer, the ESG Committee uses its deep knowledge of our business, business strategies, and ESG priorities, goals, and plans to champion our ongoing commitment to ESG and the gradual integration of ESG principles into our business strategy.

### **ESG COUNCIL**

The senior management-level ESG Council is comprised of key functional and business leaders across the firm, each holding operational or policy-level responsibility for an area of our performance or practices that relates to our ESG priorities.

### **ESG TEAM**

The ESG team drives our global ESG strategy and supports our Board of Directors, ESG Committee, and ESG Council by providing relevant information and data-driven guidance for strategic decision making, enhancing transparency through internal accountability and external reporting channels, advocating for integration of ESG principles into business strategy, and coordinating and evolving the integration of ESG initiatives into our business operations to reflect business, regulatory, and market imperatives.



# **MATERIALITY**

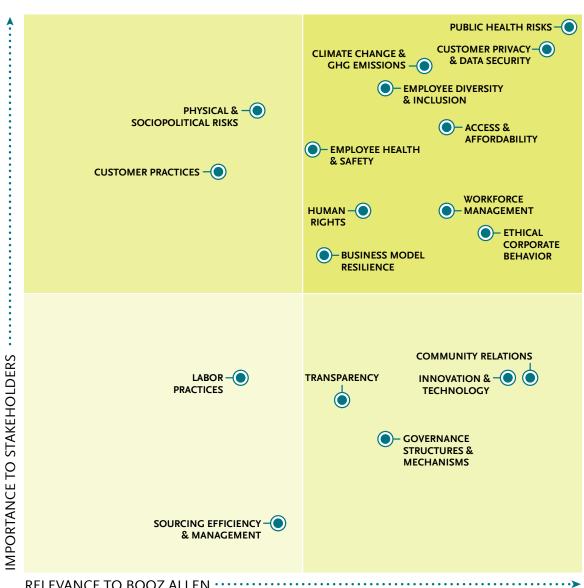
In 2021, we began leveraging artificial intelligence (AI)-powered risk analysis software, Datamaran, to complement our ESG management processes, thereby harnessing innovation to power a continuous data-driven review of ESG-related risks and our regulatory, competitive, and operating contexts.

In 2022, we refreshed our materiality assessment to ensure we continue to remain focused on the ESG topics that are most relevant to our business and the priorities of our stakeholders. Material ESG topics are those that could most affect Booz Allen's performance and ability to create long-term stakeholder value, and are relevant to Booz Allen's most significant impacts on society, the environment, or the economy. We used Datamaran to assess and prioritize the 27 ESG topics most commonly identified as material by companies in our sector. For a list of all ESG topics assessed and their definitions, refer to the resource guide on our website. The assessment took into consideration internal and external stakeholder priorities based on an employee survey, our past ESG disclosures, peer and sector disclosure benchmarking, regulatory and legal requirements, and media coverage.

Our materiality matrix shows a narrowed down set of assessed topics found to be at the intersection of our stakeholders' highest priorities and where we consider ourselves to have the greatest impact. Materiality increases as one moves towards the upper right quadrant. Our 2022 materiality assessment revealed no notable changes to our material topics since our 2021 assessment, though some became slightly more or less important to our stakeholders. To help stakeholders navigate our report, the material ESG topics addressed in a report section are identified in its introduction.

Moving forward, in addition to using Datamaran and other business intelligence platforms to continuously monitor stakeholder priorities and ESG-related business risks, we plan to conduct robust materiality assessments on regular cycles to inform our ESG strategy and reporting.

### **ESG TOPIC MATERIALITY MATRIX\***



RELEVANCE TO BOOZ ALLEN

\*We assessed 27 ESG topics used by Datamaran and companies in our sector. This matrix shows only the topics we selected as material for ESG reporting. The placement of ESG topics against the axes reflects a point-in-time analysis. Topics may shift in relative importance and relevance with current events, stakeholder priorities, or business changes.

# **OUR ESG STRATEGY**

We are creating a more secure, resilient, and equitable future for all through our efforts to empower diverse talent, make innovation accessible to all, and drive community resilience.

During FY22, we assessed how we had been communicating our ESG strategy and performance to internal and external stakeholders. We considered the internal drivers shaping how we interact with society and the opportunities we have to create positive, sustainable value. We considered external drivers affecting us, such as community needs, ESG reporting requirements, and ESG risks to our business. At the intersection of these internal and external drivers are what we call our ESG Impact Pillars. Our three pillars express and focus our priorities for ESG impact management—where we plan to prioritize future commitments and measurement. They are the channels through which we execute our ESG vision of creating a more secure, resilient, and equitable future for all.

### **OUR ESG IMPACT PILLARS**

### **INTERNAL DRIVERS**

- ▶ Purpose & Values
- ► Our People
- **▶** VoLT Growth Strategy
- **▶** Our Capabilities & Expertise

• • • • • • • •



### **EMPOWER DIVERSE TALENT**

Ensure that all people have access to opportunities as well as the agency and support to achieve their goals



WE ARE CREATING A MORE SECURE, RESILIENT, AND EQUITABLE FUTURE FOR ALL.

### **MAKE INNOVATION ACCESSIBLE TO ALL**

**Champion innovation** that reaches, reflects, and benefits our diverse society



### **DRIVE COMMUNITY RESILIENCE**

Protect against evolving threats and known inequities in our communities

### **EXTERNAL DRIVERS**

- ▶ Client Missions & Challenges
- ► Regulatory & Legal Requirements
- ► Societal Needs

• • • • • • • •

- ► Supplier & Partner Relationships
- **▶** Investor Priorities
- **▶ ESG Reporting Frameworks**

2022 ESG REPORT

Introduction

Approach

to ESG

Empower Diverse Talent Make Innovation Accessible to All

**Drive Community Resilience** 

Corporate Governance

Reporting Frameworks

# EMPOWER DIVERSE TALENT

We work to ensure all people have access to opportunities as well as the agency and support to pursue them in order to achieve their goals.

### **Material Topics:**

- Access & Affordability
- Community Relations
- Employee Diversity and Inclusion
- Employee Health and Safety
- Labor Practices

- Physical & Sociopolitical Risks
- Public Health Risks
- Sourcing Efficiency and Management Transparency
- Workforce Management





We strive to lead our industry in creating an exceptional employee experience and have been recognized by and received awards from numerous industry organizations for our science, technology, engineering and math (STEM) talent programs; diversity, equity, and inclusion programs; and mental health excellence. For more information, see <u>our website</u>.

### **Managed Flexibility**

While certain mission requirements, such as those associated with government classified work, required a portion of our people to work at Booz Allen and government facilities throughout the pandemic, most were working under a "telework first" posture. As we closed FY22, we moved to a posture of managed flexibility.

We consider client and contract requirements, business needs, and employee preferences with managed flexibility as our guiding principle. We are committed to balancing what individual people and teams need to be productive and happy, the nature of our clients' missions, and what our business needs to grow. We will do this through our relationships with our clients, through our operational models, and by holding leaders accountable to be good role models and giving them the resources to help them do just that. Our emphasis on flexibility drives us to maximize our spaces, make in-person time matter, be virtual when it makes sense, and bring our clients along with us. We will adapt our managed flexibility approach, as needed, to increase agility, refresh our employee value proposition for recruiting and retention, extend our competitive advantage, and grow the business by maximizing access to talent in more geographies.

### PRINCIPLES OF MANAGED FLEXIBILITY:

- ► Connect with our clients how, when, and where they need to be supported
- ► Create managed flexibility for employees whenever and however we can
- ► Collaborate in a reimagined workplace that includes expanded hoteling and more flexible and fluid community spaces

# **DIVERSITY, EQUITY, & INCLUSION**

At Booz Allen, we know that we can only attract and retain the best people by providing them with opportunities to build skills, be supported professionally and personally, and feel valued for their contributions. This is why we embed diversity, equity, and inclusion (DEI) in our operational and growth plans and fully integrate DEI considerations in our decision making. Diverse teams are innovative, curious, adept, understand our client mission needs, and are instrumental in developing creative and effective solutions for clients. Accordingly, we invest in our employee value proposition to remain an employer of choice in a highly competitive talent marketplace. DEI is a mindset at our firm and it infuses every aspect of our business and approach to people leadership.

### TYING EXECUTIVE COMPENSATION TO DEI GOALS

In 2021, senior management compensation became based on a combination of financial and non-financial metrics for the first time when our Board of Directors and executive leaders connected a portion of long-term executive compensation to firmwide DEI goals.

This year, we evolved how we structure our DEI efforts and how we govern ourselves on these critical issues. For example, on page 22 you will learn about the significant growth in Business Resource Groups (BRGs) with 25% of our workforce aligned with at least one BRG at the end of the year. We also went back to the drawing board to rethink our approach to DEI trainings and began working on a three-year strategy

to make our DEI efforts more experiential. As we continue through FY23, we are testing ideas in pilot programs, analyzing our results, and evolving our DEI efforts with continued rigor.

### **Unstoppable Together**

Our people are invested in cultivating and maintaining an inclusive culture through the firmwide, employee-led program—

<u>Unstoppable Together</u>. Through the power of storytelling, Booz Allen employees deepen their understanding of the complex issues facing today's workforce. Creating this surround sound amplifies the influence they can have through storytelling and builds collective resonance—hence the name Unstoppable Together. Tune in to our <u>Unstoppable</u>

<u>Together Podcast</u> to hear about pressing DEI topics and read our latest <u>Unstoppable Together Magazine</u> issue to learn the latest on how our firm is making progress against our DEI Strategy.

### **OUR DEI STRATEGY PILLARS:**



### **LEAD BY EXAMPLE**

We will be transparent and model inclusion



### **EMPOWER POTENTIAL**

We will drive equitable access and outcomes



### **INSPIRE BELONGING**

We will strive to be a safe space where people feel seen, heard, valued, and cared for across the firm



### **USE OUR VOICE**

We will be a force for advancing equity and resilience by identifying the biggest challenges and deploying our world-class capabilities to solve them As we evolve our hiring programs in line with the firm's DEI Strategy, we are strategically engaging with diverse talent. We aim to implement lasting change across our firm and, if we do it right, across our industry. One of our goals is to increase our pipeline of diverse senior leaders by 10%. This will require us to further strengthen existing practices and partnerships, such as collaborations with colleges and universities, as well as the internal training provided to our Talent Acquisition team and hiring managers. All employees involved in hiring and onboarding processes contribute to creating a diverse and inclusive ecosystem of talent.

### **BOOZ ALLEN'S WORKFORCE BY THE NUMBERS**

	TO	TAL WORKFO	RCE	SE	ENIOR LEADE	RS	ALL O	THER EMPLO	DYEES		NEW HIRES			DEPARTURES	S
CATEGORY	FY20	FY2I	FY22	FY20	FY2I	FY22	FY20	FY2I	FY22	FY20	FY2I	FY22	FY20	FY2I	FY22
Employee Headcount <sup>1, 5</sup>	27,173	27,727	29,317	2,026	2,016	1,987	25,147	25,711	26,512	_	_	_	_	_	_
U.SAligned Employee Headcount <sup>1, 5</sup>	26,178	26,827	27,553	<u> </u>	<del></del>	—	<u> </u>	<del></del>	<u> </u>	—	<u>—</u>	<u> </u>	—	<u> </u>	<u> </u>
American Indian or Alaska Native <sup>2</sup>	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	0.2%	0.4%	0.4%	0.2%	0.3%	0.3%	0.3%
Asian <sup>2</sup>	10.8%	11.0%	11.5%	7.6%	7.9%	7.8%	11.0%	11.2%	11.8%	11.3%	12.3%	13.5%	10.3%	10.6%	11.5%
Black or African American <sup>2</sup>	11.0%	11.1%	11.2%	4.5%	4.7%	4.8%	11.6%	11.6%	11.7%	13.5%	13.4%	12.9%	12.6%	13.2%	13.0%
Hispanic or Latino <sup>2</sup>	6.2%	6.2%	6.2%	3.7%	4.0%	4.1%	6.4%	6.4%	6.3%	7.1%	6.9%	6.5%	6.8%	6.7%	7.0%
Native Hawaiian or Other Pacific Islander <sup>2</sup>	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.4%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%
Two or More Races <sup>2</sup>	3.3%	3.4%	3.5%	2.6%	2.4%	2.5%	3.4%	3.5%	3.6%	4.1%	4.1%	4.4%	3.7%	3.8%	4.1%
White <sup>2</sup>	60.9%	60.6%	60.2%	78.1%	77.3%	76.5%	59.5%	59.3%	58.9%	50.5%	54.5%	54.2%	57.6%	55.3%	55.6%
Race and Ethnicity Unknown/Undisclosed <sup>2</sup>	7.1%	7.1%	6.9%	2.9%	3.1%	3.7%	7.5%	7.4%	7.1%	13.0%	8.3%	<b>7.9</b> %	8.5%	9.8%	8.4%
Female	36.4%	36.2%	35.8%	33.1%	34.4%	35.4%	36.7%	36.4%	35.8%	33.3%	29.8%	32.1%	31.1%	30.2%	33.8%
Male	63.6%	63.7%	64.1%	66.9%	65.6%	64.5%	63.3%	63.6%	64.1%	66.5%	69.7%	67.3%	68.9%	69.7%	66.2%
Under 30 years	19.9%	19.7%	19.6%	0.1%	0.2%	0.2%	21.5%	21.2%	21.1%	33.6%	36.2%	39.1%	20.7%	19.1%	26.0%
30–50 years	57.5%	57.4%	<b>56.9</b> %	66.2%	64.0%	61.4%	56.8%	56.8%	56.6%	52.7%	50.2%	48.2%	58.5%	56.5%	53.6%
Over 50 years	22.6%	22.9%	23.5%	33.7%	35.8%	38.4%	21.7%	22.0%	22.3%	13.7%	13.6%	12.7%	20.8%	24.4%	20.4%
Military/Veteran	29.0%	27.4%	27.9%	24.1%	22.8%	23.0%	29.4%	27.8%	28.2%	31.3%	33.9%	30.6%	37.3%	35.6%	29.7%
Individuals with Disabilities	6.4%	6.9%	8.1%	3.5%	3.9%	4.7%	6.6%	7.2%	8.4%	7.6%	11.4%	13.5%	7.5%	8.6%	8.1%
LGBTQIA+ <sup>2</sup>	1.9%	2.1%	2.3%	1.7%	1.6%	1.7%	2.0%	2.2%	2.4%	2.4%	2.4%	2.9%	1.9%	1.9%	2.1%

Workforce composition percentages are based on active employee FTEs as of March 31, 2022, and may not include the demographic data of employees acquired in certain recent transactions.

<sup>&</sup>lt;sup>1</sup>Employee headcount is based on total active employees as of March 31, 2022, and may not include employees acquired in certain recent transactions.

<sup>&</sup>lt;sup>2</sup>Demographic information related to race, ethnicity, and sexual orientation is based on voluntary self-reporting and presented as a percentage of U.S.-aligned employees.

<sup>&</sup>lt;sup>3</sup>Senior Leaders includes employees at and above the senior associate level but does not include executive advisors.

<sup>&</sup>lt;sup>4</sup>All Other Employees includes employees at and below the lead associate level as well as executive advisors.

<sup>&</sup>lt;sup>5</sup>Omitted data is withheld as Booz Allen confidential information.

### **Supply Chain Diversity**

We started FY22 by consolidating our multiple procurement systems into a single platform, Ivalua, which allows enhanced analytics of our procurement data. These enhancements enable us to categorize our spend with our supplier base and to partner with our diverse suppliers to help grow their business and drive economic growth in their communities.

Currently, over 40% of supplier spend, where we can reasonably influence supplier selection, is with diverse suppliers. As we align with our commitment to make supplier diversity central to our global supply chain sourcing efforts, we continue to expand on our supplier diversity footprint, performance to date, collaborations, and future efforts.

In addition, we are very active in our industry and are an active partner with independent advocacy groups and councils focused on growing the reach of the group which they support, such as the National Minority Supplier Diversity Council, National LGBT Chamber of Commerce, and Women's Business Enterprise National Council.



Booz Allen celebrated our 10th consecutive year as winner of the National Veteran Small Business Coalition's Champions Award for meeting or exceeding goals established for subcontracting to veteran and/or service-disabled veteranowned small businesses.



# TALENT ACQUISITION

We lead with our purpose and values, and focus on client mission to attract talented people who will enable us to meet client needs and fulfill the ambitions of our VoLT growth strategy. Our talent acquisition processes under VoLT continue to be informed by people analytics and market forecasting, with the goal of sourcing and onboarding employees so they can be engaged in client delivery faster than ever. The Talent Acquisition team collaborates with our <u>Business Resource Groups</u>, <u>Technical Experience Groups</u>, and other functions to make sure our efforts across the candidate journey support our inclusive hiring goals.

We launched our Talent Marketplace in FY22. It is designed to enhance internal mobility by giving our people access to more career and development opportunities inside the firm and by boosting their ability to demonstrate proficiency to current and future managers. With an increasingly distributed workforce and commitment to managed flexibility, it is important we have the ability to identify employees who are the best fit for projects, regardless of where they live. In the coming year, we will collect insights from participating employees, managers, and senior leaders through open feedback channels, pilot surveys, and focus groups, and evaluate metrics that affect our recruitment goals, fine-tuning them as we go.

### **TECHNICAL TALENT FUELING BOOZ ALLEN'S FUTURE**



Our 15 fastest growing job profiles are dominated by highly technical data, software, digital, and coding skills 71%

We expect that by FY25, 71% of our client-facing employees will hold one of these job profiles

### **NEURODIVERSITY HIRING INITIATIVE**

Neurodiversity encompasses a wide range of neurological differences, such as autism, attention deficit hyperactivity disorder (ADHD), and dyslexia. Oftentimes, neurodiverse individuals think, learn, and process information differently. We aim to recruit skilled neurodiverse talent and build an organizational culture that welcomes employees with disabilities more broadly. These efforts are an extension of support already offered to current neurodiverse employees.

