

Carbon Reduction Plan

Supplier name: Bain & Company, Inc. United Kingdom

Publication date: December 2024

Commitment to achieving Net Zero

Bain & Company, Inc. United Kingdom is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Data provided is for Bain & Company, Inc. Bain & Company, Inc. United Kingdom is wholly owned by Bain & Company, Inc. Both Bain & Company, Inc. United Kingdom and its parent company – Bain & Company, Inc. – are committed to achieving Net Zero emissions by 2050.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
The emissions reported below cover all global offices and subsidiaries, and all relevant Scope 3 categories for Bain & Company. This represents the baseline year used by Bain for all SBTi-approved targets.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	2,910
Scope 2	1,071
Scope 3 Categories Included:	226,588

<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* 	
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 organisation as a service company.

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO _{2e})
Scope 1	1,510
Scope 2	410
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 	171,643
Total Emissions	173,563

Emissions reduction targets

- Bain has set both near-term and long-term Net Zero targets that have been approved by the Science Based Targets Initiative (SBTi), the leading global authority on scientifically-derived targets. These targets meet SBTi's Corporate Net-Zero Standard and are aligned to the 1.5°C pathway.
- Specifically:
 - In the near term: Bain has committed to reducing Scope 1 and 2 emissions by 30% and Scope 3 business travel emissions by 35% per employee by 2026.
 - In the long term, Bain has committed to reducing Scope 1 and 2 emissions by 90% by 2050. We have also committed to reducing Scope 3 emissions on a per employee basis by 97% by 2050.
 - These targets cover 100% of our emissions as of the publication of this transition plan and future transition plan updates will reflect any future material carbon footprint changes.
 - Note: The target boundaries include land-related emissions and removals from bioenergy feedstocks.
- In line with the SBTi Net-Zero Standard, our highest priority is to take substantial, transparent, and cost-effective actions to reduce our operational emissions by more than 90% and then, once we've achieved our long-term target and cut emissions by >90%, use permanent carbon removal and storage to counterbalance the final <10% of residual emissions that cannot be eliminated.
- We also believe that counterbalancing residual emissions can't wait until 2050. To that end, we are committed to ongoing Beyond Value Chain Mitigation (BVCM) strategies to remove more carbon from the atmosphere than we emit on an annual basis.
 - In 2022, Bain committed to have a net-negative carbon impact, starting with 2021 emissions year and for all future years, by working to reduce its emissions and investing in high-quality carbon removal projects to offset more than its annual carbon footprint.
 - We pledge to purchase and retire high-quality carbon removal credits in an amount greater than 100% of our annual residual Scopes 1, 2, and 3 emissions on an ongoing basis.
- Bain committed to sourcing 100% of its electricity usage from renewable energy by 2021, a target which it achieved in 2020, one year ahead of schedule. Bain is committed to continue annually sourcing 100% renewable electricity on an ongoing basis, and formalized that commitment with science-based targets:
 - Near-term: Bain commits to continue annually sourcing 100% renewable electricity through 2030.
 - Long-term: Bain commits to continue annually sourcing 100% renewable electricity from 2030 through 2050.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives:

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emission reduction achieved by these schemes equate to 57,006 tCO₂e, a 25%ge reduction against the 2019 baseline and the measures will be in effect when performing the contract.

Since 2019, we have reduced our carbon footprint by 25% and our carbon emissions per FTE have decreased by 59%.

Scope 1 & 2:

- Bain is transitioning its company cars to electric vehicles, with 17% of company-owned or -leased vehicles electric as of 2023.
- Bain's global real estate team considers Leadership in Energy and Environmental Design (LEED)/Building Research Establishment Environmental Assessment Methodology (BREEAM) building certification as a criteria for leasing new office space, with 32 offices in LEED- or BREEAM-certified buildings.
- Bain has also begun seeking LEED certification for interior design and construction for its offices, with Bain Dubai rated Platinum in 2023. Two additional large offices currently under construction are targeting certification for 2025.

Scope 3:

- In 2022, Bain introduced carbon budgets to manage its air travel emissions for non-client travel. Bain's internal functions are assigned a carbon budget and must stay within the budgeted amount. The result of this effort in 2023 was that Bain successfully capped its non-client air travel emissions, staying under the overall emissions target. As part of this effort, the company undertook major changes to carbon-intensive functions such as recruiting and training to reduce the impact of travel for those activities. For example, all first-round interviews will be performed virtually, and locations for global training programs will be optimized to minimize flight miles. Bain will continue to use carbon budgets going forward and has set updated carbon budgets for 2024.
- Bain also joined the Sustainable Aviation Buyers Alliance (SABA) 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. In 2023, Bain purchased enough SAF to cover all emissions associated with North American recruiting flights for the 2022-2023 recruiting cycle. Bain rolled forward this commitment in 2024 to cover the 2023-2024 recruiting cycle.
- In 2023, the Sustainable Procurement function used the results of its preliminary supplier assessment survey (performed in 2022) to identify targeted suppliers without strong climate action plans or ESG strategies and inform discussions with them. The Procurement team engaged several of those suppliers in dialogue, providing coaching and support to enable two of those suppliers to set a strategy for climate action. Bain conducted a second supplier assessment survey in Q4 2023. The results from this survey will be used in 2024 to continue evaluating supplier performance on priority ESG topics, identify opportunities for engagement, and evaluate year-over-year improvement.

