



THE FUTURE CAN'T WAIT.

2021 ENVIRONMENTAL, SOCIAL,
GOVERNANCE (ESG) IMPACT REPORT

WAYFINDING

Welcome to Booz Allen’s Environmental, Social, Governance (ESG) Impact Report. The pages that follow describe our vision for a secure, resilient future that works for everyone, and how we’re bringing that vision to life through the lenses of six key impact areas. Transparency and the accountability it fosters are natural expressions of our purpose and values, which serve as the foundation for everything we do and guide the measurable contributions our people make—through their work, their generosity, and especially their collaboration—to our firm, our clients, our communities, and the world.



EMPOWER PEOPLE TO CHANGE THE WORLD



FEROCIOUS INTEGRITY

- Do right
- Hold yourself and each other accountable



PASSIONATE SERVICE

- Embrace the mission
- Listen and act with empathy
- Make meaningful connections
- Build community through generosity



UNFLINCHING COURAGE

- Speak truth to power
- Maintain convictions, especially under duress
- Bring bold thinking



COLLECTIVE INGENUITY

- Find the problem and solve it
- Be resourceful and creative
- Seek to make the biggest difference
- Harness the power of diversity
- Be devoted to the team



CHAMPION'S HEART

- Crave being the best
- Bring joy in the pursuit
- Learn from failure
- Compete with passion

DEAR BOOZ ALLEN STAKEHOLDERS AND FRIENDS,

We are pleased to share our annual Environmental, Social, and Governance (ESG) Impact Report. At its core is Booz Allen's purpose: To empower people to change the world. We are proud of the positive difference our employees make as we strive to build a more digital, secure, resilient, and equitable future for all.

In reaching for that future, we are launching a new growth strategy, the successor to Vision 2020. The strategy is called VoLT—for Velocity, Leadership, and Technology. It aims to bring our talent and resources to bear against multifaceted challenges, faster than ever. Booz Allen will move at digital speed to create opportunities, transform missions, and change the world for the better—both through how we operate as an institution and how we support our clients and communities.

It's important to note that VoLT and the ESG objectives detailed in this report are fully integrated. Together they drive long-term quality growth and sustainable value for our stakeholders. For example, Diversity, Equity, and Inclusion (DEI) is a Board-level strategic priority, a key enabler of VoLT, and an ESG area of focus. As a values-based organization, we are determined to foster an inclusive and equitable workplace where all people can achieve their full potential. We have a strong record in this area and are committed to doing more under the comprehensive DEI action plan we announced this year. You can find more on this topic on [pages 34-36](#).

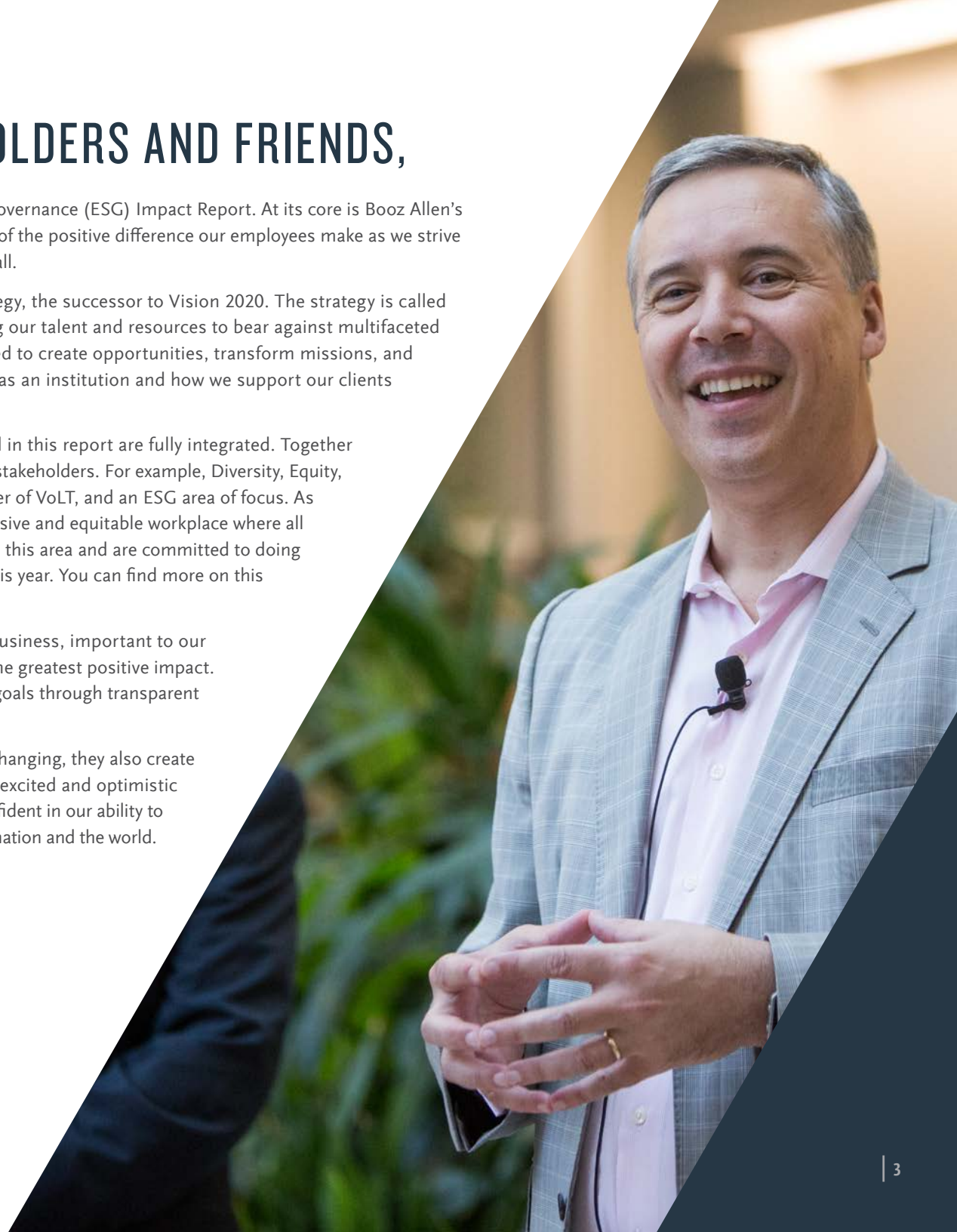
More broadly, we invest in ESG efforts that are relevant to our business, important to our stakeholders, and leverage our unique market position to make the greatest positive impact. We hold ourselves accountable for making progress on our ESG goals through transparent evaluation and communication of results in our ESG reporting.

While the global challenges that lie ahead are complex and ever-changing, they also create opportunities that Booz Allen is well positioned to seize. We are excited and optimistic about the future. And with your continued support, we remain confident in our ability to innovate solutions that address the most pressing priorities of our nation and the world.

With warm regards and gratitude,



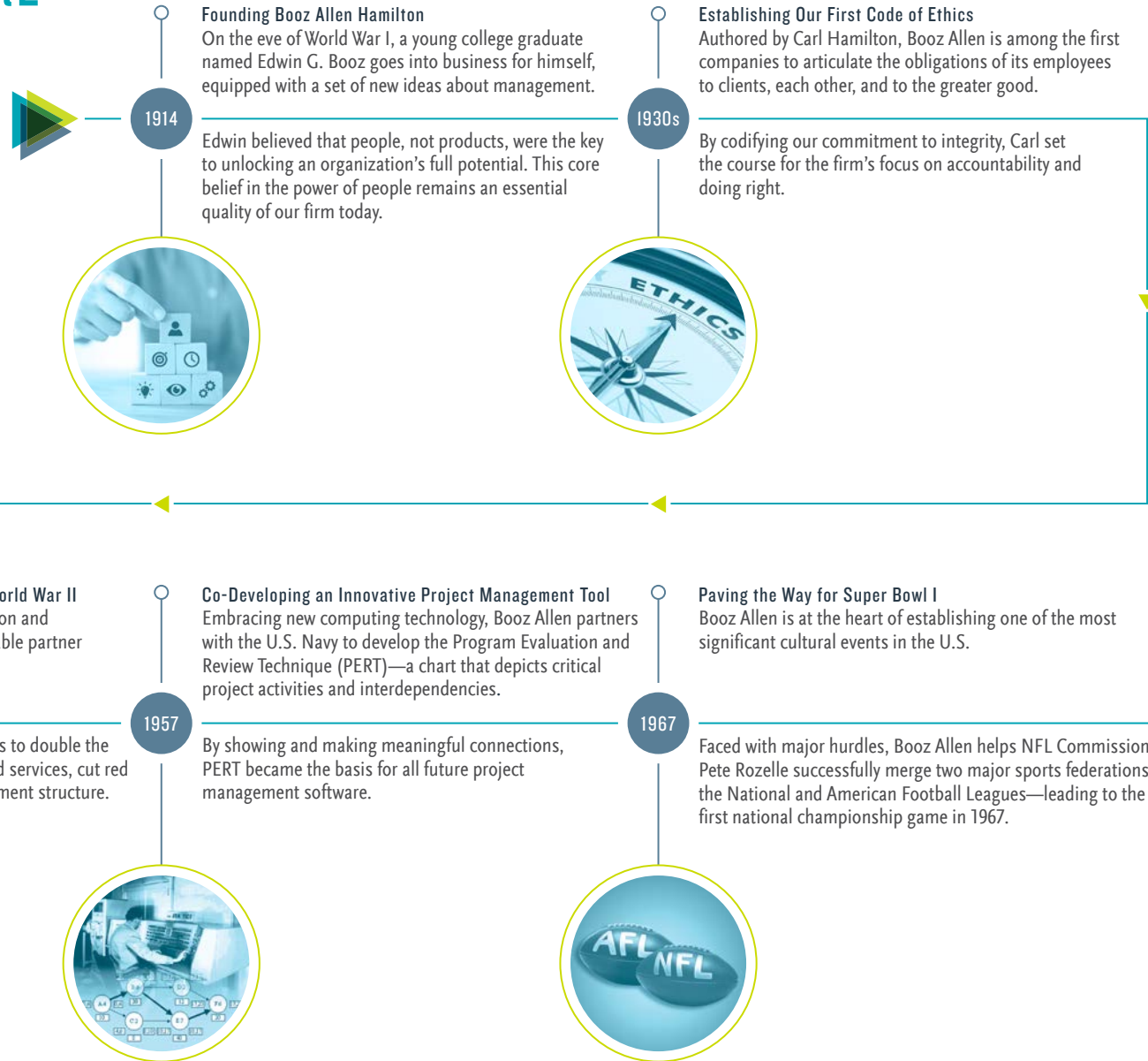
Horacio D. Rozanski
President and Chief Executive Officer



SHAPING THE FUTURE

Our passion for service, coupled with future-focused thinking, has made an impact at defining moments that have changed industries, transformed security, and advanced society.