We are partnering with Specialisterne to develop job roles and source qualified neurodiverse candidates. This effort will strengthen our inclusive culture, improve the abilities of our people leaders, and encourage current neurodiverse employees to become mentors. Our Global Disabilities Business Resource Group members are engaged in mentoring and activities to build social connections, both of which are essential to fostering employee inclusion.

# TALENT DEVELOPMENT

We prioritize our people's <u>continuous development and growth</u>. Over the last year, we made investments in enhancing our learner experience and learning technology ecosystem, including introducing Workday Learning, which helps integrate our learning, development, and performance management processes.

As we continue to roll out Workday Learning, we expect to further enhance our trainings and the broader learning journey to make sure we are providing upskilling opportunities to our people as well as certain subcontractors. To do so effectively, we are benchmarking our current learning landscape to better understand the linkages between job families for overlapping skills and training. We expect to be able to assess the impact of learning classes on employee knowledge and career progression as well as monitor participant data to assure employees' equitable access to learning and development opportunities.

We remain committed to supporting all employees as they develop and expand upon their technical, management, and leadership skills. We plan to expand our <u>badging program</u>, evolve our training portfolio, continue to test incentives and rewards for skill development, and scale our efforts overall to align technical career tracks with professional growth and compensation.

### **Technical Experience Groups**

In support of our VoLT growth strategy and its reliance on a highly skilled, technical workforce, we launched Technical Experience Groups (TXGs) to help attract, engage, and retain technically focused employees. Through TXGs, employees at every stage of their careers can build technical acumen, unlock more equitable career opportunities, build connections with colleagues through technical mentoring programs, and access and create technical thought leadership and intellectual property. TXGs are open to all Booz Allen employees—from interested to expert—on a voluntary, opt-in basis. Centrally funded by Booz Allen, each TXG has executive-level luminary leaders who serve on an Executive Tech Talent Council, helping to advance our offerings and employee value proposition for our talent.

### **BOOZ ALLEN TALENT CREDENTIALS**

~89%

with bachelor's degrees

with doctoral degrees

~42%

with master's degrees

60%

~4%

held one or more professional certifications with 44,240+ certifications on topics such as IT, Project Management, and Agile

### 8 TECHNICAL EXPERIENCE GROUPS WERE LAUNCHED IN FY22:

- ► Artificial Intelligence
- ► Cyber
- ▶ Data Science & Data Engineering
- **▶** Experience & Immersive

- ▶ Platform & Infrastructure
- **▶** Software Engineering
- ► Systems & Digital Engineering
- ► Tech Strategy & Product Management

### **Badging Program**

For most technologies we use to help our clients, there are trusted, industry-wide certifications that our people can work toward to expand their skill sets. For those that are emerging—and do not yet have trusted certifications—we introduced a Badging Program in January of 2022 to allow employees to obtain badges related to specific technical skills development and build career pathways based on their learning journeys. Initially, we rolled out badges for five technologies that do not have industry-recognized certifications.

Since starting this program, there have already been 1,000+ applications across 650 unique employees with 300 badges earned. One of the most critical shifts we have seen due to the COVID-19 pandemic has been our people's enthusiastic adoption of digital training programs. This presents a unique opportunity to scale our training and development efforts across geographical boundaries. It also helps us connect many more of our people with easier ways to continually upskill their expertise. Given the overwhelmingly positive feedback, we will expand these badges to many more technologies in the coming months addressing topics including Artificial Intelligence—Machine Learning, Software Engineering, DevOps, and Business Development.

### **EXAMPLES OF BADGES LAUNCHED IN FY22**











Read more about our upskilling programs in our feature article in Chief Learning Officer® magazine.

# Award-Winning Engineer and DEI Advocate

Bahirah Adewunmi is a founding member of Booz Allen's Black Analytics Group.

Alongside other data scientists, engineers, and consultants of color at Booz Allen, she's organizing efforts within the firm to recruit, develop talent, and seed research at historically Black colleges and universities (HBCU).

Read more about this Black Engineer of the Year award winner »



2022 ESG REPORT

Introduction

Approach to ESG

**Empower Diverse Talent**  **Make Innovation** Accessible to All

**Drive Community** Resilience

Corporate Governance

Reporting **Frameworks** 

### **Leadership Training**

We offer targeted learning opportunities such as our Effective People Leadership program for all career managers, as well as our Leadership Immersion Program, aimed at newly promoted and externally hired mid-level senior leaders. The Leadership Immersion Program consists of a year-long journey with a quarterly curriculum and year-end capstone module aimed at learning our culture, becoming comfortable with leading teams, and aligning with our VoLT strategy. In 2021, we completed our first full-year cycle of this virtual, quarterly learning experience, allowing leaders equitable access to critical development experiences.

of Booz Allen people say the firm helps them build relevant skills

of Booz Allen people say the firm supports their professional development

Source: FY22 Employee Experience Survey

### **Executive Development**

Our executive development programs reinforce the commitment to our values with our senior leaders through a variety of development opportunities. For example, all newly hired executives participate in a multi-day social learning event that includes engagement activities, exploration of leadership styles, experiential learning, and more. Executive training modules address topics such as what DEI means for our firm, how to lead people through a DEI lens, and how to delegate and empower others through our "L.E.A.D. to Empower Others" model, which enables the faster decision making critical to our VoLT growth strategy. To complement these trainings, Booz Allen also holds a biannual summit to engage and educate our senior leaders.



LET GO



**EMBRACE DIFFERENCES** 



**ACT AUTHENTICALLY** 



**DRIVE CLARITY** 



As part of the first-ever cohort of Booz Allen's Cloud Tech Excellence program, Surtej Sarin honed his technical coding expertise to launch his career as a cloud architect.

Working at the intersection of people and technology, Surtej now builds innovative cloud solutions for mission-critical client engagements.

Learn more about Surtej »

# **EMPLOYEE ENGAGEMENT & RETENTION**

Aligning with our purpose and values, our people know they are making a difference while also growing their careers. This furthers their commitment to Booz Allen, and in turn, makes them ambassadors for future talent. Booz Allen has always recognized the importance of our people and culture, and we continue to build on that strong legacy as we support our people to meet their full potential.

### The Employee Experience

To understand how our people experience our work environment and culture, we conduct annual Employee Experience and Leading with Values surveys. The results of both surveys help us identify our strengths as well as ways to improve our benefits, training, and engagement offerings, practices, and leader behaviors. We engage with employees several times a year to understand how we can best help them, whether that be through maintaining a robust benefits program, providing pathways to increased financial security, enhancing caregiver support, and improving telework resources.

Looking ahead, we plan to further enhance our annual surveys to make the questions more actionable and relatable—thereby making the data more useful—as well as expanding their scope to more nuanced but important areas of the employee journey, such as drivers of burnout or challenges related to hybrid work environments.

### **VALUES-DRIVEN MANAGEMENT**

A cornerstone of the employee experience at Booz Allen is our leaders' values-driven approach. Even while transitioning to a hybrid remote working environment, favorability scores for leaders from the annual Leading with Values survey increased.



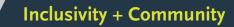
### **Business Resource Groups**

Our <u>Business Resource Groups</u> (BRGs) inspire a sense of belonging for our people—one of our four DEI strategy pillars—and provide spaces to share, learn, mentor, and grow together. BRGs are culture champions and provide a channel for employees to demonstrate leadership skills and connect across sectors. Employees voluntarily affiliate with one or several BRGs. BRG membership is open to all employees—whether they are identifying member or allies. The BRGs are centrally funded, and each has executive sponsors who serve on our DEI Executive Council—the governance body responsible for overseeing the integration of our DEI strategy firmwide.

- I. GLOBAL DISABILITIES: Our Global Disabilities BRG advances awareness of and provides support to our people with disabilities. Its goals are to foster an inclusive and supportive workplace that values diverse thinking and differences and to empower the disabilities community to change the world.
- **2. GLOBE+:** The GLOBE+ BRG advocates for the professional development, growth, and visibility of lesbian, gay, bisexual, transgender, non-binary, queer, and questioning employees and their allies. Our LGBTQIA+ BRG honors diversity by standing for equality and visibility and working to advance the development and growth of LGBTQIA+ employees and their allies.
- **3. MILITARY AND VETERANS:** The Military and Veterans BRG is a natural home for veterans, military-affiliated employees, and military spouses thanks to our firm's longstanding commitment of service and support to the U.S. Department of Defense. Through our Military and Veterans BRG, we work to recruit and retain military talent and spouses by helping them make the transition to the private sector and navigate unique circumstances. This BRG supports the Armed Services Network and Military Spouse Network.

- 4. MULTICULTURAL: Our Multicultural BRG increases the representation of ethnic minority talent at Booz Allen and focuses on strength through connections. This BRG supports five employee networks: African American Network (AAN), Asian Pacific American Network (APAN), Indigenous Network (IN), Latin American Network (LAN), Middle East and North Africa (MENA) Network.
- **5. WOMEN:** Our Women's BRG empowers women and their allies through engagement opportunities such as workshops, development programs, and other activities. It also supports three other employee networks—Women in Defense, Women in Leadership, and Women Techmakers—driving a movement of belonging at Booz Allen.

IN FY22, 24% OF OUR PEOPLE WERE BRG MEMBERS, A 40% INCREASE YEAR OVER YEAR, WHICH WE ATTRIBUTE TO AN INCREASE IN PROACTIVE OUTREACH AND FIRMWIDE COMMUNICATIONS.



Ashely Fagan always feels he can bring his true self to work.

A veteran, national security expert, and lieutenant colonel in the Air Force Reserve, Ashely also shines as a leader of Booz Allen's LGBTQIA+ business resource group, GLOBE+, where he creates connections and helps advance DEI initiatives across the firm.

Read more about Ashely »

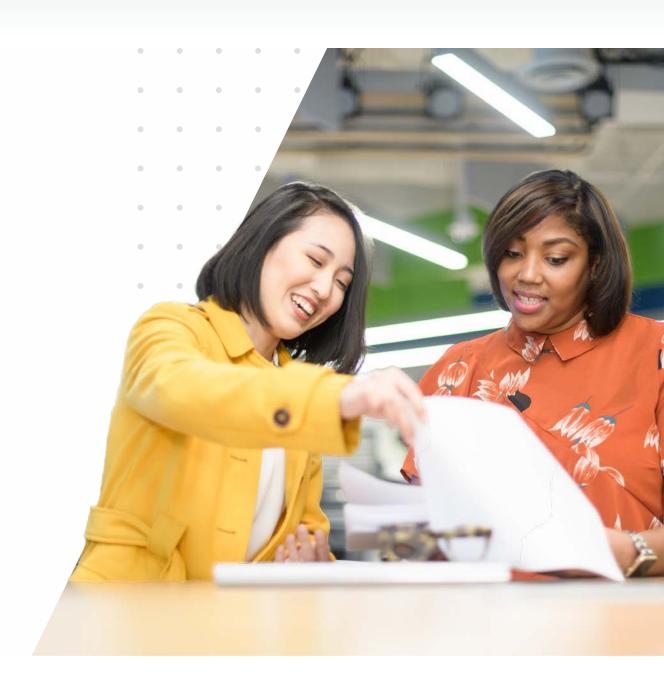
# PAY PRACTICES & PAY EQUITY

At Booz Allen, we are committed to providing a fair and equitable workplace for employees, including through our pay practices. This commitment is woven into the firm's Code of Business Ethics and Conduct, other policies, and practices, with support and oversight from the Compensation, Culture and People Committee of the firm's Board of Directors.

Booz Allen's processes and pay practices promote pay equity throughout an employee's career at the firm, beginning prior to the employee's start date. We do not ask for or consider a candidate's compensation history as part of our recruiting and hiring processes, even in those states that allow such practices. Our compensation philosophy establishes guiding principles that frame a fair and competitive pay program aligned to our organizational mission and that allows us to attract and retain talent in a global marketplace. We have designed our compensation structure to pay our people competitively in the market and equitably based on their skills, qualifications, roles, and abilities. We also equip managers with the information necessary to make compensation decisions in a manner consistent with our compensation philosophy.

As part of our commitment to pay equity, we have processes in place to monitor our compensation practices and we conduct a pay equity analysis on an annual basis in the U.S. to examine differences in pay between employees of different genders, races and ethnicities. Our FY22 analysis covered approximately 27,000 U.S. based employees and any anomalies identified as part of the analysis that were not explainable by objective, business-related factors were promptly addressed.

We also encourage employees to have meaningful career and compensation conversations with their leaders, and provide employees the opportunity to raise concerns regarding compensation and pay equity through several firm reporting channels, including our Ethics Helpline that provides employees with the option to raise concerns anonymously. Booz Allen maintains robust processes for thoroughly reviewing and addressing such concerns.



# **EMPLOYEE WELL-BEING**

We take pride in our robust employee well-being programs, particularly those supporting mental and emotional health. While the pandemic served as a true test of these efforts, our Total Rewards approach to well-being continued to prioritize employee morale, engagement, and retention. This approach is designed to show our appreciation for our people's contributions, provide them with opportunities and choices, support their well-being, and help them navigate work-life integration. With its people-first perspective, Total Rewards is critical in enhancing our people's experiences at work and home. Our integrated well-being strategy supports all aspects of our people's lives and empowers our people to thrive.

WE INTRODUCED A MEDICAL PLAN OPTION WITH ZERO EMPLOYEE PREMIUMS TO MAKE HEALTHCARE MORE AFFORDABLE AND ATTAINABLE FOR EMPLOYEES.

### **OUR APPROACH TO WELL-BEING:**

- **TOTAL WELL-BEING:** Support for physical, emotional, financial, and social health
- **EVOLUTION**: Maintain strategy/programs to meet the changing needs of our workforce and our firm
- **INNOVATION**: Understand growing industry/market trends and focus on evidence-based solutions
- **ENGAGEMENT:** Provide incentives, healthy lifestyle promotions, team building, and tools to encourage employees on their personal well-being journeys

We are committed to supporting the well-being of employees and their families. Regardless of market forces and changes, our commitment endures—to provide employees and their families with the best available healthcare options, programs, tools, and resources to help them be well. Much like our people, our Total Rewards offerings go above and beyond. We provide benefits that expand along with our people's life pursuits and needs. For example, in addition to health, vision, dental, and disability insurance coverage, we offer a 6% 401 (K) match, an employee stock purchase plan, several paid leave programs (including 6 weeks paid parental leave), and financial support for continued education. More information on current employee well-being and benefits offerings are available on our website.

As the future of work changes, we built out on-demand digital resources so anyone can access them anytime—from anywhere. We implemented our well-being digital hub and reward platform to provide comprehensive resources and personalized content for physical, emotional, financial, and social well-being support. We moved from

pre-determined wellness challenges to a points-based model to give employees more time, choice, and ways to earn incentives.

COVID-19, social unrest, and the U.S. political climate have taken a toll on our people's emotional health. We hosted focus groups with employees to learn more about their needs. As a result, we expanded the number of free counseling sessions offered by our Employee Assistance Program (EAP) from 8 to 12, and we worked with our provider to allow employees to select an EAP counselor based on gender, race, and diversity in specialty areas.

We also broadened telehealth and tele-mental health services to employees and their family members, enabling access to quality care for those who may live in communities with limited providers. We are proud to report that more than 4,000 employees completed voluntary courses on Mental Health Awareness, Allyship, and Empathy and Conscious Communication.

# **ENVIRONMENTAL HEALTH & SAFETY**

Our Environmental Health & Safety (EHS) program, formalized in 2019, continues to grow in importance for us. This year, EHS was identified as a material topic due to greater stakeholder prioritization of safe work conditions, likely a result of the COVID-19 pandemic, and a shift in business activities at some of our sites to incorporate light manufacturing.

Our Global Workplace team spent time last year completing site inspections of our largest offices. These inspections identified various scenarios and prioritized short- and long-term projects across our real estate portfolio. While we begin implementing these projects, we will continue to also finalize our U.S. site inspections with a goal of 100% completion by the end of FY23. Our aim is to integrate job hazard analysis with our EHS training where needed and rely on consistent and targeted communication in facilities where we do not have implementation authority, such as client locations.

ENVIRONMENTAL HEALTH & SAFETY METRICS*							
Category	2019	2020	2021				
EMR	0.85	0.76	0.72				
TCIR	0.078	0.027	0.051				
DART	0.033	0.015	0.028				
Severity	1.28	0.98	0.40				

ALTHOUGH OUR HEADCOUNT HAS INCREASED OVER THE YEARS, THE EMR METRIC REMAINS LOW AGAINST OUR INDUSTRY BENCHMARK.

### **DEFINITIONS:**

- Experience Modification Rate (EMR) = The EMR is a metric that insurers use to calculate premiums. Our insurance company provides the EMR to Booz Allen. An EMR considers the number of claims/injuries a company has had in the past and their corresponding costs. An EMR of 1.0 is the benchmark average—if a company's EMR number is lower than average (e.g., less than 1.0), its workers compensation premium will be lower than average.
- Total Case Incident Rate (TCIR) = Number of injury or illness cases x 200,000/total hours worked.
- Days Away, Restricted, or Transferred (DART) Rate = Number of injury or illness cases resulting in days away, restricted, or transferred x 200,000/total hours worked. Consequently, this rate will be less than the TCIR.
- Severity Rate = Number of lost workdays (days away) x 200,000/total number of hours worked. (In certain situations, the number of "lost" workdays for the previous year may have to be reassessed when related to injuries lasting into the next calendar year. In no individual cases shall the number of lost workdays recorded exceed 180 days.)

### **INCLUSIVE FACILITY DESIGN**

We are creating employee workspaces for our future that reflect our new hybrid work model and ensure our diverse workforce is comfortable and productive. Led by our Accommodations team and in collaboration with the Global Workplace team, required accommodation needs—such as ramps, ergonomic seating, and nursing rooms—are identified and implemented. Over the last few years, through our NEXGEN design, we also made progress incorporating elements beyond building code requirements, such as wellness rooms, enhanced natural lighting, and workspaces designed to meet the needs of neurodiverse workers and others through reduced noise and lighting. Additionally, we provide hybrid employees with stipends to outfit home offices for remote work.

<sup>\*</sup> Based on U.S. Facilities only and reported on a calendar year basis.