- Bain’s local Green Teams, which cover 92% of its operations by employee count, have led waste reduction and travel reduction initiatives such as increased access to composting in Boston and green travel bonuses in the Germany and Switzerland offices for employees who choose train travel over flights for short journeys. In 2023, the Toronto office partnered with ‘Be One to Give’ to distribute leftover food from office catering to local community groups, and with ‘Suppli’ to reduce packaging waste by providing employees with the option to order takeout lunch in reusable containers and return those containers at a drop-off point in Bain’s office. In 2023 this partnership saved 105 single-use containers from the landfill.
- Bain observed a significant decrease in scope 1, 2, and 3 emissions largely driven by the impact of the COVID pandemic (specifically, office shutdowns and decreased client travel due to health restrictions) in 2020-2022. Bain’s priority now is to maintain these reductions and continue to take actions to ensure emissions do not “bounce back” to pre-COVID norms as the firm continues to grow.

Beyond Value Chain Mitigation:

- Bain achieved net-negative carbon emissions in 2023, purchasing enough high-quality carbon removal credits to offset more than 100% of its footprint.
- In 2023, Bain supported 15 projects, including the Delta Blue mangrove reforestation project in Pakistan, and multiple afforestation and forest management projects in Ghana, Sierra Leone, Colombia, Tanzania, and the United States.
- Since 2022, Bain has dedicated a portion of its offset portfolio to catalyzing the development of permanent carbon removal and storage technologies, including enhanced rock weathering, biochar, carbonated building materials, and biomass with carbon removal and storage (BiCRS) projects, in addition to its portfolio of nature-based removals.
- Bain has also achieved a Voluntary Carbon Markets Initiative (VCMI) Carbon Integrity Platinum claim for its 2022 footprint, verifying that Bain purchased and retired high-quality carbon removal credits in an amount greater than 100% of our scope 1, 2, and 3 emissions.

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

Bain’s climate transition plan builds on our industry-leading carbon management program and sets a path forward to a Net Zero future. The emissions reduction levers listed below highlight the key actions Bain will implement in both the near-term and long-term to reach our 2050 Net Zero emissions targets:

- **Sustainable Aviation Fuel (SAF):** Since 2023, Bain has partnered with air transport operators to replace a portion of our conventional jet fuel demand with SAF. As the technology advances and becomes more readily available, we are committed to procuring higher volumes of SAF, with higher life cycle GHG emissions reductions, specifically:
 - By 2030, we will partner with air transport operators to replace at least 5% of conventional jet fuel demand for our air transport with SAF that reduces life cycle GHG emissions by 85% or more when compared with

- conventional jet fuel and/or utilizing zero-carbon emissions propulsion technologies.
- By 2050, we will partner with air transport operators to replace 100% of our residual conventional jet fuel demand for our air transport with high-integrity SAF, using the best, most cost-effective technology at that time.
 - **Travel reduction:** Bain has a number of specific initiatives in place to manage the carbon impact of business travel, including:
 - Using carbon budgets to cap and reduce non-client travel emissions.
 - Engaging with our clients to prioritize travel needed to drive the most value from our work, establishing travel patterns that maximize client impact while fitting within our and our clients' climate goals.
 - Incentivizing teams to switch from air to rail travel in markets where this is feasible.
 - **Electric Vehicles:**
 - Across our global offices, we will shift to electric vehicles (EVs) for our leased vehicles, taxis and rideshares, and car rentals.
 - We plan to convert over 90% of our leased fleet to electric power by 2030 and aim to transition to a fully electric fleet by 2050.
 - **Real estate:**
 - We will continue to drive energy efficiency improvements in our current office space with a target of increasing efficiency by 15% by 2030 and pursue LEED ID+C (LEED for Interior Design and Construction) certification on the existing office spaces we already occupy.
 - We will also retrofit HVAC systems in existing offices to be powered by electricity or renewable sources, where feasible.
 - **Supply Chain:** To address our upstream supply chain emissions, we will:
 - Monitor and evaluate the ESG maturity of our supplier base through an annual supplier assessment survey.
 - Incentivize and work with suppliers to set their own science-based targets and provide transparency through public reporting.
 - Begin requesting and then requiring Bain-specific emissions reporting, as our suppliers advance in maturity.
 - 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.
 - **Waste:**
 - We are committed to diverting 90% of the waste we produce away from landfills by 2030. As of 2023, Bain is diverting 54% of the waste we produce away from landfills through our in-office recycling and composting programs.

For more information, please see our published [Climate Transition Plan](#).

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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Steve McLaughlin

Chief Financial Officer

13 December 2024

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>