Since our founding, we have empowered our people to anticipate and address critical challenges alongside our clients, working together to create a more secure, resilient world.

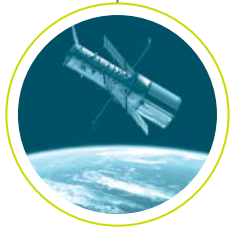


Pursuing the Final Frontier

The firm wins its largest contract to date—valued at more than \$100 million—to support the development and maintenance of the NASA space station program. Booz Allen also contributes to the design of the Hubble Space Telescope, launched in 1990.

1987

This opportunity laid the groundwork for an international cooperative to conduct vital research that continues today.



Connecting Citizens to Federal Assistance Information

Forging partnerships across nine U.S. federal agencies, Booz Allen helps to launch GovBenefits.gov. For the first time, citizens can get fast, easy access to more than 1,000 benefits and assistance programs through a single website.

2005

By bringing federal assistance programs into the 21st century, Booz Allen set the stage for future business in modernizing the federal government's IT infrastructure.



Investing for the Future

Booz Allen gains the financial flexibility to fund future growth by completing an initial public offering in November 2010. With strong support from new investors and existing stockholders, Booz Allen joins the ranks of the Fortune 500.

2010

The firm successfully sold its Class A common stock at \$17 per share and was listed on the New York Stock Exchange under the ticker BAH.



Investing in Creative Thinking and Breakthrough Ideas

Recognizing change across the industry and our firm, Booz Allen took steps to find problems, solve them, and stay ahead of the curve with a new long-term strategy for growth—Vision 2020.

2013

The firm also renewed its commitment to entrepreneurialism with the establishment of the Strategic Innovation Group (SIG). The SIG represents an investment in Booz Allen's future and the value we deliver clients through innovation.



Naming a New Leader

Horacio Rozanski becomes Chief Executive Officer (CEO), succeeding Ralph Shrader who now serves as Chairman of the Board. Horacio began his Booz Allen career as an intern in the Buenos Aires office before joining the firm as a consultant in 1992 and rising through the ranks.

2015

Horacio's story demonstrates the breadth of development and career opportunities at the firm, no matter what stage a Booz Allen person is in their career.



Advancing Racial and Social Equity

As a values-driven firm, Booz Allen has a responsibility to help create a more equitable world. Though long committed to advancing diversity, equity, and inclusion (DEI), the firm redoubles its commitment to racial and social equity both inside Booz Allen and in the communities where we work and live.

2021

Booz Allen advanced its commitment to DEI by launching an ambitious action plan that builds on its 2020 Race and Social Equity six pillars of change, to make the firm a more equitable place so that all people can achieve their full potential.



BUSINESS OVERVIEW



Our comprehensive suite of service offerings is strategically aligned with our clients' current and future priorities:

BOOZ ALLEN'S PEOPLE ARE AT THE HEART OF OUR CAPABILITIES.

The power of our model is the integration of skillsets and solution offerings and we look to further this model by boldly deploying talent and capital. Our capabilities are propelled by three strategic pillars: Velocity, Leadership, and Technology (VoLT).

ANALYTICS AND AI delivers transformational end-to-end solutions that advance from data science to machine learning and artificial intelligence. We pioneer new approaches to apply artificial intelligence, quantum computing, and analytical technology; draft industry-defining publications; and introduce targeted, innovative products to provide lasting value to our clients.

DIGITAL SOLUTIONS combines experience-driven, agile technology solutions with whole-problem planning that embeds the right policies, processes, training, and culture changes to transform and drive digital adoption across a mission lifecycle. We develop, design, and implement powerful solutions built on open architectures, where capability can be securely and efficiently developed and deployed at scale.

ENGINEERING supplies engineering services and solutions to define, develop, implement, sustain, and modernize complex physical systems to deliver resilience across the system lifecycle and offer results that endure. We pioneer groundbreaking tools and products using a leading-edge mix of engineering skills, best-in-class technologies, and a specialized engineering business footprint—including 27 labs and other facilities across the U.S.

CYBER focuses on outpacing cyber threats through integrated, automated, and intelligent cyber solutions to dynamically protect, defend, and respond to an evolving technology ecosystem. Our deep expertise is earned through real-time cyber operations, leading-edge technical innovations, critical large-scale incident responses, and advanced cyber threat intelligence.

CONSULTING focuses on the talent and expertise needed to solve client problems and develop mission-oriented solutions. Applying agility in problem solving, transformative change management tools, and innovative approaches to specific domains, business strategies, human capital, and operations, we help clients boost organizational performance, deploy new technologies in smart ways, and streamline processes to achieve better outcomes and do more with less.

VISION 2020: LOOKING BACK

We launched a comprehensive strategy in fiscal year 2014 that transformed our firm and created long-term growth at the intersection of mission and technology.

UNDER THE VISION 2020 STRATEGY, WE:	THE SUCCESS CAN BE SEEN IN:
Moved closer to the center of our clients' core missions	Backlog growth, which achieved record levels during FY21
Increased the technical content of our work	Industry-leading organic revenue growth, which marked the sixth consecutive year of organic revenue growth
Attracted and retained superior talent in diverse areas of expertise	Headcount growth and corresponding shift in our talent portfolio to more technical expertise in disciplines such as systems development, cyber, and analytics
Expanded into commercial and international markets	Enhanced profitability and margin expansion
Created a broad network of external partners and alliances	
Leveraged innovation to deliver complex, differentiated, end-to-end solutions	

SUPPORTING OUR COMMUNITIES THROUGH SUSTAINABLE PROCUREMENT

Booz Allen believes in contributing to the economic opportunity of the communities in which we work by promoting and partnering with diverse organizations across our supply chain.

WE ARE COMMITTED TO PROMOTING SUSTAINABLE PROCUREMENT BY:

- Leveraging strong enterprise structure, with clear baseline, agenda, and vision
- Integrating leadership commitment and accountability
- Enhancing systems to track diversity, environmental, and economic impact
- Increasing engagement with diverse suppliers and supplier diversity advocacy groups
- Monitoring performance, establishing transparent reporting, and sustaining engagement

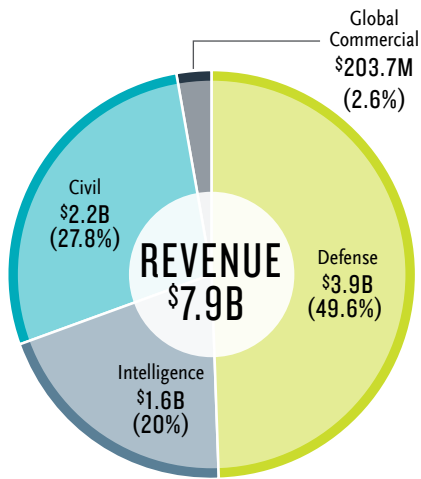
PROOF POINTS:

- 2020 Nunn-Perry Awardee for Mentor Protégé arrangement with Masego Inc., a service disabled veteran-owned small business
- Targeted supplier relationship manager training
- \$1.074B to small businesses including multiple socioeconomic categories representing 69.9% of total subcontracted value*
- Champions of Veterans Enterprise Award (9 consecutive years)

*Based on U.S. federal government fiscal year 2021.

KEY FINANCIAL HIGHLIGHTS OF FISCAL YEAR 2021

Our client base is diversified for stability and growth, spanning substantially all cabinet-level U.S. federal government departments, as well as international and commercial organizations.