# **EMPOWER DIVERSE TALENT IN THE COMMUNITY**

We partner with community organizations to empower diverse groups of people through programs and opportunities that ultimately make individuals, families, and communities more resilient and secure.

We support historically underrepresented individuals in developing science, technology, engineering, and math (STEM) career interests and skills. Our people have served as ambassadors and mentors, interacting with historically underrepresented students through STEM boot camps, innovation labs, robotics competitions, and more. In 2022, Booz Allen supported STEM initiatives in local communities through \$1.35 million in charitable contributions and pro bono services, benefitting community partners such as Girl Up, For Inspiration and Recognition of Science and Technology (*FIRST*®), SEED SPOT, and the U.S. Space and Rocket Center.

We also launched an internal program to help employees gain the essential skills required to serve on a nonprofit organization's board of directors. We recruited employees for this program through our Business Resource Groups to provide employees' equitable access to this leadership development opportunity and infuse local communities with trained diverse leaders. By partnering with nonprofit organizations to deliver this customized training, we helped interested employees gain the skills for immediate progression and impact.

211 EMPLOYEES VOLUNTEERED A MEDIAN OF 40 HOURS AS MEMBERS OF NONPROFIT BOARDS OF DIRECTORS.

We empowered employees to drive equity within their communities. Through Booz Allen's Race and Social Equity Grant program, 16 employee-selected nonprofits addressing racial, social, or equity problems in their local communities received a combined \$200,000 in grants in FY22.

### Changing the Face of STEM with Girl Up

Our firm has a longstanding relationship with Girl Up—and for good reason. This organization has launched a movement to advance girls' skills, rights, and leadership opportunities, helping address barriers for girls to engage in technology and STEM careers. With our participation in Girl Up, the organization experienced a 32% increase in girls who identify as having a female mentor in STEM as well as a 23% increase in girls planning to pursue a career in STEM. Additionally, 80% of Girl Up participants reported feeling motivated to pursue further STEM trainings or programs.

We sponsored Girl Up's Leadership Summit, STEM for Social Good Bootcamps, and the STEM Innovation Lab in 2021, building on our year-over-year support in advancing STEM careers for girls. These events highlighted how girls could build a career in STEM combined with social good and provided opportunities for them to share their STEM-related inventions and get feedback. Across the three events, we reached over 330 changemakers and expanded the Summit's

# FY22 BOOZ ALLEN RACE AND SOCIAL EQUITY GRANT PROGRAM WINNERS



YMCA of Greater Louisville's Black Achievers Program



Network for Victim of Recovery of DC



Foster and Adoptive Parent Advocacy Center

We have established a multiyear collaboration with the AI Education Project (AIEDU) to build on our goal of supporting STEM in our communities. To learn more, visit our Analytics and AI webpage.

accessibility by funding 71 scholarships for girls from diverse financial backgrounds to attend the Leadership Summit. In addition to providing funding, our people participated in fireside chats and presentations with Girl Up changemakers, discussing their personal journeys and offering advice around best practices for pursuing STEM pathways.

# Architecting an Ecosystem Dedicated to Inspiring Inclusive Pathways in DC

As part of the Booz Allen Foundation's focus on helping historically underrepresented individuals continue paths to careers in STEM, the Foundation partnered with a coalition of five nonprofits in the Washington, DC area, aptly named the "Talent for Tomorrow" alliance. The funding helps this ecosystem of nonprofits pursue a combined mission of creating a more inclusive workforce by addressing inequality in STEM education while working purposefully to close racial, income, and opportunity gaps by offering diverse avenues of support.

Of the five nonprofits, Spark the Journey and New Futures play a major role in identifying students, offering college coaching and scholarships, while Genesys Works IT provides training and jobs for high school students. Finally, Year Up and Per Scholas offer a dual-enrollment bridge program that provides in-demand technology training and professional development, industry-recognized credentials, internships, and support to attain thriving tech jobs, effectively

closing the loop from pathway to opportunity. Funding this alliance of organizations helped our Foundation's commitment to raise the system by appealing to each of the nonprofits' strengths and ultimately assisted in creating a diverse talent pipeline.

Our support is enabling a pilot collaboration between Year Up and Spark the Journey on Professional Mentoring, which assigns mentors to students that have difficulty accessing these opportunities due to a lack of credentials, degrees, or perpetuated cycles of inequity. The program encourages these students to explore pursuing certification programs, higher education, and ultimately a meaningful career. In addition to funding this program, Booz Allen employees serve as mentors, helping the students sharpen their workforce skills and see firsthand what a career in STEM looks like.

### **ECOSYSTEM OBJECTIVES:**

- ▶ Serve 60+ young adults ages 18–26
- ► Enhance student retention/graduation rates
- ► Increase graduate job placement outcomes
- ▶ Develop insights and potentially expand this pilot program



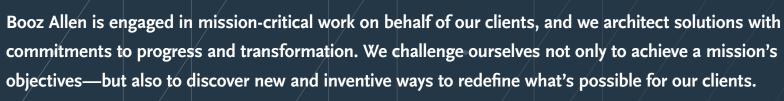
# MAKE INNOVATION ACCESSIBLE TO ALL

We work to ensure that innovation reaches, reflects, and benefits society, knowing that our diverse teams enable us to create solutions that best serve our clients' missions.

### **Material Topics:**

- Access and Affordability
- Community Relations
- Customer Practices
- Employee Diversity and Inclusion
- Innovation and Technology
- Public Health Risks







Our diverse teams bring innovative solutions to scale to benefit our firm, our clients, and the public through our internal research and investment activities as well as through partnerships with other tech companies—from "start-ups" to industry leaders. With more than a century of service to the U.S. federal government, we are uniquely positioned to bring the best tech solutions forward to support our clients' missions and improve the lives of people around the world by breaking barriers to services and opportunities, and making communities at all levels more secure and resilient.

Our innovation initiatives are fully integrated into our VoLT growth strategy. They are led by Booz Allen's Chief Technology Officer and our Global Technology team, along with a matrix of cross-functional and cross-sector partnerships driven in a fast-paced decision-making environment.

We make innovation accessible to all by:

### CULTIVATING AN INNOVATION ECOSYSTEM

We look for innovative ways to integrate emerging technologies with client needs through diverse industry partnerships and corporate venture capital investments.

### • EXPANDING OUR INNOVATION CAPACITY

We create spaces and communities for our people to research, incubate, and prototype emerging technologies and solutions.

### • SPARKING INNOVATION IN OUR COMMUNITIES

We empower our people to share their technical and consulting expertise with the community and in ways that benefit our stakeholders.

Our nation is at a critical moment to realize the benefits of change, from countering adversaries abroad to increasing trust with the American public. Federal agencies are ready to push the envelope, apply new technologies, and collaborate across industry to create mission advantage.

But to accelerate speed to delivery and solve the world's greatest challenges, we need to challenge ourselves to look beyond the approaches of the past and see the art of the possible for today and into the future."

—Susan Penfield, Chief Technology Officer

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# **CULTIVATING AN INNOVATION ECOSYSTEM**

To accelerate mission-critical outcomes for the public sector with agility, reach, speed, and efficiency, Booz Allen looks for innovative ways to integrate emerging technologies with client needs through diverse industry partnerships and corporate venture capital investments. This requires being nimble, prioritizing scale, and minimizing time, cost, and risk, all while staying aligned with our purpose and values.

### **Collaborating with—and Learning from—Startups**

For over a decade, we have been collaborating with startups to apply leading-edge technology solutions to federal government missions, transforming government operations and improving programs that create significant public benefits. The rapid pace at which technology solutions and use cases emerge requires organizational leaders to adopt or adapt quickly. We enable faster application of emerging solutions to federal government missions by identifying the most promising commercial technology in the marketplace, assessing them for our clients, and supporting their deployment in the federal government space.

### **Technology Scouting**

Our Technology Scouting team has deep relationships that provide our clients early access to emerging solutions through more than 30 venture capitalists and incubators. Since 2020, our teams have vetted over 2,800 dual-use startups for the U.S. government. This has yielded unique access to startups and dual-use solutions and resulted in broad industry engagement to address national security challenges.

### **Booz Allen Ventures**

Booz Allen Ventures, our corporate venture capital fund that is seeded with an initial \$100M, launched in July 2022. It deepens our commitment to integrating

strategic technologies that differentiate Booz Allen solutions and provides clients access to disruptive technology faster. Booz Allen Ventures is a startup- and founder-friendly fund that is closely aligned to our VoLT growth strategy, creating opportunities to deploy capital in a timeframe that leapfrogs typical development cycles and delivering advanced capabilities into the hands of our clients faster. See our website to learn more about Booz Allen Ventures.

### **Partnerships**

Our <u>partnerships program</u> aligns client demand signals to the external technology ecosystem from startups to technology leaders. Through relationships in our expanding ecosystem, we are co-developing solutions that drive speed to market in emerging areas like AI, edge technology, secure communications, digital twin, and mission areas including Digital Battlespace, Cyber, and Climate. We have cultivated a portfolio of over 80+ partners committed to bringing leading tech to federal government missions. Through our joint commitments we have trained over 1,000 Booz Allen people on our ecosystem partners' high-tech solutions, added 25 new partners to the ecosystem, and received public recognition by industry leaders for our commitment in jointly developing and delivering mission solutions.

Laser-Focused on Innovation and Inclusion

Vice President Brian MacCarthy leads Booz Allen Ventures. His years of tech scouting, plus leadership of our innovation efforts, are helping him position the firm's corporate venture capital initiative for the road ahead. Brian's role as executive sponsor of the Global Disabilities business resource group means he's also focused on making new technology solutions more inclusive and accessible.

Learn more about Brian »

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# **EXPANDING OUR INNOVATION CAPACITY**

We strive to be a destination for world-class technical talent and to empower our people to expand our mission-centric, innovation capacity within Booz Allen by creating spaces and communities for them to research, incubate, and prototype emerging technologies and solutions.

### **BrightLabs**

In 2022, we launched <u>BrightLabs</u> within our Chief Technology Office as an innovation incubator to develop, prototype, and pilot mission-centric minimum viable solutions that can shape, capture, and deliver growth for our firm. Launched with the idea of making it easy for our people to integrate emerging technologies with pervasive problems, BrightLabs is developing and testing solutions with cutting-edge tools such as edge computing, extended reality (XR), and digital twins of physical objects.

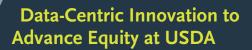
For example, we have invested in quantum technology and research to stay ready and ahead of dramatic leaps in computational capability, important advances in sensor design, and new strategies for accurately communicating quantum information. Quantum computing will drive revolutionary advancements in nearly every industry and discipline including national security, communications, healthcare, materials engineering, manufacturing, and finance. Better simulations of extreme weather caused by climate change, new computational design techniques for pharmaceuticals, new materials for increasing the efficiency of solar cells and batteries, optimization techniques for complex supply chains; these are just some of the possibilities for quantum technologies.

### **Artificial Intelligence**

We understand that <u>artificial intelligence</u> (AI) is not a single technology breakthrough, but a complex integration of people, processes, and technology that empowers organizations to focus on their missions and act with speed and scale. We deliver some of the most advanced AI, machine learning (ML), and data architecture technologies, services, and strategies to our clients. AI technologies hold the promise to help reshape and improve all sectors of society, including energy and the environment, health, transportation, law enforcement, and homeland security. With missions that impact key aspects of everyday life, our clients have unique opportunities to develop robust, ethical AI that remains human-centered and protects individual privacy rights consistent with the nation's laws and values.

### **Solutions Center**

Client needs are rapidly evolving every day. Our Booz Allen teams are expected to deliver complex solutions to support critical initiatives—in less time than ever before. To deliver technical advantage and efficiency for mission innovation, we created the Solutions Center: a fully integrated foundation of proven, reusable engineering assets and curated expertise to give all Booz Allen people access to components that propel their speed to mission impact.



Santiago Milian leads the team that's helping the U.S. Department of Agriculture (USDA) rethink its programs for minority and underserved communities.

In partnership with USDA, Booz Allen designed a human-centered, data-driven method for identifying and addressing historic inequities across the Department—ultimately helping leaders make USDA's services more inclusive and accessible for all people.

Read more about our work with the USDA »

Read the inaugural issue of <u>Velocity</u>, Booz Allen's annual publication that dissects the unique issues at the center of mission and innovation. We examine the topic of trust, and key challenges in designing valuable, reliable, and ethical solutions of tomorrow.

# SPARKING INNOVATION IN THE COMMUNITY

We empower our people to share their technical and consulting expertise with the community. With innovative skillsets, our people bring value to charitable nonprofits through pro bono services and to our stakeholders through convenings focused on critical client and community challenges.

### **Pro Bono Services**

In FY22, Booz Allen provided pro bono services to eight charitable nonprofit organizations. These organizations received funded project teams with members with diverse areas of expertise, including data science, strategic planning, and digital transformation. The organizations that received pro bono services were:

- Asian Business Association of San Diego
- CARE USA
- The Children's Inn at the National Institutes of Health
- Coalition for Nonprofit Housing and Economic Development
- Institute for Healthcare Improvement
- The John F. Kennedy Center for the Performing Arts
- Medical Device Innovation Consortium
- SEED SPOT

### The Helix, Booz Allen's Center for Innovation

The Helix is a new immersive center for showcasing our world-class innovation, building community and affiliation among employees, and hosting private events. Whether visiting the new physical space in Washington, DC or taking advantage of its extended digital experiences, The Helix is an extensible platform where we share the impact and future-forward outlook of Booz Allen's innovations with employees, clients, partners, and other stakeholders. Through The Helix, we bridge the physical distance between Washington, DC; Silicon Valley, California; and everywhere in between with an immersive and compelling showcase of our people, trusted expertise, and disruptive capabilities, demonstrating how we help clients solve their emerging challenges of today and position them at the forefront of tomorrow.

### PRO BONO CLIENT SPOTLIGHT: SEED SPOT

In FY22, SEED SPOT recognized that its website and approach to data analysis needed to represent the diversity of the aspiring entrepreneurs that it serves, without bias in various algorithms and ensuring full, equitable access to all content, making the path to innovation accessible to all stakeholders. The pro bono team at Booz Allen addressed this challenge through an in-depth stakeholder analysis and a series of core experience updates (e.g., UX design, UI design) to the organization's website and data intake process.

# THE BOOZ ALLEN FOUNDATION'S INNOVATION FUND

The **Booz Allen Foundation**, through its Innovation Fund, awarded \$1 million in two rounds of grants to 21 diverse nonprofits, startups, and small businesses to support U.S. communities hit hardest by the COVID-19 pandemic. The second round of grants was given in FY22 to help five of these 21 community partners expand and intensify their missions in alignment with ongoing Foundation priorities: addressing educational challenges that the pandemic created or worsened, increasing access and opportunity to make workforces more inclusive, and supporting underserved communities by using innovation, including technological advances, to uncover solutions to pressing problems.

# DRIVE COMMUNITY RESILIENCE

We work to drive community resiliency by protecting our firm's and community assets against evolving threats and by addressing inequitable access to resources.

### **Material Topics:**

- Access & Affordability
- Business Model Resilience
- Climate Change and GHG Emissions
- Community Relations

- Customer Privacy and Data Security
- Innovation & Technology
- Physical & Sociopolitical Risks
- Public Health Risks





We aim to protect communities against such evolving threats by acting as stewards of our environment and extending our technical and consulting expertise to the U.S. government, our nonprofit partners, as well as the communities we collectively serve. We seek to minimize our climate impact by reducing our energy use and greenhouse gas (GHG) emissions, while also leveraging innovative technology and other client capabilities to generate positive environmental impacts. We are also vigilant in protecting against threats to the security of systems upon which Booz Allen, our clients, and the public rely, and we implement digital privacy and data privacy practices, both for Booz Allen and for our communities.

### **WE DRIVE COMMUNITY RESILIENCE BY:**

- ► MAINTAINING A RESILIENT ENTERPRISE & WORKFORCE
- ► ADDRESSING CLIMATE CHANGE
- ► PRIORITIZING CYBERSECURITY AND DATA PRIVACY
- ► SUPPORTING RESILIENCE THROUGH COMMUNITY ENGAGEMENT

# RESILIENT ENTERPRISE & WORKFORCE

To protect our people and mitigate the impacts of disruptions, our business assurance and business continuity programs partner across the enterprise to plan for, respond to, and support recovery from a variety of scenarios. Our Business Assurance Office plans for and manages crises that endanger the life, safety, and well-being of Booz Allen people and could disrupt business operations.

We engage in proactive risk monitoring, employee outreach, executive crisis management planning, stakeholder training, and tactical response leadership when real-world incidents occur. Our Business Continuity Program Office maintains and promotes the firm's business continuity management system through business continuity plans, critical business operations recovery strategies, education initiatives, and related exercises to ensure the firm's corporate functions can continue to operate and serve our clients during and following business disruptions. This multifaceted approach, and close collaboration with teams working across the enterprise during crises, fosters resiliency and protects our business operations, including our people, physical and intellectual property, services, products, and assets to enable continuous support to our clients' missions.

Our continued multiplatform outreach, including Incident Command team (ICT) engagement, targeted threat-specific preparedness, regular employee communications, and the launch of six on-demand preparedness modules for all employees in 2021, helps us succeed with our emergency alert system (EAS) response. This fiscal year, we will complete a comprehensive accuracy review of the firm's 338 business impact analyses, which permit operationalizing our business continuity plans.

### **Employee Emergency Preparedness**

To make sure our people know what to do when certain emergencies strike, we offer preparedness awareness resources (e.g., topical articles in the firmwide newsletter, facility signage, on-demand e-learning, etc.) to all our people and conduct training for local office leadership through our Incident Command team (ICT) program. Our 24/7 Global Security Operations Center and Business Assurance Office monitor global developments and are trained to act in coordination with colleagues from across the enterprise when needed. This matrixed approach helps multiple business functions, including Security Services, Global Workplace, People Services, and Enterprise Technology Services and Solutions, operate as one team to provide consistent and coordinated support of our people. During the most severe incidents, the executive-level Crisis Management team offers leadership guidance, facilitates decision making, and prioritizes resources to support our people.

