



# Discipline for Misconduct Policy

**SPONSORING ORGANIZATION:** People Services

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## INTRODUCTION

Booz Allen takes all allegations of misconduct seriously, including violations of law, our firm's Code of Business Ethics and Conduct, and our firm policies. We investigate each allegation of misconduct fully and fairly and if substantiated, the firm in its discretion may discipline the person(s) who engaged in the misconduct.

The purpose of this policy is to set forth Booz Allen's approach to determining the appropriate discipline for cases of misconduct, the factors in determining discipline, and the types of discipline.

## SCOPE

This policy applies to all employees, officers, subsidiaries and affiliates of the firm (referred to as "Booz Allen people").

## POLICY

The firm has appointed a rotating cross-functional group of senior leaders, known as the Disciplinary Action Committee (DAC), to determine the appropriate discipline for cases of misconduct. If a matter is particularly sensitive or urgent, the discipline determination may be made at the discretion of the Chief People Officer (CPO) or his/her designee. In addition, if misconduct is committed by an officer, the CPO (or designee) and Chief Legal Officer (CLO) (or designee) will determine discipline in concert with the Chief Executive Officer (CEO). If misconduct is committed by the CPO or CLO, the CEO will determine discipline in concert with the CLO or CPO, respectively. If misconduct is committed by the CEO, the CLO and CPO will consult with the Board of Directors, as appropriate, and determine the appropriate action.

In all cases, disciplinary actions authorized by the DAC or CPO (or designee) will be consistent with this policy. The firm may also take additional actions to comply with applicable laws or contract obligations (e.g. disclosing misconduct to the Board of Directors or to the appropriate government authorities as required).

The firm's decision whether to impose discipline does not limit or prevent law enforcement or a government from taking action against the person (e.g., the revocation of a security clearance).

## Factors in Determining Discipline

In determining discipline for misconduct, the DAC considers all relevant factors, including but not limited to:

- The nature or severity of the misconduct
- The impact the misconduct has on the firm
- Harm (actual or perceived) caused to a colleague, client, business partner, or other third party
- The person's seniority; more senior Booz Allen people are held to a higher standard of expected behavior
- Prior misconduct
- The person's cooperation during the investigation
- Extenuating circumstances

## Types of Discipline

The firm has four types of formal discipline. The firm may also decide to have the person's career manager informally counsel rather than formally discipline the person. The four types of formal discipline are:

**Counseling**

- Documented discipline that becomes part of the person's official personnel file
- Does **not** affect promotion, bonus, or rehire eligibility
- Does **not** impact eligibility for awards and recognition programs (i.e. monetary values-based awards; the firm's Values in Practice or other high-visibility leadership and/or excellence awards or program; Booz Allen nomination to external awards)

**Formal Warning**

- Documented discipline that becomes part of the person's official personnel file
- Ineligible for promotion for one year from date of receipt
- Ineligible for monetary values-based awards (i.e., excludes length of service awards) for one year
- Ineligible for the firm's Values in Practice or other high-visibility leadership and/or excellence awards or programs (e.g., Booz Allen Excellence Award, Fellow, or similar programs) for one year
- Ineligible for Booz Allen nomination to external awards (e.g., industry awards) for one year
- Is a relevant factor in rehire eligibility

**Reprimand**

- Documented discipline that becomes part of the person's official personnel file
- Ineligible for promotion for one year from the date of receipt or more at the CPO's (or designee's) discretion; is a relevant factor for three years regarding promotions
- Ineligible for monetary values-based awards (i.e., excludes length of service awards) for one year
- Ineligible for the firm's Values in Practice or other high-visibility leadership and/or excellence awards or programs (e.g., Booz Allen Excellence Award, Fellow, or similar programs) for one year
- Ineligible for Booz Allen nomination to external awards (e.g., industry awards) for one year
- Is a relevant factor in rehire eligibility
- Bonus decrement of 15% for bonus-eligible people
- May be suspended from work for up to two weeks without pay at CPO's (or designee's) discretion

**Termination of Employment**

- Terminated from employment at Booz Allen or any of its affiliates
- Ineligible for rehire and for future business opportunities with the firm (e.g., independent consulting or vendor opportunities)

**Exceptions**

Any request for variations from this policy must be reviewed and approved by the CPO (or his/her designee).

**REPORTING CONCERNS**

We expect Booz Allen People to comply with our policies and promptly raise questions or concerns about our business and/or business practices. Violations of any Booz Allen Policy, including this one, will be addressed in accordance with our Discipline for Misconduct Policy.

We rely on Booz Allen people to report suspected violations of our policies and our Code of Ethics and Business Conduct. As outlined in our Mandatory Reporting and Non-Retaliation Policy, if you observe or have reasonable suspicion that a Booz Allen policy or the Code has been violated, you have a responsibility as part of your employment to promptly report your concerns by contacting any of the following firm resources:

- Your Job Leader or Career Manager
- One of the firm's Ethics Advisors
- Human Resources via the Help Desk
- Employee Relations
- The Legal Department
- The firm's Ethics & Compliance Team

- The firm's Chief Ethics and Compliance Officer
- The firm's Ethics HelpLine (at +1-800-501-8755 (US) or +1-888-475-0009 (international))
- The firm's site for anonymously reporting concerns (<http://speakup.bah.com>)

We take all allegations of misconduct seriously, investigate them promptly and strictly prohibit retaliation against any person who raises a good faith ethical or legal concern.