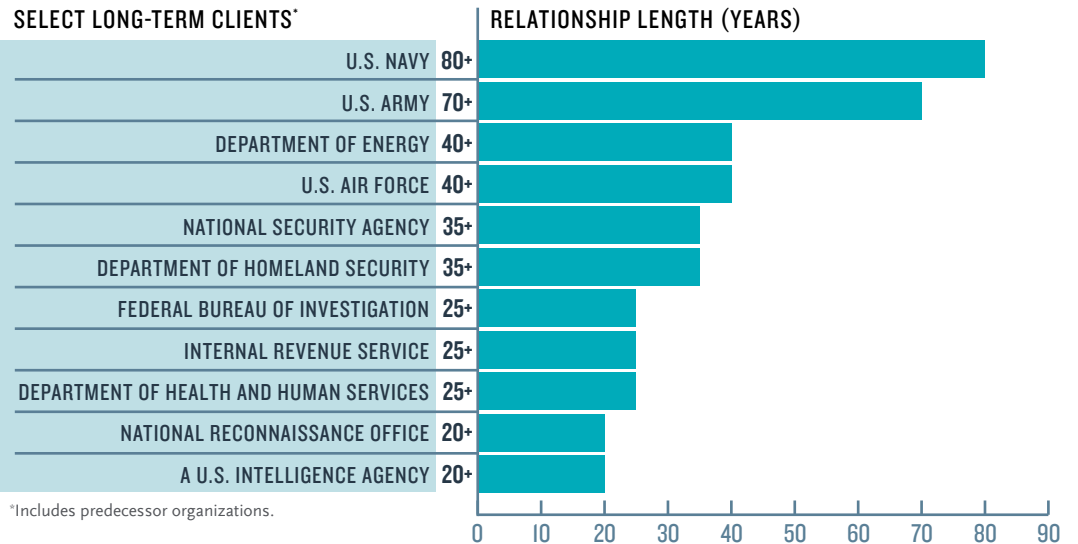


- 97% of revenue from contracts where end-client was a U.S. government agency or department
- \$609 Million in net income (7.7% margin)
- \$840 Million in adjusted EBITDA (10.7% margin)*
- 93% of revenue from engagements where we were prime contractor
- 13% of revenue from Navy Marine Corps, our single largest client, demonstrating both the length and breadth of our relationship
- Delivered services under 4,309 contracts and task orders

*See Appendix for reconciliation of non-GAAP measures.

EMBRACING THE ENDURING MISSIONS OF OUR CLIENTS

We are dedicated to our clients' missions and committed to evolving our business to address their needs, with a focus on providing long-term solutions to their emerging and ever-changing challenges, often over decades-long relationships.



*Includes predecessor organizations.

BOOZ ALLEN 2021 ESG AT A GLANCE



ENVIRONMENT

23,700 metric tons CO₂e in total greenhouse gas emissions (down from 96,400 in FY20)

Achieved goals set in 2015 to reduce **Scope 2 emissions by 15%** well ahead of schedule

Committed to set **science-based targets** through the Science Based Targets initiative

Joined **Business Ambition for 1.5°C Campaign**, committing to set targets aligned with a **net-zero** future

SOCIAL

89% of our executive Leadership Team are **women and/or people of color**

68% of our employees **hold security clearances**, including 94% of military-affiliated employees

Engaged communities with **>\$3M in charitable contributions** and **>\$1.7M in pro bono client service**

Employees engaged in our culture of feedback with **>180,000 performance-related discussions**

GOVERNANCE

73% of the members of our Board of Directors are **women and/or people of color**

Board Diversity policy ensures **diverse candidates** among new director pools

ESG and cybersecurity are each subject to chartered oversight by Board of Directors

ESG/Sustainability performance is considered as a factor in **executive compensation**



ESG AT BOOZ ALLEN

IMPACT WHEN IT COUNTS

Our vision is for a future that is human-centric, mission-focused, and powered by technology. As we embrace the rapid pace of change, this vision propels our delivery of solutions that modernize industries, transform security, and advance society. Our approach starts with our purpose and values and leverages our consulting expertise and relentless innovation to create a more secure, connected, resilient world.

OUR APPROACH

Edwin Booz, the firm's founder, set the tone for both individual and institutional commitment to integrity for all Booz Allen people when he wrote, “**Start with character, intelligence, and industry...and fear not the future.**” Performance against our aspirations and goals is, and always has been, achieved through both the individual and collaborative efforts of teams across our firm. Our people continue to live by our founder’s words as we launch a long-term vision of the future of work and the next evolution of our corporate strategy.

Channeling our future-facing heritage, our cross-market collaboration, and our commitment to delivering and defining the intersection of character and industry, we boldly innovate and propel our business and our clients’ missions forward with speed and agility. The drive to excel—to translate our purpose and values into action—is instilled within every Booz Allen person, each of whom is **empowered to change the world.**

As we strive to realize positive change in everything we do, we are grounded by a key tenet of the **Booz Allen Innovation Agenda**, “Don’t Go it Alone.” That spirit of collective resilience is sustained through our “In It Together” response to the exceptional human, economic, and societal challenges posed by the continuing coronavirus pandemic and in our commitment to create a more diverse and equitable world.

As technology advances and our clients’ needs evolve, our strategic focus is squarely on the horizon. We have led our industry over the last century by anticipating and adapting to change before it happens. Over a decade ago, we completed our initial public offering, redefining our relationship with our stakeholders. Today, we continue to refine our approach to transparency and accountability for our corporate impact to reflect the evolution of our business and our stakeholders’ expectations.

In the words of our President and CEO **Horacio Rozanski**, “**Time never stops, and neither does Booz Allen.**” As we rise to meet the challenges and opportunities that the future holds for us as a firm, we further shape the future of ESG—for ourselves and for our industry.



COHESIVE MANAGEMENT

We celebrate our century-long heritage of integrity, stewardship, and corporate citizenship, and reaffirm our dedication to holistically manage our corporate impact.



FOCUSED RESPONSIBILITY AND ACCOUNTABILITY

As we drive toward goals and metrics that underpin our strategy, our approach continues to celebrate the power that comes from focused, independent responsibility, while maintaining a layer of accountability and a forum for collaboration.



ENTERPRISE-LEVEL GOVERNANCE

Our dedicated ESG function and cross-functional governance bodies operate with a collective mandate to bring to life an integrated, measurable, and decision-useful embodiment of our purpose and values.



INTEGRATION INTO BUSINESS STRATEGY

Our approach seeks to drive long-term growth and sustainable value for our stakeholders through enhanced transparency and further strengthened incorporation of ESG considerations into our business strategy.

GOVERNING OUR ESG IMPACT

Within our firm’s purpose to empower people to change the world, the idea that change should be *for the better goes without saying.*

Ferocious integrity is embedded within our systems, policies, and practices, and every Booz Allen person is called upon to apply our values alongside their judgment. As we advance our approach to ESG, we are integrating its governance into our existing business model.

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.

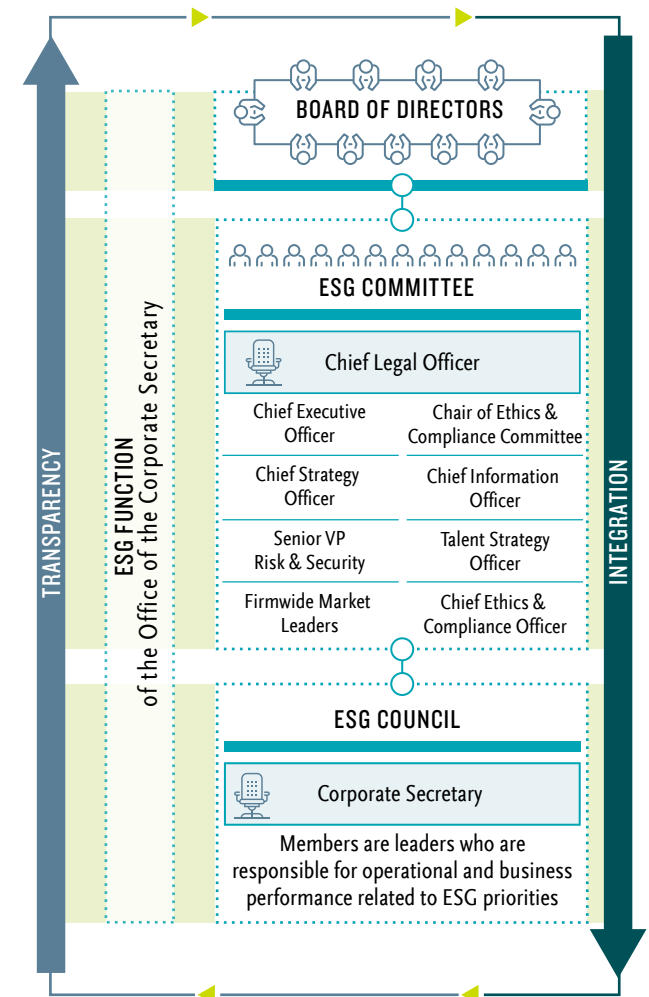
Board of Directors: Provides governance and oversight over the strategy, risk, operations, and management of the firm. The Nominating & Corporate Governance Committee is chartered with oversight of ESG matters, and the Audit Committee oversees the quality and integrity of our financial reporting.

ESG Committee: Champions the firm’s ongoing commitment to our ESG strategy and integration of ESG principles into business strategy. Chaired by our Chief Legal Officer and composed of senior executives, including our CEO, the ESG Committee acts with the Board’s delegated authority.

ESG Council: Harnesses **collective ingenuity** to operationalize a consistent and collaborative approach to ESG priorities both through the members’ day-to-day work and through cross-functional initiatives. The Council brings together corporate- and market-facing leaders to focus on business sustainability and social governance implications of the work we do and the way we do it. We have combined our prior two-Council structure to facilitate visibility and collaboration. Our Corporate Secretary chairs the ESG Council, underscoring its key governance function.