Our firm also uses our EAS to provide timely, actionable guidance to employees and, when necessary, to account for their safety. As an example, in one quarterly EAS test this year we heard back from 95% of our workforce within 24 hours, with 88% indicating they "feel ready with plans and supplies."

### **Enhancing Enterprise Resiliency**

**Resiliency Through Best Practices:** The Business Continuity Program Office builds resiliency into our formal global business continuity management system and maintains an active International Organization for Standardization (ISO) business continuity management systems certification, ISO 22301:2019. This certification is evidence of our conformance to the industry-neutral best practices identified as necessary to maintain operations during a disruption. In addition, the program leverages state-of-the-art technology to enhance the efficiency and effectiveness of our business continuity processes.

**Managing Incident Response:** The Business Assurance Office employs crisis/incident management, global risk monitoring, and coordinated response to critical incidents. Dedicated teams of experts work before, during, and after incidents to implement swift, effective solutions that minimize impacts on our people, property, operations, stakeholders, and clients. We also have technological recovery solutions that protect the firm's valuable information assets, whether in a Booz Allen facility or on the go. See more information on page 39 of this report.

**Keeping Our People Safe:** We recognize that some parts of the world and specific lines of business may face higher threats. Therefore, we provide our people with location-specific protection and risk monitoring, mitigation, planning, training, and response support.



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# **CLIMATE CHANGE**

Addressing the monumental significance of a changing climate on our clients, people, and communities requires us to continue improving our ability and the ability of our communities to work together with purpose. Climate change has the potential to transform how we move forward as a global society—making us uniquely placed to support this transition with our people's expertise and new technology capabilities.

Our role as a trusted partner relies on demonstrating our high accountability standards, whether through our environmental efforts or how we engage with our communities. We strive to comply with all applicable environmental laws and regulations and incorporate leading practices such as greenhouse gas reduction measures, efficient use of resources, and minimizing waste generation in our operations whenever possible. We develop innovative and sustainable solutions for our clients to address global challenges while promoting responsible consumption of resources in operating our business. In our 2021 ESG Report, we announced our commitment to set firmwide emissions targets in line with climate science that will enable us to achieve net zero GHG emissions by 2050.

Using FY20 as a baseline, we are developing a climate action plan that aligns with the rigorous criteria established by the Science Based

Targets initiative (SBTi) and with the Paris Agreement's recommended 1.5°C threshold. Under the governance of our ESG Committee, we are addressing our emissions in line with both our short-term Science-Based Targets and our long-term net zero commitment through a formalized, cross-functional Climate Impact Initiative.

The Climate Impact Initiative is organized around four key objectives:

- 1. Reduce our Scope 1 and 2 Emissions
- 2. Engage with our value chain to reduce our Scope 3 emissions
- 3. Partner with business leaders to integrate climate considerations in our strategy, value proposition, and business solutions
- 4. Empower employee groups and engage with the community to influence climate action

We have prioritized our efforts to expand our emissions data management and are building awareness across the firm about how to further embed climate change into our strategic decision making. As part of this effort we are working to integrate climate risks across our organizational strategy and Enterprise Risk Management processes. We are reviewing the expectations of the Task Force on Climaterelated Financial Disclosures (TCFD) to guide us in finalizing our climate risk assessment. Developed using data from key financial and facility systems as well as data from external platforms such as Federal Emergency Management Agency (FEMA) and National Oceanic and Atmospheric Administration (NOAA), our climate risk assessment tool is expanding to include health and safety of our people, securing our business operations, impact of local regulations, and facility operations and maintenance.



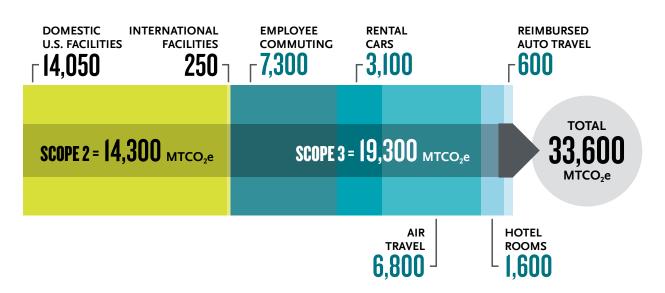
Building technology solutions to tackle climate change is the ultimate mission for Prachi Sukhatankar.

"This is the decade in which we need to change things dramatically to combat the impacts of climate change," says the vice president in Booz Allen's climate and infrastructure business.

Read more about <u>Prachi and Booz Allen's climate</u> <u>change missions</u> »

OUR CERTIFIED ISO 14001:2015
ENVIRONMENTAL MANAGEMENT SYSTEM,
COVERING OUR GLOBAL HEADQUARTERS,
SUPPORTS THE TRACKING AND REPORTING
OF OUR GREENHOUSE GAS EMISSIONS.

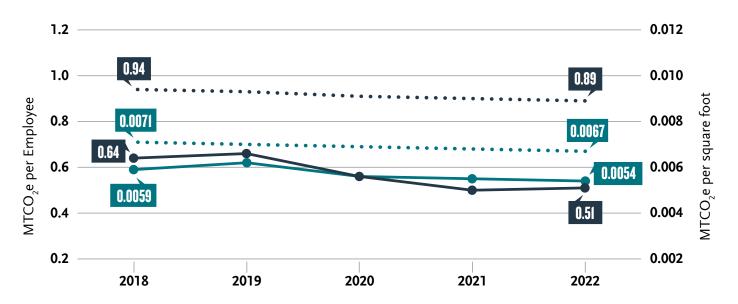
#### **FY22 GREENHOUSE GAS EMISSIONS\***



Most of our carbon footprint falls within Scopes 2 and 3 (our Scope 1 emissions from Fleet Vehicles and Stationary Combustion are negligible and therefore not pictured). Our U.S. and international real estate holdings comprise approximately 2.6 million square feet of leased space. We do not own or manage any of the buildings our people occupy; however, we structure our space selection process, lease agreements, workspace design, and telework capabilities to minimize energy use and resulting GHG emissions.

Accordingly, reported Scope 3 emissions represent over half of our total emissions. Given that, we recognize the need to assess and proactively engage with our value chain to reduce our emissions. While down roughly 75% from FY20, we saw an increase in air travel in FY22 compared to FY21 with the return of travel related to client support.

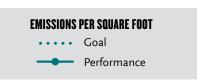
#### **PROGRESS ON GREENHOUSE GAS EMISSIONS\***



In 2015, we set targets to reduce our Scope 2 emissions per square foot and Scope 2 emissions per employee by 15% using a 2014 baseline by 2026 and achieved both goals well ahead of schedule.

In assessing our year-over-year GHG emissions, Scope 1 emissions are still negligible and are not affecting our reduction goals. Our FY21 emissions were significantly influenced by COVID-19, making a comparison of FY22 to FY21 less insightful than assessing FY22 to FY20 in relation to GHG reduction progress. Through this lens, our most demonstrable reduction has been in Scope 3, in which we saw a 76% decrease against FY20. Specifically, the Scope 3 category of business travel yielded a 66% reduction since FY20; however, as we begin to travel more to support our clients, we expect to see a natural increase in business travel.





<sup>\*</sup>Our emissions methodology and calculations have been independently verified by Apex Companies, LLC. Note that due to rounding, numbers presented in this graphic may not add up precisely to the totals provided. Scope 1 Emissions from Fleet Vehicles and Stationary Combustion are negligible and therefore not pictured.

## **CYBERSECURITY & DATA PRIVACY**

One of the most important responsibilities we have in a world that is technology-powered and data-driven is the protection of our technology assets and the information they contain. We have robust policies and practices in cybersecurity and data privacy to protect our assets and those of our clients.

#### Cybersecurity

The cyber threat landscape is always expanding as connectivity grows between physical and digital systems. Cyber threats can compromise critical information, disrupt operations, undermine national security, and even put lives in jeopardy.

Our clients entrust information to us that is essential to national security and global stability. Because of the importance of this information and its relationship to the overall success of our business, all information owned by or entrusted to Booz Allen must be handled with necessary care.

Our Enterprise Cybersecurity team's work is guided by three strategic priorities: Protect Data & Infrastructure, Manage Cyber Risks to the Business, and Build Operational Excellence and Resiliency. With these in mind, the team fulfills its mission of protecting our firm's data and infrastructure while enabling the firm to adapt for continued business growth and evolving client requirements. In support of the firm's VoLT growth strategy and the anticipated increase in mergers and acquisitions (M&A) activity, we formalized our Enterprise Technology Services and Solutions (ETSS) approach to M&A to align with our refined portfolios for enterprise cybersecurity, business systems, user productivity,

and infrastructure and engineering. Through this restructure, we proactively streamlined and refined the focus of our diligence process, placing cybersecurity at the forefront of consideration.

We take steps to ensure suppliers will protect Booz Allen Information and Entrusted Information in compliance with applicable legal, regulatory, and contractual requirements. We include provisions in our supplier agreements incorporating applicable information security requirements, and require our suppliers to confirm their compliance with these requirements. Depending on the nature of the supplier's work and the sensitivity of the Booz Allen Information and Entrusted Information provided to the supplier, we evaluate our suppliers compliance with information security requirements using internal and third party resources.

Our cybersecurity program is designed to protect assets such as our networks and data centers and the information they store. We monitor industry best practices, conduct third-party audits, and regularly update our people with trainings, awareness building, and state-of-the-art tools.



Preserving national security is the mission that matters to Vice President Ginny Cevasco—and the one that has fueled her STEM career.

She and her teams accelerate the deployment of new capabilities in space—building more flexible, open systems for intelligence community clients where new technologies can be dropped in as quickly and easily as apps on a smartphone.

Learn more about **Ginny** »

- ▶ Our operations are aligned with NIST 800-171
- ▶ Approximately 67% of our people hold security clearances
- ► Nearly 6,400 of our people hold one or more cybersecurity certifications

All employees are required to participate in annual information security training on a variety of topics including data privacy, phishing, and other emerging issues. We offer additional training, depending on an employee's job function, to make sure they are equipped to respond in a rapidly evolving cyberthreat landscape. We also work closely across functions to share information proactively including close coordination with our supply chain, insider threats team, and others.

Given the highly sensitive nature of much of our client work, we prioritize these efforts to make sure our people, suppliers, and clients are using tools and best practices that protect our networks, systems, and data assets.

#### **ANNUAL INFORMATION SECURITY TRAINING**

All employees must complete annual information security training. This training covers Information Security Policy content including: labeling and handling different types of data, protecting IT Assets, and security best practices.

#### **PHISHING TRAINING**

Booz Allen regularly conducts phishing simulations to test employees' ability to identify and report suspicious emails. Booz Allen remains below the industry standard average of 11% of susceptibility to phishing in firmwide campaigns.

#### **Data Privacy**

Globally, regulations have advanced the need to consider privacy rights and practices in all aspects of our work. Beyond applicable regulatory requirements, we carefully assess the impact our work has on individuals and strive to use information in proportional and appropriate ways. To do this, we perform privacy impact analysis, privacy risk management, privacy reviews, and utilize data transfer agreements to protect the information we collect. We review sector-specific Health Insurance Portability and Accountability Act (HIPAA) requirements, regional regulations, and industry best practices so that we are sufficiently prepared to handle any type of personal information required by our clients' missions.

We actively participate in the legal, ethics, and compliance organizations to stay ahead of the most recent and relevant privacy requirements and trends. We engage third parties to assess our data privacy program periodically, and we make program improvements based on their feedback.

All our people receive training on handling of personal data and for certain jobs where it is needed, we provide training on regulated data types and best practices.

We believe in using personal data for a legally permissible and specified purpose and only for as long as necessary. Our philosophy is open data use consistent with clear notice and limited to the expectations of the individuals and clients whose data we protect.

Our <u>Data Privacy Policy</u> makes clear our commitment to maintaining the integrity of all the data we hold.

# RESILIENCE THROUGH COMMUNITY ENGAGEMENT

We support and partner with charitable organizations directly addressing the most pressing needs of local communities in the U.S. and internationally. We help these organizations protect their own assets, achieve their missions, and ultimately, increase the resiliency of the people and communities they serve.

Coming out of the pandemic, we supported organizations such as Rebuilding Together and City Year to build stronger communities; Wolf Trap Center for the Performing Arts, the Kennedy Center, and the National Children's Museum to enable innovative cultural and educational outreach in local communities; and the Children's Inn at the National Institutes of Health and Children's National Hospital to improve health outcomes for our youngest community members. We take a proactive approach to investing in charitable organizations that help communities prepare for, respond to, and recover from natural disasters and other humanitarian crises.

Community Investment Value	FY20	FY2I	FY22
Financial Contributions <sup>1</sup>	\$12M <sup>2</sup>	\$3.09M	\$5.88M⁴
Pro Bono Services <sup>3</sup>	\$386,580	\$1.736M	\$676,000

#### NOTES:

#### **PARTNER SPOTLIGHTS:**

► Asian Business Association of San Diego
Booz Allen helped the Asian Business Association of San
Diego build its data science capabilities and increase its
support for Asian-owned businesses in San Diego.

#### ► CARE

We worked with CARE as our humanitarian response partner to quickly set up matching gift campaigns in the face of crises affecting communities around the world. Through employee gifts matched by Booz Allen corporate contributions, we donated \$380,000 to CARE's humanitarian aid programs supporting people affected by crises in Afghanistan and Ukraine.

## ► Coalition for Nonprofit Housing and Economic Development

The Coalition for Nonprofit Housing and Economic Development is a dynamic association that leads and supports the community development field in Washington, DC. Working directly with small business owners, Booz Allen provided data-based recommendations to improve content and delivery of workforce-development-related services available through the Family Rehousing and Stabilization Program (FRSP).

<sup>&</sup>lt;sup>1</sup>Direct payments from Booz Allen to nonprofit organizations and classified as contributions in our financial system. These include but are not limited to employee-directed corporate contributions associated with matching grants, volunteer service grants, and volunteer recognition programs.

<sup>&</sup>lt;sup>2</sup>FY20 included a special allocation to support elements of the firm's COVID-19 response.

<sup>&</sup>lt;sup>3</sup>Attributed fair market value of in-kind consulting services provided at no cost to charitable organizations.

<sup>4\$2</sup>M of which was a special allocation to the Booz Allen Foundation.

#### **FY22 Community Engagement by the Numbers**

Booz Allen Cares is a digital platform used by the Community Impact & Philanthropy team to vet nonprofit organizations prior to Booz Allen's provision of employee volunteer support, in-kind services, and financial contributions in order to mitigate business, legal, and reputational risks. Our people are encouraged to record their personal and firm-supported volunteer hours in Booz Allen Cares. They can also use Booz Allen Cares to make personal financial contributions to nonprofit organizations; at times, their personal contributions are matched by Booz Allen. Information about the types of organizations and activities eligible for Booz Allen's support is available on our website.

\$1.4M

donated by 2,875 employees to more than 2K nonprofit organizations, a 13% increase in employee giving

50K+

hours of volunteer service contributed by employees to nonprofit organizations

470+

charitable nonprofit organizations benefited from employee volunteerism, despite barriers created by the COVID-19 pandemic \$157K

awarded to nonprofit organizations selected by employees who earned Impact Awards by recording their volunteer hours in Booz Allen Cares

\$5.8M

in corporate charitable contributions to nonprofit organizations

100

employee volunteers drive and empower colleagues to participate in local community impact efforts with support from our centrally managed Community Engagement Council



**2022 ESG REPORT** 

Introduction

Approach to ESG Empower Diverse Talent Make Innovation Accessible to All **Drive Community Resilience** 

Corporate Governance

Reporting Frameworks

# CORPORATE COVERNANCE

As a global firm, we strive to integrate best practices in governance, risk management, ethics, and protection of human rights throughout our value chain.

#### **Material Topics:**

- Business Model Resilience
- Customer Practices
- Ethical Corporate Behavior
- Governance Structures and Mechanism
- Human Rights

- Labor Practices
- Physical and Sociopolitical Risks
- Sourcing Efficiency
- & Management
- Transparency
- Workforce Management



# **BOARD OF DIRECTORS**

We hold ourselves accountable through responsible transparency— and we are guided by our Board of Directors to achieve sustainable, quality growth for the long-term success of the firm and its stakeholders.

Our Board of Directors guides the firm's overall strategic direction and provides oversight of the firm's strategy, risk mitigation, operations, and management. With their diverse backgrounds, ages, and tenures, our directors bring a variety of viewpoints to the table. The Board and Committees guide our ESG strategy and disclosures as follows:

- **BOARD OF DIRECTORS**: Considers ESG matters as part of long-term strategic planning efforts and receives regular briefings on ESG matters from its committees and management
- **NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**: Chartered oversight of ESG impact management and reporting
- AUDIT COMMITTEE: Chartered oversight of enterprise risk management, cybersecurity and other security matters, and the firm's Code of Business Ethics and Conduct
- **COMPENSATION**, **CULTURE AND PEOPLE COMMITTEE**: Chartered oversight of compensation, benefits, and other human capital matters, including Board support for management succession planning

The Board believes management succession planning is one of its most important responsibilities. On an annual basis, in collaboration with the Chief People Officer, the Chair leads the Board in in-depth discussions concerning Chief Executive Officer succession, including in executive session, and the Chief Executive Officer leads the Board in a discussion concerning senior management succession.

## **BOARD OF DIRECTORS AT A GLANCE (FY22)**1:

- ▶ 10 of our 11 Board of Directors are independent<sup>2</sup>
- ▶ Average Board of Director Tenure: 9.2 years
- ▶ Independent Chairman (Dr. Ralph Shrader) and Presiding Board of Director/Independent Lead Board of Director (Mr. Mark E. Gaumond)
- ▶ Chairman and CEO roles are separate
- ► The Audit, Compensation, Culture and People, and Nominating and Corporate Governance Committees are 100% independent
- ▶ 73% of our Board of Directors (8 of 11) are Women, Asian, Hispanic, and/or African American and 45% (5 of 11) are Women
- New members of the Board of Directors are selected in accordance with the criteria set forth in our Corporate Governance Guidelines, including our Board of Directors Diversity Policy
- ▶ We conduct an Annual Board of Directors Performance Assessment
- ▶ Our Board of Directors participates in an annual education session. Previous sessions have addressed ESG topics such as diversity, equity & inclusion
- ▶ The Board of Directors and each of the Audit, Compensation, Culture and People, and Nominating and Corporate Governance committees also perform an annual assessment of their operations and effectiveness and set goals for the future

<sup>&</sup>lt;sup>1</sup>All data presented in this report regarding the Board of Directors is reflective of the Board's composition and activities at the end of FY22 (March 31, 2022). With the departure of Mr. Ian Fujiyama from the Board in July 2022, its demographic composition changed as well as its size, decreasing from 11 to 10 directors.

