

Carbon Reduction Plan

August 2023

Carbon Reduction Plan

Supplier name: Bain & Company
Publication date: 29 August 2023

Bain & Company is committed to set long-term science-based net zero targets covering all of our scope 1, 2, and 3 emissions which are aligned to a 1.5° C future, and to achieve net zero across our operations by 2050 at the latest.

Baseline Emissions Footprint

Baseline Year: 2019

Additional Details relating to the Baseline Emissions calculations.

The emissions reported below cover all global offices and comply with local market requirements.

Baseline year emissions:

EMISSIONS (Market Based)	TOTAL (tCO2e)
Scope 1	2,910
Scope 2	1,071
Scope 3: Categories Included: <ul style="list-style-type: none">• Category 1: Purchased goods and services• Category 3: Fuel and energy-related activities not included in scope 1 or scope 2• Category 4*• Category 5: Waste generated in operations• Category 6: business travel emissions including emissions from air travel, hotels, buses, cars, taxis, and trains• Category 7: Employee commuting• Category 9*	226,588
Total Emissions	230,569

* Note:

- Category 4: Upstream transportation and distribution – this is included in Category 1: Purchased goods and services, based on our procurement contracts;
- Category 9: Downstream transportation and distribution – this is not material / relevant for our organization as a service company.

Current Emissions Reporting

Bain has received limited assurance on our Scope 1, Scope 2, and Scope 3 carbon footprint as per attestation standards established by the American Institute of Certified Public Accountants for 2022.

Reporting Year: 2022

The emissions reported below cover all global offices and comply with local market requirements.

EMISSIONS (Market Based)	TOTAL (tCO2e)
Scope 1	1,345
Scope 2	460
Scope 3 Categories Included: <ul style="list-style-type: none">• Category 1: Purchased goods and services• Category 3: Fuel and energy-related activities not included in scope 1 or scope 2• Category 5: Waste generated in operations• Category 6: business travel emissions, including emissions from air travel, hotels, buses, cars, taxis, and trains• Category 7: Employee commuting	129,264
Total Emissions	131,069

Emissions reduction targets

In 2020, we signed the Business Ambition for 1.5° C commitment letter as part of the Science Based Targets Initiative, committing to set long-term targets to achieve Net Zero. Bain has set the following targets to drive progress towards a net zero world:

- **Near-term targets**
 - We have committed to reduce absolute scope 1 and 2 GHG emissions by 30% by 2026 from a 2019 base year, and to reduce scope 3 GHG emissions from business travel by 35% per FTE within the same timeframe
 - These targets were validated by SBTi in 2021
- **Long-term targets**
 - We are committed to set long-term science-based net zero targets covering all of our scope 1, 2, and 3 emissions which are aligned to a 1.5° C future, and to achieve net zero across our operations by 2050 at the latest. These targets will be submitted for SBTi approval by the end of 2023 and published once approved
- Additional targets:
 - **Renewable electricity:** We achieved 100% renewable electricity through the use of EACs in 2020 and have committed to maintaining 100% renewable electricity usage every year going forward
 - **Beyond Value Chain Mitigation:** We are committed to offsetting more than 100% of our carbon footprint annually through high-quality carbon removals
 - **Waste:** We have a target to divert 90% of waste from landfills by 2030

Completed Carbon Reduction Initiatives

- Since 2011, Bain has reduced scope 1 and 2 direct emissions by 84%, driven by a transition to renewable electricity, efficiency initiatives across our offices, and beginning to convert our fleet of company-leased vehicles to electric or hybrid vehicles
- We achieved 100% renewable electricity through the use of EACs in 2020 and have committed to maintaining 100% renewable electricity usage every year going forward
- Bain is replacing cars leased or owned by the company with electric vehicles (where infrastructure permits) or hybrids (where EV infrastructure is not yet available) as the leases expire. Our Amsterdam and Brussels offices began implementing this policy voluntarily in 2021, and the global policy broadly came into effect in 2022
 - In 2022, electric vehicles were used to travel a total distance of ~410,943 km across the Amsterdam, Brussels, Dusseldorf, Munich, and Zurich offices. This translated to an emissions reduction of ~42 tCO₂e versus travel by gasoline-powered cars, a 4x increase from 2021
 - We are targeting converting >90% of our owned or leased fleet to electric by 2030, and 100% of our fleet to electric by 2050
- In 2022, we established carbon budgets for internal travel to cap and reduce non-client travel emissions. As part of this, the company has redesigned carbon-intensive functions, such as recruiting and training, to reduce the impact of travel for those activities

In the future, we hope to implement further measures such as:

- We joined the Sustainable Aviation Buyers Alliance (SABA) and the WEF First Movers Coalition to help drive the adoption of Sustainable Aviation Fuel (SAF), which can reduce carbon emissions by up to 80% over its lifecycle compared to conventional jet fuel. Bain committed to purchasing enough SAF in 2023 to cover all emissions associated with North America recruiting flights for the 2022-2023 recruiting cycle and will continue to use SAF to abate unavoidable air travel emissions while supporting the decarbonization of the aviation sector
- We will prioritize electric vehicles for rideshare and car rentals as such options become available in the markets in which we operate
- For new buildings, our global real estate team will prioritize sustainability criteria for new and renovated office spaces, particularly renewable fuel sources and LEED/BREEAM building certification. The global real estate team will also pursue LEED office space certification, beginning with our Bain Dubai office, which was certified LEED Platinum in 2023
- We will increase efficiencies in our existing buildings by 15% by optimizing climate control and office density. We will also consider retrofitting HVAC in existing offices to be powered by electricity or renewable sources where feasible.
- We will continue prioritizing waste diversion and reduction through internal policies and guidelines and promote composting and recycling at a local level via consistent messaging from Bain's local Green Teams. We commit to diverting 90% of the waste we produce away from landfills by 2030

- To address our upstream supply chain emissions, we will evaluate the ESG maturity of our supplier base and work with the low-maturity suppliers to set their own science-based targets and provide transparency through public reporting. As our suppliers advance in maturity, we will begin requesting and then requiring Bain-specific emissions reporting. Over time, we will proactively collaborate with engaged suppliers on joint reduction initiatives and best practice sharing, while shifting purchase volume away from suppliers who do not engage in sustainability efforts
- We are committed to monitoring and reporting on the progress of these initiatives. The highest governing body of the firm has been engaged in the process of setting Bain's science-based targets and defining the company's transition plan and will monitor progress against this plan on an ongoing basis

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate government emission conversion factors for greenhouse gas company reporting.

Scope 1 and scope 2 emissions have been reported in accordance with GHG Reporting Protocol and scope 3 categories are reported based on a materiality review conducted with independent third parties and in accordance with the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by Bain's CFO.

Signed on behalf of the Supplier:

Stephen McLaughlin

Chief Financial Officer

29 August 2023