ESG Function: Drives ESG strategy and supports the Board, ESG Committee, and ESG Council through three primary means:

- **Strategic Support:** Facilitates strategic decision making by contributing subject matter expertise and insight into the firm’s efforts to apply ESG best practices to our operating context.
- **Transparency:** Supports accountability for impact management by advising Council members of best practices, tracking performance against individual team and cross-functional initiative goals, and reporting progress to the ESG Committee and Board and externally through annual reporting.
- **Integration:** Supports integration of ESG principles into business strategy by recommending policy and practices to the ESG Committee and facilitating Council execution against the Committee's strategic direction.



ENGAGING OUR STAKEHOLDERS

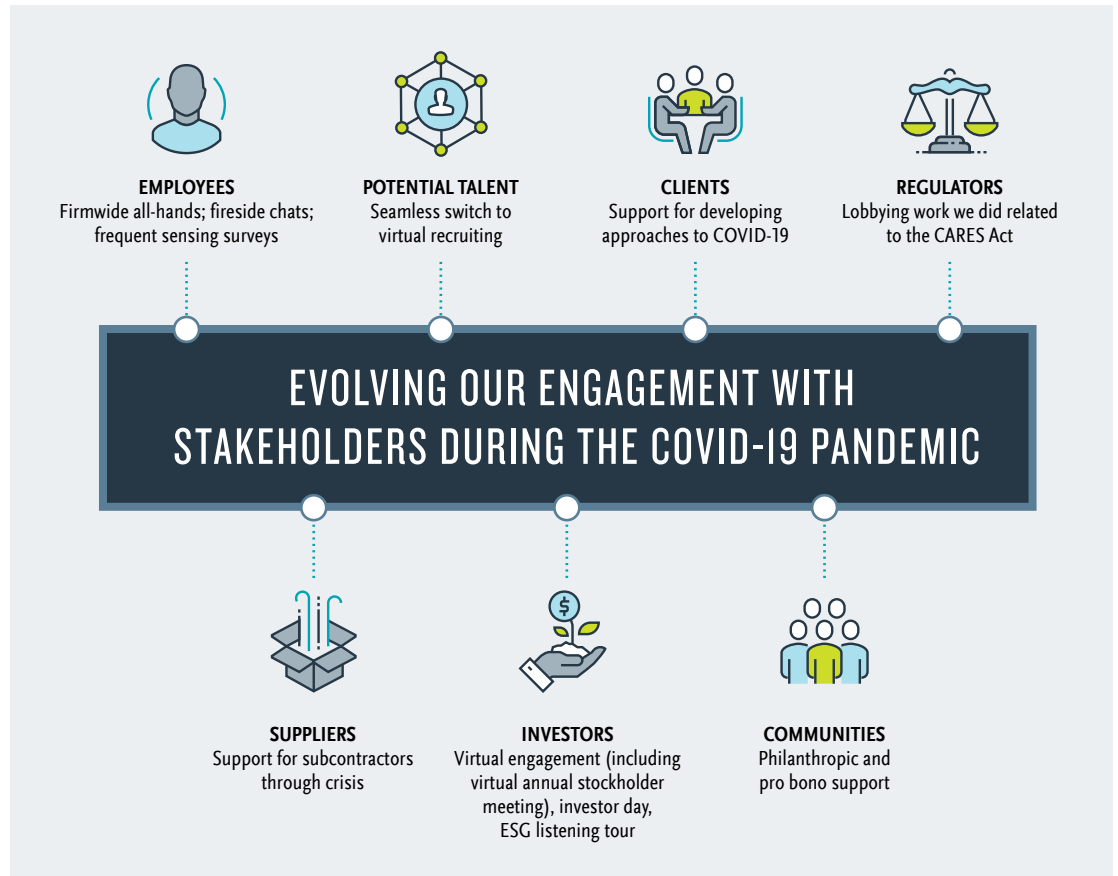
At Booz Allen, we continually seek to deepen our understanding of our clients’ most urgent challenges and the broader context in which we work, create, and innovate.

While physically distanced in ways we have not been before, we found new ways to engage our stakeholders in a largely virtual environment. The enhanced flexibility of virtual engagement offset many of its obstacles, offering new opportunities for interaction across geographies.

Diverse perspectives from key players across our value chain enabled us to quickly push forward new ideas and flexible, mission-oriented solutions to meet the dynamic hardships faced in our current context. Our commitment to **collective ingenuity** ensures we’re always open to new ideas as we seek continuous feedback into what matters most.

During this unprecedented time, we have interacted through multiple channels to meet a changed future where our stakeholders’ needs are more complex than ever.

Moving forward, we will use the results of our engagement to strengthen our strategy for innovation and impact. Our stakeholder engagement will continue to be consistent, cross-operational, and holistic, integrating ESG as a part of each touchpoint throughout our value chain.



We’re working to harness the power of the firm, both to create value for our clients and investors and to meet our strategic objectives. And those objectives don’t stop at growth—it’s also about creating opportunities for our people.

—Matt Calderone, Booz Allen Chief Strategy Officer

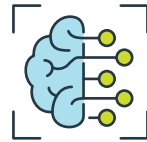


ASSESSING OUR IMPACT

Our purpose and values embody who we are as a firm and how we successfully drive our clients' missions. Informed by those values, we are employing an increasingly data-focused lens to build on and refine, validate, and prioritize the ESG impacts that are relevant to our stakeholders in their interactions with Booz Allen.

Last fiscal year, we completed a formal stakeholder-inclusive assessment, providing a strong foundation for our ongoing approach to evaluating our ESG impacts. In 2021, we began leveraging an artificial intelligence (AI)-powered risk analysis program to complement our evaluation process, harnessing innovation to power a continuous data-driven review of ESG-related risks and our regulatory, competitive, and operating contexts.

With this model, we continue to build on a dynamic ESG focus that can respond to external events, evolving business priorities, and our own performance results. We will include a refreshed [assessment](#) in our 2022 ESG Impact Report.



AI-POWERED RISK AND OPPORTUNITY ANALYSIS

We use an AI-powered solution to conduct regular risk and opportunity analyses, leveraging in-depth business, industry, market, and peer data along with scans of the regulatory and ESG and sustainability frameworks environments.



ALWAYS-ON STAKEHOLDER ENGAGEMENT

We leverage day-to-day engagement with key external groups combined with an ESG governance architecture that provides access to corporate- and market-facing internal groups to collect extensive information that contextualizes and individualizes the ESG landscape for Booz Allen.



DATA-DRIVEN ANALYTICS

In addition to our expertise, we employ data-driven inquiry to analyze and prioritize ESG issues relevant to our business and to our stakeholders. Through this analysis, we will validate our ESG focus areas for 2022, ensuring our strategy remains current and relevant to driving long-term enterprise value creation and societal impact.



TRANSPARENT EVALUATION

We will evaluate our progress, internally and externally, through the analysis of key performance metrics and impact measurements, the results of which will be communicated in our ESG reporting.



We transform ourselves to stay relevant with the world around us and **we transform ourselves to help our clients transform.** From an investor's standpoint, that capacity for transformation is, I believe, a key ingredient for our ability to outpace markets.

—Horacio Rozanski, Booz Allen President and Chief Executive Officer



DEFINING OUR ESG FOCUS

As we invest in shaping the future, we strive to create enduring positive impact for our clients and communities and to enhance the sustainability of our business. Both goals are best served through focus and transparency—on what matters most and where we are uniquely positioned to make a difference.

This report maintains its focus on the six categories of significant ESG impacts that emerged as both relevant to our business and important to our stakeholders in our FY20 assessment.

As we mature our ESG focus, our efforts drive towards establishing a cohesive, standards-based ESG impact management system. This work, informed by our data-driven model for impact assessment, will result in a system centered on continuous improvement of ESG management, performance, and disclosure.

Beginning in 2022, we will report our performance against internal, high-level goals, some of which are previewed here. We will measure our progress by tracking applicable metrics and key performance indicators selected to best assess performance and advancement against our goals.

- *Ethics & Integrity:* We uphold our purpose and values through our work and operations, and we advance the principles, standards, and norms of our industry and the communities we serve.
- *Mission & Innovation:* We cultivate both mission intelligence and an innovative mindset, incubating and scaling technological capabilities and infusing them with unparalleled understanding of our clients' objectives.
- *Employee Experience:* We foster an inclusive environment that attracts, develops, nurtures, and retains a highly skilled workforce in a setting that values and embraces our employees' unique and diverse perspectives.
- *Community Engagement:* We maintain strong connections to the communities where we live and work—creating positive impact through outreach, partnerships, recruitment, advocacy, philanthropy, pro bono service, and volunteerism.
- *Global Resilience:* We promote individual, systemic, and societal resilience by supporting the ability to anticipate, address, and adapt to both change and threats to global stability and security.
- *Information Security:* We safeguard information and technology assets to prevent harm to our employees, our enterprise, our clients, and those whose information or assets are entrusted to us.

EXPANDING OUR ESG REPORTING FRAMEWORK ALIGNMENT

This year we have expanded our suite of voluntary ESG reporting frameworks to better enable our diverse stakeholders to use our ESG disclosures to understand and evaluate our efforts to manage corporate impact.

Published with this report are five **content indices** that detail the alignment of information within this report and other publicly available sources to: (1) the Global Reporting Initiative (GRI) Sustainability Reporting Standards; (2) Sustainability Accounting Standards Board (SASB) Standards; (3) Task Force on Climate-Related Financial Disclosures (TCFD); (4) World Economic Forum Stakeholder Capitalism Metrics; and (5) the UN Guiding Principles on Business and Human Rights Reporting Framework.

For more information, please see the [About Our Reporting](#) section of this report and our content indices.