<sup>&</sup>lt;sup>2</sup>For a member of the Board of Directors to be considered independent, the Board of Directors must determine that the director has no material relationship with the Company directly or as a partner, stockholder, or officer of an organization that has a relationship with the Company. This standard is determined by our Corporate Governance Guidelines and applicable NYSE listing standards.

# **ETHICS & COMPLIANCE**

At Booz Allen, our commitment to operating with the highest ethical standards goes hand-in-hand with our purpose and values. Our Code of Business Ethics and Conduct describes how we put our ethical standards, values, and purpose into action. Together they guide our firm and inform how we collaborate with our clients, competitors and partners, and other external stakeholders.

Our Ethics & Compliance program helps our people understand their important role and responsibilities in creating our culture of integrity. It provides leadership and establishes rules around how we, as a firm, strive to do what is right while operating our business in compliance with laws and regulations including laws governing anticorruption, competition, data privacy, ethics, and international trade compliance. The program is anchored by key controls and processes, driven by our risk management mission, and supported by the effort we invest in monitoring our risks and controls. Our Chief Ethics & Compliance Officer leads the program, and, along with a team of ethics and compliance professionals, receives oversight and guidance from our executive-level Ethics & Compliance Committee and the Board of Directors' Audit Committee.

To help ensure our people have the information they need to live our value of ferocious integrity, we use firmwide trainings and awareness-building campaigns to help keep important ethics and compliance topics top of mind. We regularly survey our people to help ensure our people understand and embrace our ethics and compliance initiatives and to receive pointed feedback on how we can make our program even more useful and effective as we move forward operating in an

always-evolving regulatory environment. We also host an annual Ethics & Compliance Week, which has included panels of firm leaders speaking on the importance of operating with integrity along with leaders from our Investigative team driving greater transparency by speaking about our investigations process and internal system of organizational justice. Our Compliance Analytics function ensures we are using data to inform our risk assessment process, strategic planning efforts, and to operate our Ethics & Compliance programs.

#### **Mandatory Training**

We require firmwide annual Ethics & Compliance training to help guide employees and provide them with the information needed to live our purpose and values and to adhere to our Code of Business Ethics and Conduct. Additional role-based training is required of some employees, such as those who handle certain types of information or serve as career managers. The firmwide training covers a variety of risk-based focus areas such as Data Privacy and Protection, Information Security, Competition, Anti-corruption, Organizational Conflicts of Interest, and Intellectual Property.



We have been recognized among the World's Most Ethical companies for 3 years in a row, a rarity among our immediate industry peers.

FIRMWIDE TRAINING COMPLETION RATES REGULARLY EXCEED 99% AND EMPLOYEES WHO FAIL TO MEET FIRM TRAINING DEADLINES ARE HELD ACCOUNTABLE.

#### **Our Commitment to Non-Retaliation**

We rely on all Booz Allen employees to promptly escalate concerns about our firm's business or business practices. We provide multiple avenues for our people to do so including our Ethics Helpline, which is always available and provides the option to report issues anonymously. We have a network of more than 100 employees serving as Ethics Advisors, another firm reporting channel, so employees who wish to report something to someone outside of their management chain and the Legal, Ethics & Compliance function have a resource available to them. Our Ethics Helpline is also available to our suppliers, clients, and the general public to allow these parties to also report concerns. Every report is evaluated and, if appropriate, investigated by our Legal Investigations and/or Employee Relations teams. Booz Allen strictly prohibits retaliation against anyone that raises a concern in good faith. The Ethics Champion award, one of the highest awards Booz Allen offers employees, showcases employees living our value of ferocious integrity through their words and actions.

## **Technology-Powered Continuous Monitoring**

We use technology to enhance our Ethics & Compliance program. Over the past year, we have implemented several new technology solutions including a new integrated Ethics Helpline and Investigations Case Management System, a Conflict of Interest Disclosure Management System, and a Third Party Risk Management System. These new systems help to provide us with greater data-driven insights and align with our continuous improvement mindset of operating our program.

Looking ahead, we will continue to evolve our program to align with our ongoing organizational transformation and changes in the regulatory environment. This includes robust and clear policies to drive desired employee behaviors, targeted and content-driven training and communications, an increased focus on transparency, and maturing our practices related to our third-party ecosystem.

#### **HOW TO RAISE A CONCERN**

#### Booz Allen people can raise a concern by contacting:

- their Career Manager or Job Leader
- an Ethics Advisor
- any senior leader
- any member of the Legal, Ethics & Compliance team
- any member of the Employee Relations team
- our Chief Ethics & Compliance Officer
- the Help Desk
- the Ethics Helpline

#### For security related questions or concerns contact:

- Cyber Incident Response team (CIRT) (<u>cirt@bah.com</u> or 703-984-1933) for observed or suspected information security incidents
- Security Services (security\_services@bah.com) for security or safety concerns

#### **Our Ethics Helpline:**

• +1-888-475-0009 (international) or 800-501-8755 (U.S.) or <a href="http://speakup.bah.com">http://speakup.bah.com</a> Concerns may be raised anonymously

# **ENTERPRISE RISK MANAGEMENT**

Our Board of Directors oversees our action-oriented enterprise risk management strategy, including ESG-related issues management. This strategy is supported by our Enterprise Risk Management (ERM) Framework, which assesses the biggest risks to the firm with potential to have significant impact to the firm's value or reputation. Led by our President and Chief Executive Officer and facilitated by the ERM Steering Committee, the ERM Framework is designed to inform effective and efficient identification of risks and facilitate the evaluation of risks as an integral part of decision making.

The ERM Framework process begins with an assessment of both prior risks and new and emerging risks. Insights are then collected from leaders through surveys and interviews on which risks they believe should be considered and addressed. The Top Risks (e.g., Tier I and Tier II) are then assigned a senior sponsor, who is responsible for risk mitigation and a risk owner who work in partnership with the Enterprise Risk & Resilience team to take the steps needed to enhance Booz Allen's organizational preparedness and reduce our risk exposure.

# **SUPPLY CHAIN MANAGEMENT**

We utilize a network of 5,000+ suppliers across the firm, including thousands of small and medium-sized enterprises. Our suppliers are important partners, and we often develop long-term relationships with them. Our Supplier Code of Conduct guides these relationships and expresses our expectations on issues such as human rights, cybersecurity, and data privacy. The terms of the Supplier Code of Conduct are included in select supplier contracts. See page 16 for how we integrate DEI into our procurement process and page 39 for how cybersecurity and data privacy are considered throughout our supply chain.

Additionally, the firm participates in an industry-recognized mentor-protégé program with suppliers. This program strengthens our supplier engagement and helps our team combine resources, stability, and experience to improve our protégés' capabilities and help them grow. Learn more about these efforts on our website.

Looking ahead, we will continue to work with suppliers that not only offer the best services or products in their field, but also manage their ESG risks and opportunities effectively. To do this, we are considering additional ways to integrate ESG criteria into our sourcing requirements and processes. These actions will inform our journey to set future goals regarding spending with diverse suppliers across issues and improving our overall ESG performance. We are also further highlighting how we identify and engage with suppliers located in communities where Booz Allen has a significant footprint. Finally, we will work more closely with our supplier base on adhering to our Code and increasing their transparency to improve the rate of supplier certifications.

# **HUMAN RIGHTS**

Human rights are at the heart of our purpose and values. We join the global community in promoting and protecting human rights and working to stop actions that infringe on these rights.

Our global policies, procedures, and practices, including our publicly available <u>Code of Business Ethics and Conduct</u> and <u>Supplier Code of Conduct</u>, reflect our commitment to human rights, fair labor conditions, and our expectations for those with whom we do business.

We have zero tolerance for corruption and screen third parties to endeavor to ensure that violations of human rights, financial crimes, or other criminal activity are not occurring in our supply chain. We compete fairly for business, protect the privacy of data entrusted to us, engage solely in compliant human research, and are dedicated to sustainable procurement with no use of conflict minerals, among many other practices.

Within our business and operations, we are deeply committed to supporting our employees and treating them fairly, always seeking to maintain an equitable and inclusive atmosphere for a workforce that thrives on diversity. We provide access to benefits that promote employees' health, well-being, and security, and that of their families. We respect our employees' rights to discuss and agree to terms and conditions of employment without coercion and to freely terminate their employment. We ensure that our employees are of legal working age for their position and have a safe, healthy, and respectful workplace.

We engage with our stakeholders regularly to identify human rights issues of interest, the effectiveness of our efforts, and channels for receiving feedback. We integrate any findings into planning and decision making through means tailored to the circumstances and regularly evaluate for any changes needed.

We detail our general approaches to managing our impact throughout sections of this report that relate to human rights relevant to our business.

# BOOZ ALLEN DEMONSTRATES ITS COMMITMENT TO UPHOLDING HUMAN RIGHTS THROUGH POLICIES THAT:

- ▶ Support and promote our employees' well-being
- ► Create a diverse and inclusive work environment that is free of harassment, discrimination, and retaliation
- ► Promote fair competition
- ▶ Engage in sustainable procurement, including no use of conflict minerals
- ► Take actions to identify and detect human rights violations in our supply chains through risk-based due diligence
- ▶ Undertake only compliant human subject research
- ▶ Protect the environment and support our communities

For more information on Booz Allen's policies, processes, programs, and practices in support of our commitment to Human Rights, see <u>our website</u>.

Empower Diverse Talent Make Innovation Accessible to All Drive Community Resilience Corporate Governance

Reporting Frameworks

## GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

The Booz Allen Hamilton 2022 Environmental, Social, Governance (ESG) Report (our "2022 ESG Report") has been prepared in accordance with the GRI Standards: Core option. This index contains our responses to disclosures required by those standards, including certain General Standard disclosures that apply to all companies and Topic-Specific disclosures that we have identified as applicable to Booz Allen.

The GRI Standards emphasize a stakeholder-inclusive concept of "materiality" that focuses sustainability reporting on the economic, environmental, and social impacts most relevant both to an organization and to its stakeholders. Topics that may be deemed material under the GRI Standards are not necessarily material for purposes of the U.S. federal securities laws or for other purposes. For additional information on the GRI Standards, please visit the <u>GRI Standards website</u>.

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
GENERAL STANDARDS	<gri 102:="" 20<="" disclosures="" general="" td=""><td>16&gt;</td></gri>	16>
Organizational profile		
102-1	Name of the organization	Booz Allen Hamilton Holding Corporation
102-2	Activities, brands, products, and services	We support critical missions for a diverse base of federal government clients, including nearly all of the U.S. government's cabinet-level departments, as well as for commercial clients, both domestically and internationally. We support our federal government clients by helping them tackle their most complex and pressing challenges, such as protecting soldiers in combat and supporting their families, advancing cyber capabilities, keeping our national infrastructure secure, enabling and enhancing digital services, transforming the healthcare system, and improving governmental efficiency to achieve better outcomes. We serve commercial clients across industries, including financial services, health and life sciences, energy, and technology. We offer five functional service offerings: Analytics; Digital Solutions; Engineering; Cyber; and Consulting.
		See also: <u>FY22 Annual Report;</u> Part I, Item 1 (Pages 3, 5-6)  2022 ESG Report; Introduction, Our Business ( <u>Page 6</u> )
102-3	Location of headquarters	8283 Greensboro Drive, McLean, Virginia 22102
102-4	Location of operations	We operate primarily in the United States, with U.S. government agencies accounting for 97% of our FY22 revenue and approximately 94% of total employee headcount being U.Saligned. Internationally, we also serve a portfolio of U.S. and non-U.S. government and commercial clients.
		See also: <u>FY22 Annual Report;</u> Part I, Item 1 (Pages 7-9) 2022 ESG Report; Empower Diverse Talent ( <u>Page 15</u> )
102-5	Ownership and legal form	Publicly-traded (BAH) corporation (NYSE)
102-6	Markets served	FY22 Annual Report; Part I, Item 1 (Pages 7-8)
102-7	Scale of the organization	FY22 Annual Report; Part I, Item 1 (Pages 3-4, 7-9, 49) 2022 ESG Report; Empower Diverse Talent (Page 15)
102-8	Information on employees and other workers	Information about our permanent employees as of March 31, 2022, is provided on page 15 of the 2022 ESG Report. In addition to our permanent employees, 4,654 of our workers were temporary/independent contractors for whom we do not capture demographic information. Of our permanent employees, 643 were part-time, including 229 males, 413 females, and 1 undisclosed. Of our part-time employees, 640 were based in the U.S.

Approach

to ESG

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
102-9	Supply chain	To maintain a competitive advantage, Booz Allen teams with best-in-class large and small businesses to complement our services strategy and to offer our clients comprehensive, innovative solutions. We also seek services, products, and technologies from businesses to ensure our firm has a sound infrastructure and the latest technologies to enhance our working environment. Read more about Doing Business with Booz Allen.
		Booz Allen believes in contributing to the communities in which we work and in helping their citizens obtain a fair share of available economic opportunities. Small business concerns and minority institutions make important contributions to Booz Allen by enhancing our competitive edge, our performance on specific contracts, and our bottom line. They also play a critical role in the future of our global economy. Read more about Booz Allen and small businesses.
		Read more about our standards for subcontractors and suppliers in our Supplier Code of Conduct.
		See also: 2022 ESG Report; Empower Diverse Talent, Diversity, Equity, & Inclusion (Page 16) 2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40) 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46) 2022 ESG Report; Corporate Governance, Supply Chain Management (Page 47) 2022 ESG Report; Corporate Governance, Human Rights (Page 48)
102-10	Significant changes to the organization and its supply chain	There were no significant changes to the organization's size, structure, ownership, or supply chain during the reporting period.
102-11	Precautionary principle or approach	Our Board of Directors oversees our action-oriented enterprise risk management strategy, including ESG-related issues management. This strategy is supported by our Enterprise Risk Management (ERM) Framework, which assesses the biggest risks to the firm with potential to have significant impact to the firm's value or reputation. Led by our President and Chief Executive Officer and facilitated by the ERM Steering Committee, the ERM Framework is designed to inform effective and efficient identification of risks and facilitate the evaluation of risks as an integral part of decision making.
		The ERM Framework process begins with an assessment of both prior risks and new and emerging risks. Insights are then collected from leaders through surveys and interviews on which risks they believe should be considered and addressed. The Top Risks (e.g., Tier I and Tier II) are then assigned a senior sponsor, who is responsible for risk mitigation and a risk owner who work in partnership with the Enterprise Risk & Resilience team to take the steps needed to enhance Booz Allen's organizational preparedness and reduce our risk exposure.
		See also: 2022 ESG Report; Corporate Governance, Enterprise Risk Management ( <u>Page 47)</u>
102-12	External initiatives	The 2022 ESG Report has content indices aligned with GRI Standards, Sustainability Accounting Standards Board, Task Force for Climate-Related Financial Disclosures, World Economic Forum Core Stakeholder Capitalism Metrics, and the U.N. Guiding Principles Framework.
		Additionally, Booz Allen supports a wide variety of voluntary initiatives related to environmental, social, and governance topics we consider priorities. We do not currently report a centralized list of all such involvement.
		See also: 2022 ESG Report; Reporting Frameworks ( <u>Page 49</u> )
102-13	Membership of associations	Booz Allen and Booz Allen people participate in numerous professional industry associations and community/non-profit organizations related to our business interests, environmental, social, and governance topics that we consider priorities, as well organizations and associations in the communities in which our employees live and work. We do not currently report a centralized list of all involvement.

