

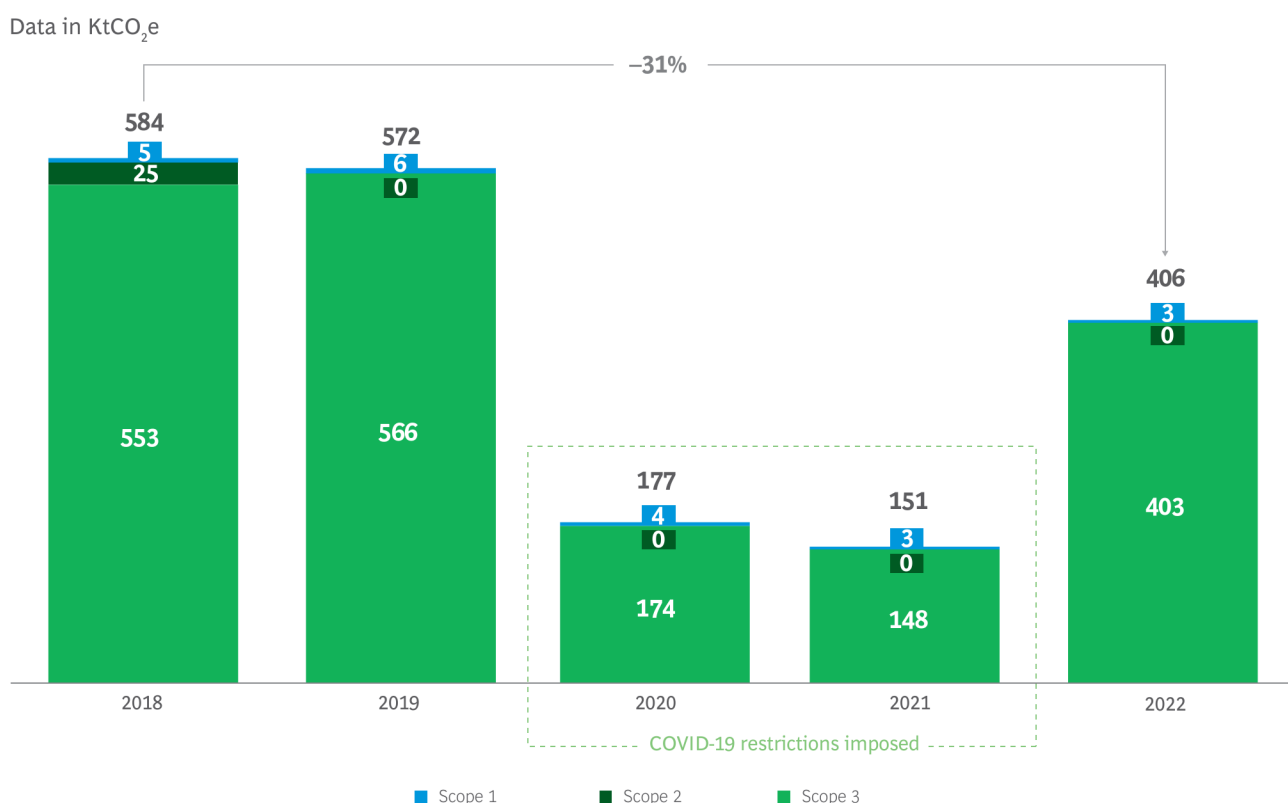
Measuring Our Climate Impact

We have established a global carbon accounting system in accordance with the GHG Protocol Corporate Standard, and we independently verify our emissions against the ISO 14064-3 standard.¹¹ We report emissions in metric kilotons of carbon dioxide equivalent (KtCO₂e). A detailed description of our greenhouse gas reporting methodology and Scope 3 reporting boundary is available in the Appendix (page 86).

Relative to our 2018 baseline, our 2022 emissions remained 30% lower in absolute terms and 54% lower on a per person intensity basis. In comparison with our absolute emissions to 2021, our emissions in 2022 increased, due mainly to the return of business travel in 2022 following the easing of COVID-19 travel restrictions.

Our Scope 3 emissions boundary includes business travel—our largest source of emissions—as well as purchased goods and services, capital goods, employee commuting, and other smaller emissions sources. Within our reported GHG inventory, for air travel emissions, we measure and include the climate impact of GHG emissions from the combustion of fuel, as well as the impact of non-GHG sources that have a radiative-forcing impact.¹² (See Exhibit 7.)

Exhibit 7 - BCG's Greenhouse Gas Emissions



Source: BCG analysis.

Note: KtCO₂e = metric kilotons of carbon dioxide equivalent.

11. We take an operational control approach to consolidating our carbon emissions inventory.

12. Although CO₂ is a significant and crucially long-lived pollutant from aviation, it represents only about 50% of the total warming caused by flying. Other emissions from aviation, such as nitrogen oxides (NO_x), sulfur oxides (SO_x), and particulate matter (PM), as well as indirect factors such as the formation of contrails and clouds, contribute to effective radiative forcing (ERF). Following best practice, we account for the non-GHG climate impact of aviation by multiplying the CO₂ impact by 1.9, effectively doubling our flight emissions. We include non-GHG warming effects within our full reported GHG boundary. But in accordance with the Science Based Targets initiative (SBTi) aviation sector guidance, we exclude them from our business travel target boundary. For the same travel target, we also include upstream well-to-tank emissions from the combustion of aviation fuel; however we do not include these in the full reported GHG inventory above. Please see Table 1 on page 87 of the Appendix for a summary of our full GHG inventory and target boundaries.