ETHICS & INTEGRITY

THE FUTURE IS PURPOSE DRIVEN

Booz Allen has committed to the Mansfield Rule: Legal Department Edition 2.0, a certification process designed to support diversity in legal leadership by increasing opportunity for women, LGBTQ+, lawyers with disabilities, and racial/ethnic lawyers. For Booz Allen, already recognized for diversity and inclusion on its board of directors and executive Leadership Team, this program is part of an ongoing journey. “Our long-standing commitment to diversity, equity, and inclusion will be strengthened by the Mansfield Rule as we recruit, retain, and advance the next generation of legal leaders to help shape the transformational work we do as a business and for our clients,” said Nancy Laben, Booz Allen Chief Legal Officer.

ETHICS & INTEGRITY OVERVIEW



We uphold our purpose and values through our work and operations, and we advance the principles, standards, and norms of our industry and the communities we serve.

Booz Allen people are committed to acting with **ferocious integrity**, and realizing positive change through all the work we do. For over a century, our commitment has been steadfast. As one of the first organizations in the United States to adopt a formal code of business ethics, we believe doing what's right and holding ourselves and others accountable is the only way to do business.

We understand the direct link between Booz Allen's long-standing success and our unwavering commitment to living our values each day. Our values—**ferocious integrity, unflinching courage, passionate service, collective ingenuity**, and a **champion's heart**—come alive in our approach to business, service to clients, support to communities, and interaction with each other, as we live our purpose to **empower people to change the world**.

Being a values-based organization helps us attract and retain top talent, provide outstanding service to our clients, and uphold our reputation for doing the right thing. And while we endeavor to comply with all applicable laws—wherever we work around the world—complying with the law is just the beginning. We also expect that our actions, and those of our colleagues and others with whom we do business, reflect our **Code of Business Ethics and Conduct** especially when it is challenging. Our Code represents our values in action and applies to all employees, officers, directors, contractors, and consultants.



ETHICAL LEADERSHIP: Our leaders serve as ethical role models for our people, leading by example within our industry, armed with training, resources, experts, and express legal and policy-based protection from retaliation.



CORPORATE GOVERNANCE: We hold ourselves accountable through performance evaluation and responsible transparency. Guided by our Board of Directors, we seek to achieve sustainable, purpose-driven, long-term growth.



ACTING WITH INTEGRITY: We do not offer or pay bribes, give or accept kickbacks, make facilitation payments, or tolerate bribery or corruption, and we work to stay ahead of activities that may give rise to actual or perceived corruption risk, impropriety, or conflicts of interest.



BOOZ ALLEN IS A WORLD'S MOST ETHICAL COMPANY

In the 1930s, Booz Allen partner **Carl Hamilton** penned one of the first known codes of business ethics, committing to “subordinate one’s own personal interest to that of the firm” and to “face all firm problems objectively and dispassionately without arbitrary or prejudicial position.” Almost a century later, Booz Allen was honored to once again be named one of the **World’s Most Ethical Companies** by Ethisphere, a global leader in defining and advancing ethical business practices. Booz Allen maintains its standing among a list of elite global companies that are establishing a new benchmark for corporate ethics and compliance as we help create the future. Honorees are evaluated using key criteria such as corporate governance, leadership and reputation, corporate citizenship and responsibility, and ethics and compliance programs. This prestigious award reflects our tradition of placing integrity at the center of all that we do by continually emphasizing to our employees the role that ethics and compliance play in all of our business decisions.



ETHICAL LEADERSHIP

► We charge all Booz Allen people to lead by example, making the right decisions for the right reasons, with guidance and support from their leaders, subject matter experts, and corporate resources.

We maintain our **culture of integrity** by empowering and expecting each employee, regardless of their position or tenure, to act as an ethical leader. Booz Allen people serve as our most trusted and strongest standard-bearers, carrying forward our commitment to ethical business in all their interactions. Our approach to governing our culture of integrity starts with ensuring we operate our business in full compliance with the law. When it comes to ethical business and acting with **ferocious integrity**, we are committed to leading by example and raising the bar for our industry.

This commitment is enabled by a clear tone from the top. Our leaders serve as ethical role models, inspiring employees to put our purpose and values front and center and consistently sharing a clear vision of who we are and what we stand for. Ethical decision making and the importance of speaking truth to power with **unflinching courage** is emphasized by our people leaders and underscored in mandatory training for all managers.



EFFECTIVE TRAINING: All Booz Allen employees are required to complete annual ethics and compliance training courses. Through real-life scenarios, small group discussions, and interactive virtual sessions, this training brings to life the ways we uphold our purpose and values—our touchstone for ethical culture and decision making—in common business situations. Employees complete additional ethics-related training based on their title and job function, such as proximity to protected information, business development, or work outside the U.S.



ACCESS TO POLICIES AND RESOURCES: We have invested in technology to increase and improve employee access to ethics resources. We have made gains in mobile accessibility and search capabilities, making it easier to access pertinent information. Booz Allen people receive regular, relatable communications focused on raising awareness around compliance topics, which help reinforce our training and our ethical culture. Our **Ethics Helpline** provides additional resources when questions arise and, when desired, allows for anonymous reporting of concerns.



A COMMITMENT TO NON-RETALIATION: When employees have confidence in an ethical culture, they can focus on their missions and deliver the high-quality work their colleagues and clients expect. **Booz Allen does not tolerate retaliation** against any employee who in good faith raises a concern related to the firm's business or the conduct of any of its directors, officers, employees, clients, suppliers, or subcontractors. We require our employees to show **unflinching courage** and speak up when something doesn't seem right, without fear of retaliation, and that expectation is set forth in our Mandatory Reporting Policy.

Ethics education by the numbers



In FY21, our employees completed 192,765 compliance modules within our ethics & compliance curriculum, each of which was developed in-house and tailored for our people and culture to provide a custom and relevant experience.

AI-powered access to ethics answers



"Where is the Code of Conduct?" This and thousands of other questions have been directed to our "PolicyBot," an internally developed tool built using DEXi, an agile solution for integrating intelligence into existing applications. PolicyBot empowers employees to find the compliance information they need, when they need it.

We believe in a strong "speak up" culture



We require and want to encourage our employees to report any good faith concerns through any of our many available channels. We track employee investigations and disciplinary actions to identify trends, but do not set goals for reduction in the number of reports or disciplinary actions.

ETHICAL LEADERSHIP

OUR APPROACH TO ETHICS OVERSIGHT

Every Booz Allen person is expected to do their part to advance our impact through ethical actions and protect our business with **ferocious integrity**. The following bodies, among others, provide direction and oversight as they create controls through policy, processes, and technology, and conduct regular monitoring, data analysis, and risk assessments:

- **Ethics & Compliance Team:** Within our Legal, Ethics & Compliance Department, a dedicated team of compliance professionals and legal experts focuses on prevalent issues—such as anticorruption, competition law, international trade, and data privacy—working closely with business leaders from across the enterprise to support and to advise the firm and our people in acting with **ferocious integrity** and maintaining our reputation as an ethical and socially responsible firm.
- **Ethics & Compliance Committee:** This enterprise steering committee provides management oversight for the ethics and compliance program and acts as an advisory body to the Chief Ethics and Compliance Officer. It is charged with enhancing our ethical culture and promoting individual adherence to our corporate purpose, values, and the **Code**, through **policies** and processes that empower all Booz Allen people to exercise judgment and escalate business risk as appropriate.
- **Enterprise Risk Management (ERM) Program:** Sponsored by our CEO, the ERM Program identifies enterprise-level risks to the firm (including ethics and compliance risks) and keeps the firm's Leadership Team and Board of Directors apprised of both inherent and emerging risks that could impact operations. The ERM Steering Committee guides the program in line with the firm's values, prioritizes leadership action based on a risk-based tiering structure, and assigns sponsors and owners responsible for designing and driving effective mitigation plans.



WHEN IT COUNTS

Booz Allen's Ethics Advisor Program allows the firm to better promote our values and mitigate enterprise risk by increasing both the number and the familiarity of frontline ethics resources. Our growing network of approximately 150 Ethics Advisors are trained to provide any employee with advice and to serve as one of several channels for reporting potential misconduct. Hailing from offices around the world, Ethics Advisors give ethics a familiar face as they promote ethics programs to their teams, which increases employee engagement and adoption. They also provide valuable feedback to the Ethics & Compliance Team, leading to strengthened programs and trainings.

CODIFYING OUR CULTURE OF INTEGRITY

At Booz Allen, we don't just talk about our purpose and values, we live them each and every day. Our commitment to **ferocious integrity** in all that we do differentiates us in the marketplace and is a critical enabler to our ability to drive change. Our **Code of Business Ethics and Conduct** serves as a playbook for that commitment. The Code contains information about important policies and procedures, helps answer questions employees may encounter in their day-to-day work, sets clear expectations for behavior, and provides information on where to go for help.

With the oversight and approval of our Board of Directors and Ethics & Compliance Committee, we recently refreshed our Code. While our policies and expectations of Booz Allen employees have not changed, the updates to the Code will make it even easier to use through enhanced Q&A and real-world case studies.

CORPORATE GOVERNANCE

► 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.

Corporate governance supports accountability and transparency as the firm operates as a public company. This includes compliance with securities laws and other regulations and supporting the Board in fulfilling its fiduciary duties.

Booz Allen's Board of Directors helps guide the firm's overall strategic direction and is responsible for providing governance and oversight of the firm's strategy, risk mitigation, operations, and management. With their diverse backgrounds, ages, and tenures, our 11 directors bring a variety of viewpoints to the table.