Introduction

## **GRI CONTENT INDEX** continued

**2022 ESG REPORT** 

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
Strategy		
102-14	Statement from senior decision-maker	2022 ESG Report; Introduction (Pages 3-4)
102-15	Key impacts, risks, and opportunities	2022 ESG Report; Approach to ESG (Pages 7-11)
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	At Booz Allen, we empower people—our colleagues, our clients, our communities—to change the world. It's our purpose, and it's what we do every day through the expression of our values.  • Ferocious Integrity: Do right, and hold yourself and each other accountable.  • Unflinching Courage: Bring bold thinking and speak truth to power. Maintain conviction no matter the circumstances.  • Passionate Service: Listen and act with empathy as you make meaningful connections. Build community through generosity, and above all, embrace the mission.  • Champion's Heart: Bring joy to the pursuit and learn from failure. Compete with passion and crave being the best.  • Collective Ingenuity: Be resourceful and creative, seek to make the biggest difference in every problem you solve. Be devoted to the team and harness the power of diversity.
		We require firmwide annual Ethics & Compliance training to help guide employees and provide them with the information needed to live our purpose and values and to adhere to our Code of Business Ethics and Conduct. Additional role-based training is required of some employees, such as those who handle certain types of information or serve as career managers. Firmwide training completion rates regularly exceed 99%. Additionally, our Code of Business Ethics and Conduct expresses our expectation that all our business partners, including subcontractors, suppliers, vendors, and business intermediaries, operate in a manner that is consistent with our commitment to diversity, integrity, and sustainability.
		Our Compliance Analytics function ensures we are using data to inform our risk assessment process, strategic planning efforts, and to operate our Ethics & Compliance programs.
		See also: 2022 ESG Report; Approach to ESG ( <u>Page 8</u> ) 2022 ESG Report; Corporate Governance, Ethics & Compliance ( <u>Pages 45-46</u> ) <u>Code of Business Ethics &amp; Conduct</u> <u>FY22 Annual Report</u> ; Part I, Item 1, Human Capital (Page 4)
102-17	Mechanisms for advice and concerns about ethics	2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46)  Code of Business Ethics & Conduct  Mandatory Reporting & Non-Retaliation Policy
Governance		
102-18	Governance structure	Booz Allen is governed by a Board of Directors comprised of ten directors (effective July 2022), nine of whom are independent directors as defined by the New York Stock Exchange and our Corporate Governance Guidelines. Our Board has four standing committees: an Executive Committee; an Audit Committee; a Compensation, Culture & People Committee; and a Nominating and Corporate Governance Governance Committee. Our Nominating and Corporate Governance Committee is responsible for, among its other duties and responsibilities, overseeing practices related to corporate governance and ESG matters, and our Audit Committee oversees the quality and integrity of our financial reporting.
		See also: 2022 ESG Report; Corporate Governance, Board of Directors ( <u>Page 44</u> ) 2022 ESG Report; Approach to ESG, Managing ESG Topics ( <u>Page 9</u> ) <u>FY22 Proxy Statement</u> ; Corporate Governance and General Information Concerning the Board of Directors and Its Committees (Pages 16-21)

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
102-19	Delegating authority	Our formal ESG governance includes oversight by our Board of Directors and an executive management-level ESG Committee, operational responsibility by an ESG Council, and enterprise-wide strategic direction by a dedicated function within the Office of the Corporate Secretary. These governance bodies and their authorities are described in the 2022 ESG Report.
		See also: 2022 ESG Report; Approach to ESG, Managing ESG Topics ( <u>Page 9</u> )
Stakeholder Engagement		
102-40	List of stakeholder groups	2022 ESG Report; Approach to ESG, Materiality ( <u>Page 10</u> )
102-41	Collective bargaining agreements	Booz Allen supports the rights of U.Sbased employees under Section 7 of the National Labor Relations Act to self-organization; to form, join or assist labor organizations; to bargain collectively through representatives of their own choosing; and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, as well as the right to refrain from such activities. Currently, none of our U.Sbased staff are covered by a collective bargaining agreement.
102-42	Identifying and selecting stakeholders	2022 ESG Report; Approach to ESG, Materiality (Page 10)
102-43	Approach to stakeholder engagement	2022 ESG Report; Approach to ESG, Materiality (Page 10)
102-44	Key topics and concerns raised	2022 ESG Report; Approach to ESG, Materiality (Page 10)
<b>Reporting Practices</b>		
102-45	Entities included in the consolidated financial statements	The consolidated financial statements and notes of the Company include its subsidiaries, and the joint ventures and partnerships over which the Company has a controlling financial interest. The Company uses the equity method to account for investments in entities that it does not control if it is otherwise able to exert significant influence over the entities' operating and financial policies.
		All of the entities included in the organization's consolidated financial statements are covered by this report.
		See also: 2022 ESG Report; About This Report ( <u>Page 71</u> ) <u>FY22 Annual Report;</u> Part II, Item 7, Basis of Presentation (Page 59) <u>FY22 Annual Report;</u> Exhibit 21, Subsidiaries of the Registrant
102-46	Defining report content and topic Boundaries	2022 ESG Report; Introduction, Our Business ( <u>Page 6</u> ) 2022 ESG Report; Approach to ESG ( <u>Pages 7-11</u> ) 2022 ESG Report; About This Report ( <u>Page 71</u> )
102-47	List of material topics	2022 ESG Report; Approach to ESG, Materiality ( <u>Page 10</u> )
102-48	Restatements of information	There are no restatements of information presented in the 2021 ESG Report.
102-49	Changes in reporting	Our 2022 ESG Report introducesand is organized aroundour new ESG strategy and three ESG impact pillars: Empower Diverse Talent; Make Innovation Accessible to All; and Drive Community Resilience. Our 2022 materiality assessment resulted in no notable changes to the list of material ESG topics addressed in our two prior ESG reports. See the 2022 ESG Report, pages 10-11, for more information. There are no changes to topic Boundaries in the 2022 ESG Report.
102-50	Reporting period	Fiscal Year ending March 31, 2022
102-51	Date of most recent report	November 2021
102-52	Reporting cycle	Annual

Introduction

## **GRI CONTENT INDEX** continued

**2022 ESG REPORT** 

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
102-53	Contact point for questions regarding the report	Name: Elizabeth Wayt Email: wayt_elizabeth@bah.com Position: Director of Environmental, Social, Governance
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	This serves as our GRI Content Index. It is also available on our corporate website.
102-56	External assurance	2022 ESG Report; Data Assurance (Page 71)
TOPIC SPECIFIC STAND	ARDS	
MANAGEMENT APPROA	CH <gri 103:="" approac<="" management="" td=""><td>H 2016&gt;</td></gri>	H 2016>
103	Application of management approach	These management approach disclosures are applicable to all topics listed in this GRI Content Index and all material ESG topics discussed in the 2022 ESG Impact Report.
	to a number of topics	We take an approach that combines the best of independent responsibility for management and performance, with a layer of focused, cohesive accountability, as described in our 2022 ESG Impact Report. The principles of our overarching management approach span all material ESG topics, and are facilitated by a dedicated ESG function and cross-functional governance bodies. This structure serves to (1) enhance consistency through an integrated management approach to firmwide ESG performance, and (2) support collaboration, by providing a platform for broad initiatives.
103-1	Explanation of the material topic and its boundary	Explanation of Materiality: 2022 ESG Report; Approach to ESG, Materiality (Page 10)  Boundary:
		2022 ESG Report; Introduction, Our Business (Page 6) 2022 ESG Report; Approach to ESG (Pages 7-11)
		Limitations on Boundary: 2022 ESG Report; About This Report (Page 71)
103-2	The management approach and its components	Explanation of Management Approach: 2022 ESG Report; Approach to ESG (Pages 7-11) 2022 ESG Report; Corporate Governance, Board of Directors (Page 44) 2022 ESG Report; Corporate Governance, Enterprise Risk Management (Page 47)
		Statement of Purpose of Management Approach:  We're committed to bringing together teams and leaders across our firm who have long been working to enhance our positive impact and avoid, mitigate, or remediate any negative impact, both independently and together, applying their expertise and experience against a shared purpose for cohesive impact and innovation. Our approach seeks to drive long-term growth and sustainable value for our stakeholders through enhanced transparency and strengthened incorporation of ESG considerations into our business strategy.
		Components of Management Approach:  Our management approach for all material ESG topics is grounded in our purpose and values as well as our Code of Business Ethics and Conduct. Our Code sets expectations and requirements for our conduct and refers to myriad other policies that apply to various aspects of our work, the way we do business, and the way our employees interact with each other, our clients, and our communities. Each of those policies forms an aspect of our approach to managing applicable impacts.

Approach

to ESG

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
103-2 continued	The management approach and its components	Our commitment to ESG and the responsibility to act on that commitment is invested in the highest levels of governance of the firm—the Board of Directors, through the Nominating and Corporate Governance Committee of the Board and the Board-authorized executive-level ESG Committee.
		Booz Allen both empowers its employees and requires them to raise a concern If they see something that they think, or have a good reason to suspect, may violate the law, our Code or a firm policy, put at risk an individual's health or safety, cause undue risk to the firm, or jeopardize the security of sensitive firm information or a third party's sensitive or classified information entrusted to the firm. Booz Allen has zero tolerance for retaliation against anyone who raises an ethical or legal concern in good faith, asks a question, or cooperates with an investigation. Anyone who violates this non-retaliation policy is subject to disciplinary consequences.
103-3	Evaluation of the management approach	Mechanisms for Evaluation: Our management approach is evaluated through the ESG governance structure in coordination with various functions throughout the firm responsible for managing elements of a given material ESG topic and in consultation with our stakeholders. 2022 ESG Report; Approach to ESG (Pages 7-11)
		Evaluation Results: The ESG Team continuously assesses our management approach using the benchmarking and analytics software described in our discussion of ESG topic materiality (Page 10). The ESG Team regularly briefs function leaders, as well as ESG Council and Committee Members, on internal and external audit findings, ESG raters assessments, and feedback from stakeholders including investors.
		Adjustments Related to Evaluation: The ESG Team works with other functions at the firm, as appropriate, to facilitate adjustments based on the evaluation of the management approach, working with the ESG Council and Committee, and under the guidance of the Board of Directors. 2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9)
ECONOMIC PERFORMA	NCE <gri 201:="" economic="" performai<="" td=""><td>NCE 2016&gt;</td></gri>	NCE 2016>
201-1	Direct economic value generated and distributed	Information regarding revenue, operating costs, payments to providers of capital, payments to the government may be found in the Booz Allen FY22 Annual Report Form 10-K.
		Other direct economic value information that is not provided in the Booz Allen FY22 Annual Report Form 10-K is omitted as confidential.
		Community investment value in the forms of charitable cash contributions and pro bono services is detailed in the 2022 ESG Impact Report; Drive Community Resilience, Resilience through Community Engagement (Pages 41-42).
ANTI-CORRUPTION <0	RI 205: ANTI-CORRUPTION 2016>	
205-2	Communication and training about anti-corruption policies and procedures	Booz Allen's anticorruption policies and procedures are contained within our Code of Business Ethics and Conduct and Supplier Code of Conduct, and posted on our corporate website. Additional, detailed policies, such as our Anticorruption and Anti-Bribery Policy, Working with Ethical Business Intermediaries Policy, Gifts and Business Courtesies Policy, Preventing Money Laundering and Terrorist Financing Policy, among others, are communicated to all employees, and made publicly available on our corporate website.
		We require firmwide annual Ethics & Compliance training to help guide employees and provide them with the information needed to live our purpose and values and to adhere to our Code of Business Ethics and Conduct. The firmwide training covers a variety of risk-based focus areas such as Data Privacy and Protection, Information Security, Competition, Anti-corruption, Organizational Conflicts of Interest, and Intellectual Property.
		See also: 2022 ESG Report; Corporate Governance, Ethics & Compliance ( <u>Pages 45-46</u> )

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
ENVIRONMENTAL STAI	NDARDS	
EMISSIONS <gri 305:<="" td=""><td>EMISSIONS 2016&gt;</td><td></td></gri>	EMISSIONS 2016>	
305-1	Direct (Scope 1) GHG emissions	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 CO <sub>2</sub> e emissions using GHG Protocol's tool for calculating emissions from mobile sources. Emissions in the calculation include CO <sub>2</sub> , CH <sub>4</sub> , and N <sub>2</sub> O, 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 World Resource Institute GHG Protocol tool for stationary Combustion to calculate total emissions. Emissions in the calculation include CO <sub>2</sub> , CH <sub>4</sub> , and N <sub>2</sub> O, and the emissions factors and global warming potential values used are from the 2014 IPCC Fift Assessment Report.
		Scope 2 – Facilities: Booz Allen's U.S. and international real estate holdings comprise approximately 2.7 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 ea Booz Allen facility.
		In FY21, we were able to access utility bill data for 17 Booz Allen facilities, comprising nearly 40 percent 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) 2018 Emissions and Generation Resource Integrated Databa to calculate each building's emissions (differentiated by region). The formula we used to calculate emissions is: GHG emissions = Electricity consumed (in MWh) x EPA regional GHG emissions factor.
		We converted nitrogen dioxide and methane emissions to carbon dioxide equivalents (CO <sub>2</sub> e) using global warming potentials from the United Nations Intergovernmental Panel on Climate Change Fifth Assessmen Report. Emissions in the calculation include CO <sub>2</sub> , CH <sub>4</sub> , and N <sub>2</sub> O.
		For international facilities, we substituted EPA regional emission factors with International Energy Agency (IEA) CO <sub>2</sub> emissions factors specific to each country. Emissions in the calculation include CO <sub>2</sub> .
		Scope 3 – Business Travel and Commuting: Our calculations include estimated emissions from employee business travel, which we define as work-related air travel, car rentals, billable personal miles, and hotel stared 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 CO <sub>2</sub> , CH <sub>4</sub> , and N <sub>2</sub> O.
		Our Scope 1 Emissions increased to 40.54 MTCO <sub>2</sub> e from 32.00 MTCO <sub>2</sub> e in FY21.  Our Scope 2 Emissions from our facilities increased to 14,298.82 MTCO <sub>2</sub> e from 13,825.00 MTCO <sub>2</sub> e in FY21.  Our Scope 3 Emissions increased to 19,312.34 MTCO <sub>2</sub> e from 9,885.16 MTCO <sub>2</sub> e in FY21.  Overall, our Scope 2 and Scope 3 emissions were 33,611.16 MTCO <sub>2</sub> e in FY22 (up from 23,710.16 MTCO <sub>2</sub> e in FY21, but down from 96,372.75 MTCO <sub>2</sub> e in FY20). While still significantly below our FY20 baseline year, our emissions increased as the conditions of the pandemic improved in the latter half of the fiscal year, allowing our company to resume necessary business travel and employees to return to the office as local conditions permitted.
		Booz Allen's emissions methodology and calculations were reviewed and verified by Apex Companies, LLC.
		Additional information and details about our FY22 Greenhouse Gas Emissions can be found in:  FY22 Carbon Footprint Report  FY22 CDP Response  2022 ESG Report; Drive Community Resilience, Climate Change (Page 38)  Environmental Sustainability

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION
305-2	Energy indirect (Scope 2) GHG emissions	See response in 305-1 for Standards, Methodologies, and Assumptions used for GHG Calculations.
305-3	Other Indirect (Scope 3) GHG Emissions	See response in 305-1 for Standards, Methodologies, and Assumptions used for GHG Calculations.
305-4	GHG emissions intensity	Emissions intensity measurements:  0.51 MTCO <sub>2</sub> e/FTE employee  0.0054 MTCO <sub>2</sub> e/Per Square Foot
		Calculations are based on US-only employees and apply to Scope 2 emissions. Scope 1 GHG emissions from fleet and combustion generators and Scope 3 emissions from business travel and employee commuting are not captured in the emissions intensity ratio, because the base metric is building floor area.
		See also:  FY22 Carbon Footprint Report  FY22 CDP Response  2022 ESG Report; Drive Community Resilience, Climate Change (Page 38)
305-5	Reduction of GHG emissions	See response in 305-1 for Standards, Methodologies, and Assumptions used for GHG Calculations as well as reductions achieved from emissions reduction initiatives.
		Booz Allen has committed to set science-based targets through the Science Based Targets initiative and has joined the Business Ambition for 1.5C Campaign, committing to set targets aligned with a net-zero future.
		FY22 Carbon Footprint Report FY22 CDP Response 2022 ESG Report; Drive Community Resilience, Climate Change (Page 37-38) Environmental Sustainability
SOCIAL STANDARDS		
EMPLOYMENT <gri 401<="" td=""><td>1: EMPLOYMENT 2016&gt;</td><td></td></gri>	1: EMPLOYMENT 2016>	
401-1	New employee hires and employee turnover	Consistent with our commitment to diversity, equity, and inclusion, we report the composition of new hires and departures by demographic categories on page 15 of our 2022 ESG Report.
		See also: <u>FY22 Annual Report;</u> Part I, Item 1, Human Capital (Page 4)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	In the U.S., where approximately 94% of our workforce is based, all benefits that are standard for full-time employees are also available to part-time employees who work at least 20 hours per week on a regular basis. Additionally, all part-time employees are eligible for Paid Time Off, which accrues in proportion to hours regularly worked per week.
		See also: 2022 ESG Report; Empower Diverse Talent, Employee Well-being ( <u>Page 24</u> ) <u>Total Rewards Program</u>
401-3	Parental leave	All benefits-eligible employees receive up to 6 weeks of paid parental leave after the birth or adoption of a child. This is in addition to short-term disability leave available to employees who experience pregnancy and childbirth.
		See also: 2022 ESG Report; Empower Diverse Talent, Employee Well-being ( <u>Page 24</u> ) <u>Total Rewards Program</u>

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION			
OCCUPATIONAL HEALTH	OCCUPATIONAL HEALTH AND SAFETY <gri 2016="" 403:="" and="" health="" occupational="" safety=""></gri>				
	Occupational health and safety	2022 ESG Report; Empower Diverse Talent, Environmental Health & Safety (Page 25)			
	management system	See also: Workplace Health, Safety, Security and Access Policy			
403-2		2022 ESG Report; Empower Diverse Talent, Environmental Health & Safety (Page 25)			
	and incident investigation	See also: Workplace Health, Safety, Security and Access Policy			
403-6	Promotion of worker health	2022 ESG Report; Empower Diverse Talent, Employee Well-Being (Page 24)			
		See also: Total Rewards Program			
403-8	Workers covered by an occupational	The Workplace Health, Safety, Security and Access Policy applies to all employees, officers, directors, subsidiaries, and affiliates of Booz Allen.			
	health and safety management system	Workplace Health, Safety, Security and Access Policy			
403-9	Work-related injuries	2022 ESG Report; Empower Diverse Talent, Environmental Health & Safety (Page 25)			
TRAINING AND EDUCATION	<b>ON</b> < <i>GRI</i> 404: TRAINING AND EDUCATI	ON 2016>			
404-1	Average hours of training per year per employee	Omitted due to unavailability of comprehensive information at this time. Our employees have a wide variety of training opportunities available to them and other training courses that are required of them. These training programs are managed by different parts of our organization and tracked through different systems. We are working collaboratively to determine the most appropriate information, including boundary and scope, for a future reporting period.			
		See also: 2022 ESG Report; Empower Diverse Talent, Talent Development (Pages 18-20) 2022 ESG Report; Make Innovation Accessible to All, Cultivating an Innovation Ecosystem (Page 30) 2022 ESG Report; Drive Community Resilience, Resilient Enterprise & Workforce (Page 35) 2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40) 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46)			
404-2	Programs for upgrading employee	2022 ESG Report; Empower Diverse Talent, Talent Development (Pages 18-20)			
	skills and transition assistance programs	Total Rewards Program			
404-3	Percentage of employees receiving regular performance and career development reviews	Our performance evaluation programs provide for 100% of employees, regardless of gender or role, to receive, at minimum, annual feedback on their performance, alignment with firm values, and progress on their professional goals.			
		2022 ESG Report; Empower Diverse Talent, Talent Development (Page 18)			

GRI STANDARD	DISCLOSURE	LOCATION AND/OR DISCUSSION		
DIVERSITY AND EQUAL C	DIVERSITY AND EQUAL OPPORTUNITY <gri 2016="" 405:="" and="" diversity="" equal="" opportunity=""></gri>			
405-1	Diversity of governance bodies and employees	2022 ESG Report; Corporate Governance, Board of Directors ( <u>Page 44</u> ) 2022 ESG Report; Empower Diverse Talent ( <u>Page 15</u> )		
		See also: <u>FY22 Proxy Statement;</u> Corporate Governance and General Information Concerning the Board of Directors and its Committees (Pages 18-21) <u>FY22 Annual Report;</u> Part I, Item 1, Human Capital (Page 4)		
405-2	Ratio of basic salary and remuneration	We do not report the specific ratio at this time as it is Booz Allen confidential information.		
	of women to men	See also: 2022 ESG Report: Empower Diverse Talent, Pay Practices & Pay Equity ( <u>Page 23)</u>		
NON-DISCRIMINATION	NON-DISCRIMINATION <gri 2016="" 406:="" non-discrimination=""></gri>			
406-1	Incidents of discrimination and corrective actions taken	We do not report total number of alleged incidents and any corrective actions taken as it is Booz Allen confidential information.		
		See also: <u>Code of Business Ethics &amp; Conduct</u> 2022 ESG Report; Corporate Governance, Ethics & Compliance ( <u>Pages 45-46</u> )		
<b>HUMAN RIGHTS ASSESS</b>	MENT <gri 412:="" asse<="" human="" rights="" td=""><td>SSMENT 2016&gt;</td></gri>	SSMENT 2016>		
412-2	Employee training on human rights policies or procedures	100% of our employees are required to complete annual training on Booz Allen's Code of Business Ethics and Conduct and related policies, many of which address aspects of human rights relevant to our operations.		
		See also: 2022 ESG Report; Corporate Governance, Human Rights ( <u>Page 48</u> )		
<b>CUSTOMER PRIVACY</b> < <i>G</i>	CUSTOMER PRIVACY <gri 2016="" 418:="" customer="" privacy=""></gri>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We address and resolve all complaints regarding customer privacy and customer data. We do not report total number of complaints as that is confidential information. The firm has not reported any material cybersecurity breaches in the last three years.		
		See also: 2022 ESG Report; Drive Community Resilience, Cybersecurity & Data Privacy ( <u>Pages 39-40</u> ) <u>Data Privacy Policy</u>		

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Corporate Governance

Reporting Frameworks

## SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) CONTENT INDEX

The Booz Allen Hamilton 2022 Environmental, Social, Governance (ESG) Report ("2022 ESG Report") has been prepared in accordance with the Sustainability Accounting Standards Board (SASB) Index: Professional & Commercial Services subset. SASB standards are designed to identify a set of sustainability issues most likely to impact the operating performance or financial condition of the typical company in an industry, regardless of location. Topics that may be deemed material under the SASB Standards are not necessarily material for purposes of the U.S. federal securities laws or for other purposes. For additional information on the SASB Standards, please visit the SASB Standards website.

CODE	METRIC	LOCATION AND/OR DISCUSSION
DATA SECURITY	Y AND PRIVACY	
SV-PS-230a.1	Description of approach to identifying and addressing data security risks	2022 ESG Report; Corporate Governance, Ethics & Compliance ( <u>Pages 45-46</u> ) 2022 ESG Report; Corporate Governance, Enterprise Risk Management and Supply Chain Management ( <u>Page 47</u> ) 2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy ( <u>Pages 39-40</u> ) <u>FY22 Annual Report;</u> Part I, Item 1 (Page 6) <u>FY22 Annual Report;</u> Part I, Item 1A (Pages 14-15, 20-22, 25-26)
		We safeguard information and technology assets in order to prevent harm to our employees, our enterprise, our clients, and those whose information or assets are entrusted to us.
		Our Board's Audit Committee, which is tasked with oversight of certain risk issues, including cybersecurity, receives reports from the Chief Information Security Officer and the Chief Information Officer multiple times throughout the year. The Audit Committee regularly briefs the full Board on these matters, and the full Board also receives periodic briefings on cyber threats in order to enhance our directors' literacy on cyber issues.
		At the enterprise level, Information Services, Security, Enterprise Risk Management, Legal, Ethics & Compliance, and related advisory bodies engage in the following, among other activities, designed to protect sensitive information with which we come into contact:  1 Track systems integration effectiveness, efficiency, and data integrity.  1 Manage incidents through identification, investigation, and remediation with maintenance and annual testing of incident response plans and procedures, including regularly conducted tabletops and after-action walkthroughs for continuous improvement.  2 Collect, consume, and distribute cyber threat intelligence reporting.  3 Maintain partnerships within the information security community.  4 Support compliance with relevant security and control plans and guidance and conduct annual risk assessments and external audits, including external annual compliance assessments against the NIST 800-171 requirements.  5 Facilitate both internal and external collaboration for intelligence sharing.  Froactively search for vulnerabilities and attackers utilizing automated and manual techniques.  Conduct adversary emulation exercises using both in-house and external professionals without notice to threat defenders to continuously test our defend and respond capabilities.  Advise on standards for firm storage and cloud computing and client delivery environments.  Maintain secure facilities up to Top Secret and Sensitive Compartmented Information Facilities accredited by various agencies.  Advise on enterprise and entrusted asset privacy and international trade compliance, brand use and protection requirements, and intellectual property.
		Every Booz Allen person is responsible for doing their part to maintain the integrity, proper use, and handling of information. All employees are required to participate in annual information security training on a variety of topics including data privacy, phishing, and other emerging issues. We offer additional training, depending on an employee's job function, to make sure they are equipped to respond in a rapidly evolving cyberthreat landscape.

## **SASB CONTENT INDEX continued**

CODE	METRIC	LOCATION AND/OR DISCUSSION
SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40)
		Our standard information security and data security policies, practices, and procedures apply to all Booz Allen entities, including wholly owned subsidiaries, as well as all cleared Booz Allen facilities and their employees. To enhance both specificity and flexibility, we supplement those standard procedures with additional protocols specific to the needs of a location, client, or engagement. We also evaluate the securit policies and practices of our suppliers and business partners.
		Our data privacy policy outlines our commitment to the protection of personal information and sets forth retention and deletion requirements. We also recognize, respect, and seek to achieve compliance with applicable laws of foreign nations.
		Booz Allen people are bound by confidentiality obligations and policy requirements that apply when they collect, receive, use, process, store, destroy, or disclose information, and we have a robust investigation and disciplinary process in place to respond to noncompliance. But the nature of our work and our corporate values require more than just compliance. It is up to every Booz Allen employee to create connections, establish relationships, and build trust within teams. We support our employees with an ecosystem of services, programs, training, and tools designed to prevent, bring to light, and mitigate potential risk situations.
		See also: Compliance with International Trade Regulations Policy Data Privacy Policy Code of Business Ethics & Conduct (Page 16)
SV-PS-230a.3	(1) Number of data breaches,	2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40)
	<ul> <li>(2) percentage involving customers' confidential business information</li> <li>(CBI) or personally identifiable information (PII),</li> <li>(3) number of customers affected</li> </ul>	Booz Allen has not reported any material cybersecurity breaches in the last three years.
WORKFORCE DIV	ERSITY & ENGAGEMENT	
SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	2022 ESG Report; Empower Diverse Talent ( <u>Pages 12-27)</u> 2022 ESG Report; Corporate Governance, Board of Directors ( <u>Page 44)</u> <u>FY22 Annual Report</u> ; Part I, Item 1, Human Capital (Pages 4-5)
		Refer to page 15 of our 2022 ESG Report for the percentage of gender and racial/ethnic group representation for our total workforce, senior leadership, and all other employees.
		See also:  Booz Allen's Diversity, Equity & Inclusion Program  Equal Employment Opportunity and Affirmative Action Policy  Code of Business Ethics & Conduct (Page 14)  Total Rewards Program
SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees	2022 ESG Report; Empower Diverse Talent, Diversity, Equity, & Inclusion ( <u>Page 15</u> ) <u>FY22 Annual Report</u> ; Part 1, Item 1, Human Capital (Page 4)
		We do not report aggregate voluntary and involuntary annual turnover rates as that information is deemed Booz Allen confidential. Consistent with our commitment to diversity, equity, and inclusion, we do report the percentages of new hires and departures by demographic categories on page 15 of our 2022 ESG Report.

Introduction

## **SASB CONTENT INDEX continued**

**2022 ESG REPORT** 

CODE	METRIC	LOCATION AND/OR DISCUSSION
SV-PS-330a.3	Employee engagement as a percentage	2022 ESG Report; Empower Diverse Talent, Employee Engagement & Retention (Pages 21-22) 2022 ESG Report; Empower Diverse Talent (Pages 12-27) 2022 ESG Report; Drive Community Resilience, Resilient Enterprise & Workforce (Pages 35-36) 2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40) 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46) FY22 Annual Report; Part I, Item 1, Employee Engagement (Page 5)
		We conduct an annual Employee Experience Survey, which measures, among other factors, our employees' impression of the inclusiveness of our work environment. The survey results provide insights into how employees experience Booz Allen and our culture, helping our leaders better understand areas of opportunity and areas for greater attention. In fiscal year 2022, we saw the impact of our COVID-19 response efforts on the well-being of our employees and clients, and we continued to focus our attention on keeping each other, our families, and our clients safe; supporting our clients' vital missions; and protecting our business. We engaged with employees to understand how we could best help them, including maintaining a robust benefits program, financial and job security, enhanced caregiver support, and telework resources. In our FY22 Employee Experience Survey, 85% of Booz Allen people said the firm helps them build relevant skills, and 83% of Booz Allen people said the firm supports their professional development.
		We do not disclose employee engagement as a percentage; however, the references provided provide discussions of our practices to support employee engagement.
PROFESSIONAL IN	NTEGRITY	
SV-PS-510a.1	Description of approach to ensuring professional integrity	2022 ESG Report; Corporate Governance, Ethics & Compliance ( <u>Pages 45-46</u> ) 2022 ESG Report; Corporate Governance, Supply Chain Management ( <u>Page 47</u> ) <u>Ethics &amp; Compliance Program</u> <u>Code of Business Ethics &amp; Conduct</u>
		Our employees are required to complete annual training on our Code of Business Ethics and Conduct. Additionally, our Code expresses our expectation that all our business partners, including subcontractors, suppliers, vendors, and business intermediaries, operate in a manner that is consistent with our commitment to diversity, integrity, and sustainability.
		We have audited our ethics program across our global operations through program assessments generally occurring on a three-year cadence.
		Read more about our approach to professional integrity in the following sources:  Our Purpose & Values Supplier Code of Conduct Ethics & Compliance Policies  FY22 Annual Report; Part I, Item 1, Human Capital (Pages 4-5)
SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	We address and resolve all issues associated with professional integrity. Booz Allen has not incurred monetary losses during the reporting period as a result of material legal proceedings associated with professional integrity.
ACTIVITY METRIC	S	
SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Refer to the 2022 ESG Report, Empower Diverse Talent (Page 15) for information on our permanent employees as of March 31, 2022. Of these, 643 were part-time. In addition to our permanent employees, 4,654 of our workers were temporary/independent contractors.
SV-PS-000.B	Employee hours worked, percentage billable	The company monitors all hours worked by employees. We do not report total number of employees hours worked or percentage billable as that is Booz Allen confidential information.  See also: <u>Code of Business Ethics &amp; Conduct</u> (Page 26)

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## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTENT INDEX

The Booz Allen Hamilton 2022 Environmental, Social, Governance (ESG) Report ("2022 ESG Report") seeks to align with the disclosure and implementation guidance of the <u>Task Force on Climate-related Financial Disclosures</u> ("TCFD"). The following index provides links to Booz Allen's disclosures on climate-related risks and opportunities.

TOPICS	RESPONSE
GOVERNANCE	
Describe the board's oversight of climate- related risks and opportunities	Our formal ESG governance includes oversight by our Board of Directors and an executive management-level ESG Committee, operational responsibility by an ESG Council, and enterprise-wide strategic direction by a dedicated function within the Office of the Corporate Secretary.
	Our firmwide environmental management and climate impact strategy is guided by our Commitment to Sustainability and our Code of Business Ethics and Conduct. We comply with an ISO 14001:2015 environmental management system (EMS) that has been certified for our global headquarters and apply those considerations across our global operations, as appropriate. Our EMS supports the tracking and reporting of our organization's greenhouse gas emissions.
	2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) 2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  FY22 CDP Response; CDP 1.1a, 1.1b, 1.2, 1.2a  FY22 Carbon Footprint Report
Describe the management's role in	See discussion above and supporting references for information related to our Board of Directors' and ESG Governance Bodies' roles in assessing and managing climate-related risks and opportunities.
assessing and managing climate- related risks and opportunities	2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) 2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  FY22 CDP Response; CDP 1.1a, 1.1b, C81.2, 1.2a, 1.2a, 1.3, 1.3a, 2.2
STRATEGY	
Climate-related risks and opportunities	We have not identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on our business.
identified over the short, medium, and long term	FY22 CDP Response; CDP 2.1, 2.1a, 2.2, 2.2a
Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  FY22 Carbon Footprint Report  FY22 CDP Response; CDP 3.1, 3.2, 3.2a, 3.3, 3.4
Resilience of strategy using a 2°C or lower scenario	Booz Allen has 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.
	2022 ESG Report; Drive Community Resilience, Climate Change ( <u>Pages 37-38</u> ) <u>FY22 Carbon Footprint Report</u>

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## **TCFD CONTENT INDEX continued**

TOPICS	RESPONSE	
RISK MANAGEMENT		
Processes for identifying and assessing climate-related risks	Booz Allen's Enterprise Risk Management (ERM) program, established in 2011, identifies, analyzes, monitors, and manages key operational risks at the enterprise level on a monthly basis. Operational risks are defined as follows: the financial, reputational, or strategic losses incurred by the organization due to inadequate or failed policies, procedures, practices, or systems. Climate related risks are considered as a part of that assessment, as the ERM program identifies and assesses potential impacts, severity, and likelihood of these risks.	
	FY22 CDP Response; CDP 2.2, 2.2a	
Processes for managing climate- related risks	2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) 2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  FY22 CDP Response; CDP 2.2a  FY22 Carbon Footprint Report	
Integration of risk processes into overall risk management	2022 ESG Report; Approach to ESG, Managing ESG Topics ( <u>Page 9</u> ) 2022 ESG Report; Drive Community Resilience, Climate Change ( <u>Pages 37-38</u> ) <u>FY22 CDP Response</u> ; CDP 2.2a <u>FY22 Carbon Footprint Report</u>	
METRICS		
Metrics used to assess climate-related risks and opportunities	2022 ESG Report; Drive Community Resilience, Climate Change ( <u>Pages 37-38</u> ) <u>FY22 Carbon Footprint Report</u> <u>FY22 CDP Response</u> ; CDP 2.3, 2.3b	
Scope 1 and 2 GHG emissions	Scope 1 emissions increased by roughly 25 percent to 40.54 MTCO <sub>2</sub> e from FY21. The majority of the change was the result of increased use of owned vehicles.	
	Emissions from our facilities increased by 3 percent to 14,298.82 MTCO <sub>2</sub> e from FY21. This increase was likely caused by a slight increase in leased square footage as some employees began returning to offices. These numbers are down roughly 5% compared to FY20.	
	Overall, Scope 3 emissions increased 95 percent to 19,325.86 MTCO <sub>2</sub> e from FY21. These numbers are still down roughly 85 percent compared to FY20.	
	FY22 CDP Response; CDP 6.1, 6.2, 6.3, 6.4, 6.5, 6.10, 7, 10.1a, 10.1b, 10.1c 2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38) FY22 Carbon Footprint Report	
Targets used to manage climate-related	For information about our current carbon emissions targets, set for 2026 and achieved ahead of schedule, see our FY22 Carbon Footprint Report. See also: FY22 CDP Response; CDP 4.1b.	
risks and opportunities and performance against targets	Booz Allen has 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.	
	2022 ESG Report; Drive Community Resilience, Climate Change ( <u>Pages 37-38</u> ) <u>FY22 Carbon Footprint Report</u>	

## **UN GUIDING PRINCIPLES (UNGP) REPORTING FRAMEWORK INDEX**

Booz Allen has applied the <u>UN Guiding Principles Reporting Framework</u> in preparing its 2022 Environmental, Social, Governance (ESG) Report ("2022 ESG Report") and the index below. The <u>UN Guiding Principles Reporting Framework</u> is a comprehensive guide for companies to report on human rights issues in line with their responsibility to respect human rights. This responsibility is outlined in the global standard, <u>UN Guiding Principles on Business and Human Rights</u>. Booz Allen strives to align with the UN Guiding Principles, as indicated through the index below and as may be supplemented on our corporate website at <a href="https://www.boozallen.com">www.boozallen.com</a>.

#### **GOVERNANCE OF RESPECT FOR HUMAN RIGHTS**

#### POLICY COMMITMENT

A1. What does the company say publicly about its commitment to respect human rights?

2022 ESG Report; Corporate Governance, Human Rights (Page 48) Code of Business Ethics & Conduct (Page 40)

#### We are Committed to Upholding Human Rights:

We honor and celebrate human rights. We condemn human trafficking and slavery, forced labor, or child labor, and do not engage in these activities within the firm or tolerate them in our supply chain.

Human rights are the most fundamental rights that we have and are at the heart of our Purpose and Values. We join the global community in promoting and protecting human rights and acting to stop actions that infringe on these rights. We support the United Nations Guiding Principles on Business and Human Rights.

Our robust global policies, procedures, programs, and practices reflect our strong commitment to human rights, corporate citizenship, and fair labor conditions, with a focus on those human rights that are most relevant to our business.