More information about Booz Allen's approach to corporate governance is described in our [2021 Proxy Statement](#), as filed with the U.S. Securities and Exchange Commission. This and additional documents, such as our [Corporate Governance Guidelines](#) and committee charters, are all available on our [corporate website](#).



GROUNDING IN OUR PURPOSE AND VALUES: Our commitment to our purpose and values starts at the top with our Board of Directors. Our directors are held to the standards and expectations that are established in the [Code of Business Ethics and Conduct](#), along with standards specific to the Board that are set out in our Corporate Governance Guidelines. All directors receive annual training on our Code, policies, and Corporate Governance Guidelines.



INDEPENDENT AND DIVERSE: Embracing our **collective ingenuity**, our commitment to independent, diverse governance is evident in our board composition, across a multitude of dimensions that reflect our corporate culture. Our board diversity policy is the written embodiment of our long-held commitment to seek and retain directors who bring diversity to our governance. The diversity of thought and experience that comes from varied members also drives our independence standard, as we know that the best ideas come when we bring different perspectives to bear.

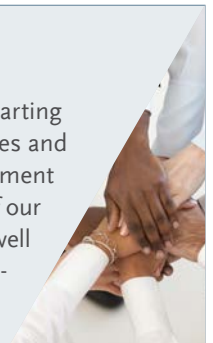


PREPARED FOR THE FUTURE: The Board believes management succession planning is one of its most important responsibilities. On an annual basis, in collaboration with the Chief People Officer, the Chair leads the Board in in-depth discussions concerning Chief Executive Officer succession, including in executive session, and the Chief Executive Officer leads the Board in a discussion concerning senior management succession. Management also updates the Board on key talent indicators such as recruiting, retention, experience, and talent management for the overall employee population.



LEADING BY EXAMPLE

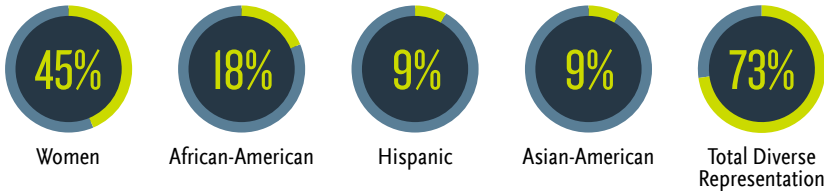
All senior executives of Booz Allen receive long-term grants under our equity incentive plan. Starting in FY22, these grants incorporate an ESG performance metric guided by our purpose and values and designed to support our overall strategy. The initial focus for fiscal year 2022 is on our commitment to diversity, equity, and inclusion. Specifically, the metric focuses on increasing representation of our employees who are Black, indigenous, and people of color (BIPOC) in senior roles firmwide, as well as measurably improving the employee experience for Black women firmwide. We anticipate non-financial strategic metrics will evolve over time to reflect additional ESG priorities.




CORPORATE GOVERNANCE

BOARD DIVERSITY

Our **board diversity policy** reflects our Board's commitment to consider candidates of diverse personal and professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity and to treat the fulfillment of that commitment as an indicator of the Board's performance.



ESG OVERSIGHT

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 & 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 & People Committee: Chartered oversight of compensation, benefits, and other human capital matters, including Board support for succession planning—representing an expansion of responsibility for what was formerly called our Compensation Committee

COMMITMENT AND PERFORMANCE

Executive Session: Routine meetings of non-management directors

Meeting Attendance: 98% (Board) and 100% (committee) average, increasing over FY20 attendance rates of 90% (Board) and 91% (committee) average

Overboarding Limit: Directors limited to 4 public company board memberships

Equity Ownership: Requirement to maintain significant equity ownership aligns Director, CEO, and Named Executive Officer long-term interests with stockholders¹

Annual Performance Assessments: Annual assessments of the full Board and each committee are conducted by the Chief Legal Officer and Corporate Secretary



BOARD INDEPENDENCE



10 of 11 directors are independent²



Independent Committee Chairs & Members³



Chairman and CEO Roles are Separate



Independent Chairman (Dr. Ralph Shrader) and Independent Lead Director (Mark Gaumont)

¹ Director guideline: 5X annual retainer, after a period of accumulation for new directors. CEO requirement: 7X base salary (actual FY21 ownership was 40X). Named Executive Officer: 4X base salary (actual FY21 average was 15X).

² Pursuant to the NYSE listing standards and our **Corporate Governance Guidelines**.

³ Our President and CEO serves on our **Executive Committee**. The chairs and members of our Audit, Compensation, and Nominating & Corporate Governance Committees are all independent.

ACTING WITH INTEGRITY

▶ We conduct our business with integrity, celebrate and promote respect for human rights, and we prohibit bribery, corruption, and other financial crime, both in our activities and those undertaken through our business relationships.

As part of our commitment to **empower people to change the world**, we have **policies** in place that expressly forbid bribery, human trafficking or forced labor, and harassment, among other related policies. We require compliance with the letter and spirit of all applicable laws, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and the U.S. Federal Acquisition Regulation, among others.

We conduct our business with **ferocious integrity** and win work only on the strength of our services and solutions. We also engage in rigorous, risk-based vetting of our business partners, seeking to ensure they share our high ethical standards, and we require prompt disclosure of any potential conflict of interest.



IDENTIFY & ADDRESS RISK: We identify and address corruption risks that may arise based on the business activities in which we engage, geographies where we operate, and industries and clients we serve. We assess our global operations for corruption risk, and partner internal compliance experts with market teams to educate employees, mitigate risks, and address any areas of concern.



INTEGRATED PROCESS: We work to integrate robust and effective controls into existing business processes to avoid both duplication and gaps, all in an effort to streamline risk-mitigation activities.



SUPPLY CHAIN EXPECTATIONS: We expect all of our business partners, including subcontractors, suppliers, and business intermediaries, to operate in a manner that is consistent and compliant with our purpose and values, **Supplier Code of Conduct**, and all applicable laws, and we are working to provide access to training to our business partners.



GEOPOLITICAL CONTEXT: As the larger business and geopolitical context changes, we stay attuned to shifts in laws, regulations, and enforcement practice, and we work to avoid even the appearance of impropriety.



WE MITIGATE CORRUPTION RISK BY:

- Conducting robust, risk-based due diligence of certain third parties with whom we do business.
- Requiring risk-based contractual warranties.
- Enforcing policies that set guidelines and training employees on key considerations when giving or receiving gifts and business courtesies.
- Setting guidelines within policies for hiring and recruiting activities and conducting robust reviews of certain job applicants to verify compliance.
- Requiring annual anticorruption training for all employees and additional targeted training to those more likely to be exposed to potential risks.
- Monitoring changes to our business for corruption risk and tailoring our risk-mitigation strategy to account for these changes and to continue to meet our commitments.



THIRD PARTY RISK MANAGEMENT

We employ principles of continuous improvement to identify ways to make our third-party due diligence more robust and comprehensive; harnessing the **collective ingenuity** of functions that commonly conduct or require screening or review of third parties to eliminate duplication, simplify onboarding or engagement, and mitigate risk.

ACTING WITH INTEGRITY

OUR APPROACH TO RESPECTING 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 **Code of Business Ethics and Conduct**, 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 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 relevant human rights.



DATA SCIENCE FOR POPULATION HEALTH

Booz Allen data scientists have developed a new approach to understanding risk factors for suicide among National Guard members. This approach, which challenges conventional wisdom, promises to boost force readiness and resilience.

Our data scientists, who were invited by the Healthcare Information and Management Systems Society to present their work at HIMSS21, employed machine learning models using publicly available, county-level health data. The goal was to analyze how upstream drivers of suicide, such as job instability, alcohol and drug use, and other social determinants of health.

By targeting upstream drivers of suicide in a population, rather than risks in individuals, the team avoided a hurdle of past modeling efforts: low predictive value for rare events such as suicide. This approach helps eliminate inaccuracies and potential stigma.

The Booz Allen team's new approach, called Suicide Prevention and Readiness in the National Guard, or SPRING, aims to promote resilience, improve readiness, and reduce suicides and other adverse outcomes by delivering population insights to National Guard leadership via a dashboard called SPRINGboard. The approach has produced encouraging results.

"The predictive power of SPRINGboard, explaining over 84% and 88% of variance in mental and overall health respectively, represents a significant step forward in designing more effective and efficient prevention campaigns," says Booz Allen Chief Scientist Dr. Charles Baschnagel.



BOOZ ALLEN SIGNS THE eHEALTH INITIATIVE DIGITAL HEALTH EQUITY PLEDGE

ETHICS & INTEGRITY

The **DIGITAL HEALTH EQUITY PLEDGE** is designed to ensure that powerful digital health technologies do not exacerbate existing biases. The Pledge centers on commitments across four main areas: **ACCESSIBILITY, DIVERSITY, RESPECT, AND PUBLIC POLICY.**

MISSION & INNOVATION

“Technology has the power to make our healthcare systems more innovative and inclusive than ever before, or it could widen inequities. As we **IMAGINE THE FUTURE OF HEALTHCARE** together, we are proud to sign the Digital Health Equity Pledge and leverage Booz Allen’s deep expertise to help ensure that all receive equitable, accessible, high-quality healthcare.”