#### Booz Allen demonstrates its commitment to upholding human rights through policies that:

- Support and promote our employee's well-being
- Create a diverse and inclusive work environment that is free of harassment, discrimination, and retaliation
- Promote fair competition
- Engage in sustainable procurement, including no use of conflict minerals
- Take actions to identify and detect human rights violations in our supply chains through risk-based due diligence
- Undertake only compliant human subject research
- Protect the environment and support our communities

#### We Are Deeply Committed to Fair and Equitable Treatment of our People:

We respect our employees' rights to discuss and agree to terms and conditions of employment without coercion and to freely terminate their employment. We ensure that our employees are of legal working age for their position and have a safe, healthy, and respectful workplace. We are committed to diversity, equity, and inclusion, and to the availability of benefits, health coverage, and natural disaster relief for our people.

#### We Comply With International Trade Regulations:

We comply with international trade regulations that prohibit business with certain countries, organizations, or individuals, and that require government authorization for cross-border activities involving sensitive items or technologies.

International trade regulations protect global security and stability. These laws ensure that sensitive or potentially dangerous products or technologies are not used to support proliferation, terrorism, violations of human rights, or other activities that jeopardize the safety of civilian populations around the world. Our compliance with these laws is not only mandatory but critical in our role as a U.S. government contractor.

We do not do business in countries that are subject to comprehensive sanctions programs. We screen our business partners, employee candidates, and other third parties against government watchlists to ensure we do not hire or do business with the parties on those lists.

#### See also:

Booz Allen <u>Policies and Commitments</u>, including those on: Anticorruption and Anti-Bribery; Combatting Trafficking in Persons; Compliance with International Trade Regulations; Data Privacy; Equal Employment Opportunity and Affirmative Action; Gifts and Business Courtesies; Mandatory Reporting and Non-Retaliation; Preventing Money Laundering and Terrorist Financing; Procurement of Products and Services; Recruiting and Hiring; Research Compliance; Working With Ethical Business Intermediaries; Workplace and Sexual Harassment; and Workplace Health, Safety, Security and Access. Additionally, our Commitment to Sourcing Conflict Minerals Responsibly; Supplier Code of Conduct; and Total Rewards Program.

## **UNGP REPORTING FRAMEWORK INDEX continued**

#### **EMBEDDING RESPECT FOR HUMAN RIGHTS**

A2. How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?

See our 2022 ESG Report for discussion of our Board of Directors' role with respect to ESG matters (page 44); integration of ESG performance, including metrics related to diversity, equity, and inclusion, into our senior executives' incentive compensation (page 14); pay practices and pay equity (page 23); environmental health & safety (page 25); ethics & compliance programs, including third-party risk management (pages 45-46); and our overarching approach to human rights (page 48).

Employees are made aware of their responsibilities related to human rights through mandatory annual training through our Ethics and Compliance Program and the reflection of such responsibility throughout our Code of Business Ethics & Conduct and numerous other corporate policies as referenced above in A1.

We make clear our expectations related to human rights and standards for subcontractors and suppliers through our <u>Supplier Code of Conduct</u>.

#### **DEFINING A FOCUS OF REPORTING** B1. Statement of salient issues: 2022 ESG Report; Corporate Governance, Human Rights (Page 48) State the salient human rights issues 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46) associated with the company's activities and business relationships during the • Code of Business Ethics & Conduct reporting period **B2.** Determination of salient issues: 2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) Describe how the salient human rights 2022 ESG Report; Approach to ESG, Materiality (Page 10) issues were determined, including any 2022 ESG Report; Approach to ESG, Our ESG Strategy (Page 11) input from stakeholders. 2022 ESG Report; Corporate Governance, Human Rights (Page 48) B3. Choice of focal geographics: N/A If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made. B4. Additional severe impacts: N/A Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues and explain how they have been addressed.

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## **UNGP REPORTING FRAMEWORK INDEX continued**

#### **MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES**

#### **SPECIFIC POLICIES**

- C1. Does the company have any specific policies that address its salient human rights issues and, if so, what are they?
- 2022 ESG Report; Empower Diverse Talent (Pages 12-27)
- 2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40)
- 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46)
- 2022 ESG Report; Corporate Governance, Supply Chain Management (Page 47)
- 2022 ESG Report; Corporate Governance, Human Rights (Page 48)

#### See also:

- Code of Business Ethics & Conduct
- Anticorruption and Anti-Bribery Policy
- Data Privacy Policy
- Equal Employment Opportunity and Affirmative Action Policy
- Gifts and Business Courtesies Policy
- Mandatory Reporting and Non-Retaliation Policy
- Total Rewards Program
- Working with Ethical Business Intermediaries Policy
- Workplace and Sexual Harassment Policy
- Workplace Health, Safety, Security, and Access Policy
- Supplier Code of Conduct

#### STAKEHOLDER ENGAGEMENT

- C2. What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?
- 2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9)
- 2022 ESG Report; Approach to ESG, Materiality (Page 10)
- 2022 ESG Report; Approach to ESG, Our ESG Strategy (Page 11)
- 2022 ESG Report; Approach to ESG, Board of Directors (Page 44)
- 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46) 2022 ESG Report; Corporate Governance, Enterprise Risk Management (Page 47)
- 2022 ESG Report; Corporate Governance, Supply Chain Management (Page 47)
- 2022 ESG Report; Corporate Governance, Human Rights (Page 48)
- C3. How does the company identify any changes in the nature of each salient human rights issue over time?
- 2022 ESG Report; Approach to ESG, Materiality (Page 10)
- 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46)
- 2022 ESG Report; Corporate Governance, Enterprise Risk Management (Page 47) 2022 ESG Report; Corporate Governance, Human Rights (Page 48)
- See also:
- Risk Matrix Policy
- Ethics & Compliance Program

## **UNGP REPORTING FRAMEWORK INDEX continued**

STAKEHOLDER ENGAGEMENT (continued)	
C4. How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?	2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) 2022 ESG Report; Approach to ESG, Materiality (Page 10) 2022 ESG Report; Approach to ESG, Our ESG Strategy (Page 11) 2022 ESG Report; Approach to ESG, Board of Directors (Page 44) 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46) 2022 ESG Report; Corporate Governance, Enterprise Risk Management (Page 47) 2022 ESG Report; Corporate Governance, Human Rights (Page 48)
	See also:  • Risk Matrix Policy  • Ethics & Compliance Program
C5. How does the company know if its efforts to address each salient human rights issues are effective in practice?	2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) 2022 ESG Report; Approach to ESG, Board of Directors (Page 44) 2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46) 2022 ESG Report; Corporate Governance, Enterprise Risk Management (Page 47) 2022 ESG Report; Corporate Governance, Human Rights (Page 48)
	See also:  • Risk Matrix Policy  • Ethics & Compliance Program
C6. How does the company enable effective remedy if people are harmed by its actions or decisions in relation to the salient human rights issues?	2022 ESG Report; Corporate Governance, Ethics & Compliance (Pages 45-46)  See also:  • Code of Business Ethics & Conduct  • Risk Matrix Policy  • Mandatory Reporting and Non-Retaliation Policy  • Ethics & Compliance Program

Empower Diverse Talent Make Innovation
Accessible to All

Drive Community Resilience Corporate Governance

Reporting Frameworks

## WORLD ECONOMIC FORUM (WEF) STAKEHOLDER CAPITALISM METRICS CONTENT INDEX

The Booz Allen Hamilton 2022 Environmental, Social, Governance (ESG) Report (our "2022 ESG Report") has been prepared in alignment with the World Economic Forum Core Stakeholder Capitalism Metrics (the "WEF Framework"), as applicable to our firm. The WEF Core Stakeholder Capitalism Metrics seek to improve the ways that companies measure and demonstrate their contributions towards creating more prosperous, fulfilled societies and a more sustainable relationship with our planet. Topics that may be deemed material under the WEF Framework are not necessarily material for purposes of the U.S. federal securities laws or for other purposes.

ТОРІС	METRIC	RESPONSE		
PILLAR 1 – PRINCIPLES OF GOV	PILLAR 1 – PRINCIPLES OF GOVERNANCE			
Setting purpose	The company's stated purpose, as the expression of the means by which a business proposed solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Our corporate purpose is to Empower People to Change the World.		
		2022 ESG Report; Introduction, Leadership Welcome ( <u>Pages 3-4</u> ) 2022 ESG Report; Our Business ( <u>Page 6</u> )		
		See also: GRI Content Index; GRI 102-16 Our Purpose & Values		
Governance body composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; tenure on the governance body; number of each individual's other significant positions and commitments; gender; membership of underrepresented social groups; stakeholder representation.	2022 ESG Report; Corporate Governance, Board of Directors (Page 44)  See also: GRI Content Index; GRI 102-18 GRI Content Index; GRI 405-1 Leadership & Governance  FY22 Proxy Statement; Corporate Governance and General Information Concerning the Board of Directors and its Committees (Pages 18-21)		
Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	2022 ESG Report; Approach to ESG, Materiality ( <u>Page 10</u> ) 2022 ESG Report; Approach to ESG: Our ESG Strategy ( <u>Page 11</u> ) See Also:		
		2022 ESG Materiality Assessment Reference Guide GRI Content Index; GRI 102-47		
Anti-corruption	<ol> <li>Total percentage of governance body members, employees and business partners who have received training on the organization's anticorruption policies and procedures, broken down by region.         <ul> <li>Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and</li> <li>Total number and nature of incidents of corruption confirmed during the current year, related to this year.</li> </ul> </li> <li>Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.</li> </ol>	2022 ESG Report; Corporate Governance, Ethics & Compliance (Page 45) Anticorruption and Anti-Bribery Compliance Program  We do not report total number or nature of incidents as it is Booz Allen confidential information.  See also: GRI Content Index; GRI 205-2		
Protected ethics advice and reporting mechanisms:	A description of internal and external mechanisms for:     Seeking advice about ethical and lawful behavior and organizational integrity; and     Reporting concerns about unethical or unlawful behavior and lack of organizational integrity.	2022 ESG Report; Corporate Governance, Ethics & Compliance ( <u>Pages 45-46</u> ) <u>Working with Ethical Business Intermediaries Policy</u> <u>Booz Allen's Code of Business Ethics &amp; Conduct</u>		

Introduction

## **WEF CONTENT INDEX** continued

**2022 ESG REPORT** 

TOPIC	METRIC	RESPONSE
Integrating risk and opportunity into business process:	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the responses to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship.	2022 ESG Report; Approach to ESG, Managing ESG Topics (Page 9) 2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  See also: FY22 Annual Report; Part I, Item 1A, Risk Factors (Pages 14-15)
PILLAR 2 – PLANET		
Greenhouse gas (GHG) emissions:	For all relevant greenhouse gases (e.g., carbon dioxide, methane, nitrous oxide, F-gases, etc.), report in metric tones of carbon dioxide equivalent ( $tCO_2e$ ) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  See also: FY22 Carbon Footprint Report FY22 CDP Response GRI Content Index; GRI 305:1-4
TCFD Implementation	Fully implement the recommendations of the Task Force on Climate -related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or how committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement—to limit global warming to well below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C—and to achieve net-zero emissions before 2050.	TCFD Content Index  Booz Allen has committed to set science-based targets through the Science Based Targets initiative and has joined the Business Ambition for 1.5C Campaign, committing to set targets aligned with a net-zero future.  See also: 2022 ESG Report; Drive Community Resilience, Climate Change (Pages 37-38)  FY22 Carbon Footprint Report  FY22 CDP Response  GRI Content Index; GRI 305-5
PILLAR 3 – PEOPLE		
Diversity and inclusion (%): Percentage of employees per employee category, by age group, gender, and other indicators of diversity (e.g., ethnicity)	Percentage of employees per employee category, by age group, gender, and other indicators of diversity (e.g., ethnicity)	2022 ESG Report; Empower Diverse Talent, Diversity, Equity, & Inclusion (Page 15)  See also:  FY22 Annual Report; Part I, Item 1, Human Capital (Pages 4-5)  GRI Content Index; GRI 405-1
Pay equality (%):	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	We do not report the specific ratio at this time, as it is Booz Allen confidential information.  2022 ESG Report; Empower Diverse Talent, Pay Practices & Pay Equity (Page 23)  See also: GRI Content Index; GRI 405-2
Wage Level (%)	Ratios of standard entry level wage by gender compared to local minimum wage.	Booz Allen currently does not report the ratio of standard entry level wage by gender compared to local minimum wage.
	Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	The ratio of the annual total compensation of our CEO to the median of the annual total compensation of our employees (the Pay Ratio) was approximately 98 to 1.  FY22 Proxy Statement; Pay Ratio (Page 51)

Empower Diverse Talent Make Innovation Accessible to All Drive Community Resilience Corporate Governance Reporting Frameworks

## **WEF CONTENT INDEX** continued

ТОРІС	METRIC	RESPONSE
Health and safety (%)	The number and rate of fatalities as a result of work-related injury; high-	2022 ESG Report; Empower Diverse Talent, Environmental Health & Safety (Page 25)
	consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.	Further information regarding Booz Allen work-related injuries can be located in the Workplace Health, Safety, Security & Access Policy.
	An explanation of how the organization facilitates workers' access to non-	For non-occupational medical and healthcare services, refer to the firm's <u>Total Rewards Fact Sheet</u> .
	occupational medical and healthcare services, and the scope of access provided for employees and workers.	See Also: GRI Content Index; GRI 403-9
Training provided (#,\$):	Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	Omitted due to unavailability of comprehensive information at this time. Our employees have a wide variety of training opportunities available to them and other training courses that are required of them. These training programs are managed by different parts of our organization and tracked through different systems. We are working collaboratively to determine the most appropriate information, including boundary and scope, for a future reporting period.  See also:  2022 ESG Report; Empower Diverse Talent, Talent Development, Badging Program (Page 19)  2022 ESG Report; Empower Diverse Talent, Talent Development, Executive Development (Page 20)  2022 ESG Report; Drive Community Resilience, Resilient Enterprise & Workforce, Employee Emergency Preparedness (Page 35)  2022 ESG Report; Drive Community Resilience, Cybersecurity and Data Privacy (Pages 39-40)  2022 ESG Report; Corporate Governance, Ethics & Compliance (Page 44)  GRI Content Index; GRI 205-2  GRI Content Index; GRI 404-1  GRI Content Index; GRI 412-2
PILLAR 4 – PROSPERITY		
Absolute number and rate of employment:	<ol> <li>Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region.</li> <li>Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.</li> </ol>	2022 ESG Report; Empower Diverse Talent, Diversity, Equity, & Inclusion (Page 15)  See also: GRI Content Index; GRI 404-1 SASB Content Index; SV-PS-330a.2  FY22 Annual Report; Part I, Item 1, Human Capital (Pages 4-5)
Economic contribution:	Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by:  Revenues  Operating costs Employee wages and benefits Payments to providers of capital Payments to government Community investment	2022 ESG Report; Drive Community Resilience, Resilience Through Community Engagement (Pages 41-42)  FY22 Proxy Statement; Fiscal Year 2022 Company Performance, Page 32  Other direct economic value information that is not provided in the FY22 Annual Report is omitted as confidential.  See also:  GRI Content Index; GRI 201-1  FY22 Annual Report

# **ABOUT THIS REPORT**

Data in Booz Allen Hamilton's 2022 Environmental, Social, Governance Report ("this report") primarily reflects performance and operations during our 2022 fiscal year, which ended March 31, 2022. Unless otherwise noted, references to years or fiscal years are those ending on March 31. Descriptions of our practices, policies, and programs may reflect more current information, where appropriate in the circumstances. Unless the context otherwise indicates or requires, information contained in this report relates to Booz Allen Hamilton Holding Corporation's consolidated global operations and references in this report to "Booz Allen," "we," "us," "our," or our "firm" refer to Booz Allen Hamilton Holding Corporation, its consolidated subsidiaries, and predecessors. A significant portion of our business relates to contracts with the U.S. government that are classified or subject to security restrictions. Because we are limited in our ability to provide information about this work, any associated impacts, risks, and opportunities are necessarily omitted from the scope of this report.

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2016): Core Option. We provide supporting content indices aligned with Sustainability Accounting Standards Board ("SASB"), Task Force for Climate-related Financial Disclosures ("TCFD"), World Economic Forum ("WEF") Stakeholder Capitalism Metrics, and the UN Guiding Principles Framework ("UNGP Framework").

The GRI defines as "material" those ESG topics that may reasonably be considered important for (1) reflecting an organization's economic, environmental, or social impact, or (2) substantively influencing the assessments and decisions of stakeholders. Within this report, we primarily employed GRI's concept of materiality, presenting among our material topics those aspects that have been identified through our assessment as most relevant to understanding our business' impact and of substantial importance to our stakeholders. In some instances, we also employed a concept of materiality based on our own assessment of such relevance. Topics that may be deemed material under the GRI are not necessarily material for purposes of the U.S. federal securities laws or for other purposes. The inclusion or absence of information in this report should not be construed to represent any belief regarding the materiality, relevance, or financial impact of that information. Annual, quarterly and other reports filed with the SEC by Booz Allen Hamilton, contain important additional information about the company and readers are urged to read the 2022 ESG Report together with those filings, copies of which are available on our website.

# **DATA ASSURANCE**

Certain financial data presented in this report was audited for disclosure in the Booz Allen FY22 Annual Report on Form 10-K. Our FY22 greenhouse gas (GHG) emissions data has been third-party verified by Apex Companies, LLC to limited assurance in accordance with the International Organization for Standardization (ISO) 14064-3, the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol (Scope 1 and Scope 2), and the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3) GHG reporting protocols. Where applicable, data measurement tools, methods, and calculations are included in footnotes and/or other visual guides.

## FORWARD LOOKING SAFE HARBOR STATEMENT

Certain statements contained in this document include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning Booz Allen's financial outlook and guidance, as well as any other statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "forecasts," "expects," "intends," "plans," "anticipates," "projects," "outlook," "believes," "estimates," "predicts," "potential," "continue," "preliminary," or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct.

These forward-looking statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

A number of important factors could cause actual results to differ materially from those contained in or implied by these forward-looking statements, including those factors discussed in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the fiscal year ended March 31, 2022, which can be found at the SEC's website at <a href="https://www.sec.gov">www.sec.gov</a>.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.