–Kristine Martin Anderson, Booz Allen Executive Vice President and Civil Group Lead



MISSION & INNOVATION

THE FUTURE OF THE LEADING EDGE

The government's digital platforms are transforming lives and increasing equity in access. To multiply their impact, agencies are reimagining how they serve customers by navigating the intersection of technology, policy, and delivery outcomes. Booz Allen leverages digital transformation and inclusive design, partnering with high-impact service providers to reach more people and achieve more equitable mission outcomes. **Inclusive design in government** means identifying and removing barriers to critical services, information, and benefits. By standing up client programs focused on customer experience (CX), we're helping agencies leverage design thinking, user-centered design, and advanced CX methodologies to make critical government services easier to understand and access across segments of an evolving America.

MISSION & INNOVATION OVERVIEW



We cultivate both mission intelligence and an innovative mindset, incubating and scaling technological capabilities and infusing them with unparalleled understanding of our clients' objectives.

Building on the success of our transformative Vision 2020 strategy, our new growth strategy—VoLT—marries Velocity, Leadership, and Technology. We are doubling down on our **innovation agenda** and leveraging technology differentiation to rapidly scale solutions to our clients' key challenges.

Our innovation engine has put us out in front on next-generation technologies, from cyber to AI, from 5G to quantum computing, and beyond. As we speed toward the future, we will continue to flex the right muscles for each opportunity—building our own capabilities by investing in technology and our people, growing our firm organically and through strategic acquisitions, and partnering to amplify access to technology and investment.



INVESTMENT IN INNOVATION: Technology moves fast and requires us to create flexible solutions that facilitate connectivity. It is our priority to understand our clients' vital missions, with an eye toward developing or scouting solutions that can integrate and withstand the next tech evolution—and the one after that. Innovation happens in every corner of the firm. Our collaborative operating model allows us to seamlessly give clients quick access to the right mix of talent and solutions. We deliver our clients a holistic understanding through our investments in our **CoLabs**, access to emerging tech companies and their ecosystem of founders, and our strategic **network** of large and small business partners to foster a collaborative start-up mentality within our century-old firm.



BUILDING CAPABILITIES FOR THE FUTURE: Our culture has continually evolved along with our strategy, as we promote a leading innovation mindset; empower a flexible, nimble workforce and diverse, inclusive workplace; and enhance the technical skills of talent across the firm. Through rigorous testing, vetting, and evaluation, we deploy emerging technologies with mission connection that mitigate our clients' greatest challenges. We bring our “Don't Go It Alone” mentality to all our capabilities, developing strategic relationships across the innovation and tech-solutions ecosystem. We are an essential partner for companies seeking to connect their services to federal business challenges based on two key differentiators: the breadth of missions we support and our expertise in applying technological innovations to requirements we know first-hand.



MISSION INTELLIGENCE: Booz Allen has long prided itself on knowing our clients inside and out. This intimacy has proved critical during the ongoing pandemic when direct access was limited but mission requirements endured. Due to the isolating effects of the pandemic, we noticed many clients felt further removed from new innovations and transformational technologies than when we operated in an open environment. With this realization, we doubled-down on tools, resources, and key relationships to connect all of our clients to new innovations, and—better yet—we increased capacity to make introductions between dispersed organizations and facilitate relationships that may not have been possible in the pre-pandemic way of working. With **passionate service**, we continue to center our clients' missions in our responses, taking our deep commitment to their objectives and continuing public-trust requirements to make the biggest difference possible.

INVESTMENT IN INNOVATION

▶ We value and create opportunities for ideation, creation, and transformation that anticipate the future, decode mission needs, and put innovation at the center of our work and our culture.

At Booz Allen, we are developing transformative solutions that drive focused innovation for the next generation of business for artificial intelligence, immersive technologies, secure mobility, advanced engineering, and customer-centric modern digital platforms. As a gateway to driving innovation, our solutions combine market-prioritized needs with the firm’s capabilities and products. We are transforming a future-ready force, as well as both civilian and commercial systems that are built to last and to grow with what the future brings.

These solutions enhance future opportunities, monetize the firm’s intellectual property, and create differentiated business models and sales channels to drive greater value. As a firm, we have decades of experience supporting government missions. We know what works and what doesn’t—both within our clients’ environments and those of their agency partners. We focus on solving whole problems, building integrated, end-to-end technology solutions to help clients improve outcomes across their mission lifecycle—even as it evolves.



OUR PEOPLE ARE INNOVATION ENGINES: We cultivate technical talent from across the firm with an innovative and entrepreneurial spirit that impels us to make the world a better place and support our clients’ critical mission challenges. Our client-service and Strategic Innovation Group leaders collaborate to incubate core capabilities and talent, preparing the firm for what’s next. Our **innovation agenda** seeds the next generation of business and drives functional strategies to scale our offerings and challenge our talent. The call to innovate is a critical component of our strategy to create new value, essential to our employee value proposition, and key to propelling ourselves to new levels of performance.



SPACES FOR MAKERS AND DREAMERS: Our Booz Allen Innovation Network comprises world-class facilities from technology innovation spaces to fabrication labs. Our purpose-built transformational innovation network "**CoLabs**", short for collaboration labs, enables us to create just-in-time capabilities, coordinating, integrating, and accelerating across our firm to bring expertise and solutions to our clients. Working alongside clients, innovation ecosystem partners, and our CoLabs, our teams can deliver innovative solutions at the intersection of design, business, and technology.



INVESTING IN PARTNERSHIPS: Embodying our “Don’t Go It Alone” philosophy, we know that solutions thrive when we put our heads together. We invest in our **Partner Network** to bring the right organizations to develop innovative, mission-first solutions that are intelligent, trusted, and flexible. Our **collective ingenuity** is at work as we pull from our diverse partner program to address each client’s mission requirements, culture and operating structure, technology environment, and adoption readiness to drive the best outcomes.



END-TO-END TECH SCOUTING: Booz Allen is an expert in the full spectrum of technology adoption, from identification to implementation. With a deep understanding of mission requirements, our Tech Scouts are guided by customer input and substantiation and use an array of resources to deliver an impartial, consultative approach that brings frontier capabilities to our clients in a timely manner. We achieve this by partnering with innovation networks to identify compelling tech startups and solutions, allowing us to deliver these leading-edge capabilities to our clients.

INVESTMENT IN INNOVATION

SUPPORTING SMALL BUSINESSES FOR IMPACTFUL INNOVATION

Booz Allen’s biggest innovations are driven by the **unflinching courage** to think boldly, push today’s boundaries to create tomorrow’s business, and harness **collective ingenuity** to make the world feel smaller. To that end, we feel strongly about contributing to the communities in which we work and in helping their citizens obtain a fair share of available economic opportunities. Small and minority-owned businesses make important contributions to our work; they are instrumental in enhancing our competitive edge, our innovation, and our performance on specific contracts. They also play a critical role in the future of the global economy.

We are committed to the development of our small business partners through the **Mentor-Protégé Program**. Our participation in various government-sponsored Mentor-Protégé Programs has allowed us to combine our resources, stability, and experience to support and strengthen capabilities of our protégés.

Through our efforts to target small businesses and our long-standing recognition of the contributions that small businesses make towards ensuring enduring results for our clients, we have many small business partnering success stories. For example, in government fiscal year 2021, we subcontracted over \$1 billion to our teaming partners. Of those dollars, more than 69% went to small businesses.

STRATEGIC GROWTH FOR GREATER IMPACT

Booz Allen is consistently seeking opportunities to complement our organic growth with targeted acquisitions that enhance our ability to deliver innovative technology, bold thinking, and advanced solutions. This year, we acquired **Liberty IT Solutions, LLC**, a leading information technology and services firm with software development capabilities including Agile, DevSecOps, and APIs as well as cloud and Low Code/No Code solutions.

“As the government pushes to accelerate the modernization of IT systems to increase efficiencies and improve outcomes, this acquisition will strengthen our ability to meet their critical needs,” remarked **Kristine Martin Anderson**, Booz Allen Executive Vice President and Civil Group Lead. “The addition of the Liberty team and capabilities will help us meet those needs together, propelling our digital transformation journey by blending deep technical expertise with more than a century of consulting heritage.”

When considering potential strategic transactions, we have a high bar for both the organization’s fit with our corporate culture and the quality of the organization’s impact on clients. Booz Allen and Liberty share a passion for people, innovation, technical excellence, and our clients’ missions.

Joining Booz Allen’s capable workforce and advanced digital solutions, Liberty’s 600+ solution architects, engineers, and other highly skilled employees will broaden and deepen our digital solutions capabilities, expand our talent base and service delivery models, and strengthen our ability to work with strategic industry partners to advance our clients’ ambitious goals.

VoLT STRATEGY: INVESTING IN INNOVATION

2018: OPTION VALUE THESIS

We will create option value by using innovation and intellectual capital created by the firm to:

- 1 Create the right solutions
- 2 Create value for our clients
- 3 Monetize our solutions



2021: OPTION VALUE EXECUTION

We are pairing our mission and technical knowledge with differentiated go-to-market strategies to monetize solutions:

- Recreation.gov
- Modzy*
- Booz Allen District Defend*
- SnapAttack*
- Directed Energy

BUILDING CAPABILITIES FOR THE FUTURE

► We anticipate and prepare for constant evolution by strengthening our technical expertise and mission connection—positioning ourselves with transformational technology and encouraging continuous learning and building opportunity for our people, our business, and our clients.

Cyber, artificial intelligence (AI), cloud, and 5G—we believe these are the technologies of the future and we are accelerating our capabilities to anticipate increasing demand. We strive to incubate these new technologies, integrate them into our client missions through expanding engagements, and scale solutions for greater application.

- **Cyber:** As an enterprise-wide business focus, we are investing in innovative cyber solutions that allow us to deliver our differentiated tradecraft at scale. We enable cybersecurity teams to better understand, predict, and address threats through traditional consulting, software as a service, and managed service delivery models (among others), including our collaborative platform, SnapAttack, and threat hunting services.

- **AI:** Booz Allen is the leader in providing AI services for the U.S. federal government, helping to deploy purpose-built AI solutions. Responsible AI puts people at the center. As a trusted partner, our clients rely on us to put our values into practice by advocating, contributing, and applying industry-vetted frameworks that incorporate ethical, legal, and safe design practices for their AI engagements. Our industry-leading portfolio provides unique engineering-level insights and approaches to bring innovative and practical solutions to our clients. Trust is built with these clients, which allows us to advance proofs-of-concept within other capabilities. Today, Booz Allen delivers over 120 projects that use AI to address client missions. This year, Booz Allen made a first-of-its-kind strategic investment in **Latent AI, Inc.**, a company with an award-winning suite of software tools that enable adaptive AI and machine learning (ML) at the edge. This investment will enable our clients to efficiently implement ML models into end user devices, increasing AI adoption and return on investment.
- **Cloud:** Booz Allen is an end-to-end cloud solutions partner and managed services provider, transforming government and commercial infrastructures into experience-driven cloud environments with comprehensive security and automation configured from the start. We partner with best-in-class cloud service providers to deliver the best-integrated solutions for our clients' missions. Notable partnerships include: Databricks, Red Hat, Kubernetes, NVIDIA, AWS, Microsoft Azure, and Google Cloud Program. We are also a sponsor of the Cloud Native Computing Foundation.
- **5G:** From engineering and orchestration to integration and security, Booz Allen is on the leading edge of 5G solutions and edge services. We continue to research and develop new secure 5G-enabled platforms, including those integrating related new technologies such as integrated IoT, augmented reality/virtual reality (AR/VR), and artificial intelligence/machine learning (AI/ML) solutions. We combine our telecommunications, cloud, network, and security expertise with our investment in a premiere 5G lab facility to deliver mission-focused cyber resiliency solutions.



I am so proud of the work that we're doing and the momentum that we have built. But what makes me the proudest are the people who do the work.

—Judi Dotson, Booz Allen Executive Vice President and Intelligence Group Lead



BUILDING CAPABILITIES FOR THE FUTURE

OUR APPROACH TO INDIVIDUAL CAPABILITY BUILDING

To meet the continuous need for both new and evolved expertise, we are focused on attracting new talent and expanding the skills of our current workforce. Ensuring our staff has the knowledge and expertise to advise their clients on the best solution is our top priority as the market continues to evolve and requires a deep understanding of emerging technologies.



As **Susan Penfield** was honored with a Lifetime Achievement Award at this year's virtual WashingtonExec Chief Officer Awards ceremony, she was celebrated for her advocacy of women in STEM careers and

for driving a transformative innovation agenda across generations at Booz Allen.

"The government tech business has not always been the easiest. We have weathered many storms over the almost 30 years I have been around," said Penfield, Booz Allen Chief Innovation Officer. However, "as leaders, this means we've got to reshape the narrative and lean into new challenges as they arise."



OUR DEVELOPMENT PROGRAMS SUPPORT EMPLOYEES SEEKING TO ENTER OR ADVANCE ON A TECHNICAL CAREER TRACK, TO DIVERSIFY THEIR MISSION EXPERTISE, OR TO LEARN FROM BOOZ ALLEN COLLEAGUES. EXAMPLES INCLUDE:

- **Tech Excellence:** Employees learn skills to access a new market or career track in cyber, data science, software development, and cloud engineering while increasing our most in-demand talent pool. We provide hands-on training with industry leaders, mentorship with experts, skills and aptitude assessments, and job placement.
- **Data Science 5K Challenge:** To accelerate employees' careers in data science, this intensive 60-hour independent course allows Booz Allen people to learn the fundamentals of data science and machine intelligence. Since its launch in 2017 in partnership with General Assembly, the initiative has bolstered an analytics-minded community whose ideas and values now permeate the firm by way of work pursued, partnerships won, and client services delivered, as well as internal data science events, collaboration rooms, and project engagements.
- **Capture-the-Flag:** From foundational cyber-skills building and certifications, to intermediate and advanced Black Hat conference-level training and hands-on labs and competitions, we empower our people to embrace the cyber culture of continuous learning. Booz Allen's capture-the-flag teams rank at the top in elite competitions.
- **MilTech Workforce Initiative:** We support and train our transitioning service members, veterans, and military spouses—employees who already have mission expertise, leadership skills, and often hold security clearances. Our goal is to increase job satisfaction, engagement, and retention, by equipping them with deeper technical expertise and more opportunities within the firm.
- **Internal Rotations:** We rotate security experts typically engaged on government missions onto commercial projects for short, intense "tours of duty" to support **collective ingenuity** across critical industries.



41% of our employees held advanced degrees (masters or higher), including **950+ doctorates** in fields from data science to analytics.



57% of our employees held one or more professional certifications, exceeding **39,500 certifications** across IT, security, HR, and more.

MISSION INTELLIGENCE

▶ We support our clients in addressing their most critical challenges during the COVID-19 pandemic with a focus on action, readiness, and resiliency—aiding the missions and goals of clients globally at the highest level possible.

As an institution, Booz Allen has long supported federal missions, and our connection to those missions is a key expression of our purpose and values. During COVID-19, our clients have been tested in unprecedented ways. Through this time, we have remained committed to enabling the U.S. government and commercial enterprises to run easier than before by using our suite of tools, knowledge, relationships, and resources to facilitate smoother operations. Instilled with **passionate service**, we contributed our technology and consulting expertise to combat the effects of the virus and worked to empower our clients with actionable insights, tools, and solutions. Our close connection and knowledge of our clients’ needs and operating contexts enabled us to aid their resiliency strategies from the pandemic’s earliest days—and the solutions borne from our intimate understanding of our clients are working to enhance security and readiness for challenges to come.



MISSION INTELLIGENCE TO ANTICIPATE THE FUTURE: As the pandemic gathered speed in spring 2020, the Department of Health and Human Services reached out to Booz Allen to provide essential scientific, analytic, and program management support. We provided a highly specialized support team with expertise across pharmaceutical development, manufacturing, and FDA regulated studies. Our work helped improve organizational processes, public communications, and data management—allowing establishment of R&D partnerships for the development of COVID-19 medical countermeasures. This resulted in the development of many diagnostics and the vaccines being used today. Booz Allen also implemented data management tools to efficiently review and approve hundreds of individual COVID-19 vaccine lots, track the status of shipments, and accept doses on behalf of the U.S. government. As this pandemic continues to present challenges, we are expanding our efforts to not only support existing operations but also plan for the long term. We are supporting the government for future pandemic crises with work that optimizes processes, brings data insights to the forefront for rapid decision making, and provides scientific and technical insights toward development of new diagnostics and therapeutics.



MISSION INTELLIGENCE TO DRIVE READINESS: The COVID-19 pandemic has accelerated the need for enhancements to the current state of readiness planning and complex data analysis for diverse audiences. In times of crisis, senior decision makers, lawmakers, and the public expect agencies to be able to present large volumes of data in compelling, easy-to-digest formats. To be prepared to make swift decisions during a change in circumstance, agencies need a silo-demolishing view of their readiness data before the change begins. Our mission readiness platform was designed to provide what agency clients need: the ability to respond more quickly, effectively, and with higher confidence by using data to inform decisions rather than relying on that “gut feel.” Our solution’s design focuses speed and accuracy of decision making to empower agencies to respond to evolving situations.



MISSION INTELLIGENCE TO SUPPORT RESILIENT PLANNING: When vaccine rollout ramped up across the U.S., state and local officials faced daunting logistical challenges, including how to staff vaccination sites for increased distribution. Booz Allen’s **COVID-19 Vaccination Workforce Simulator** helped address these staffing concerns. Using publicly available data, the Workforce Simulator allowed users to estimate clinical and clerical workforce requirements at the state and county level by modifying input parameters to reflect local processes, timeframes, and volume.

REBUILDING THE WORKFORCE IN 3D

We believe the future of work is now, and it's distributed, digital, and diverse. While momentum in this direction has been building for years, the COVID-19 pandemic has spurred the need to rethink how highly trained, specialized talent are recruited, developed, and retained in essential roles in the United States government. Rethinking how we attract, train, and deploy human capital is critical to ensure that the workforce of the future is well-positioned to foster innovation and to propel our clients' missions forward.

MISSION & INNOVATION

Efforts toward secure modernization and promoting a digital mindset are top priorities in workforce transformation across government and industry. Specific challenges to this transformation, such as limited talent pools and a competitive job market, have only been exacerbated by the quarantining and social distancing brought about by the COVID-19 pandemic—making rapid innovation more critical.

One such innovation—the **hybrid workforce model**—addresses some of the challenges posed by highly classified engagements by employing a diverse pool of digital experts, including some skilled but not yet security-cleared, to use their technical abilities to accelerate classified missions in contexts where tiered access levels would be appropriate. Implementing a “develop unclassified, deploy classified” concept, unclassified technical talent develop code, which an already-cleared team can securely migrate to classified networks.

This evolved way of working provides multiple advantages. Beyond the rapid development of highly technical work, it boosts productivity, morale, and resiliency, and enables a broader and more diverse group of people to apply their skillsets in ways not previously possible. We believe that this approach, and other creative paths to workforce transformation, will result in new efficiencies, more effective processes, and better outcomes for the nation.

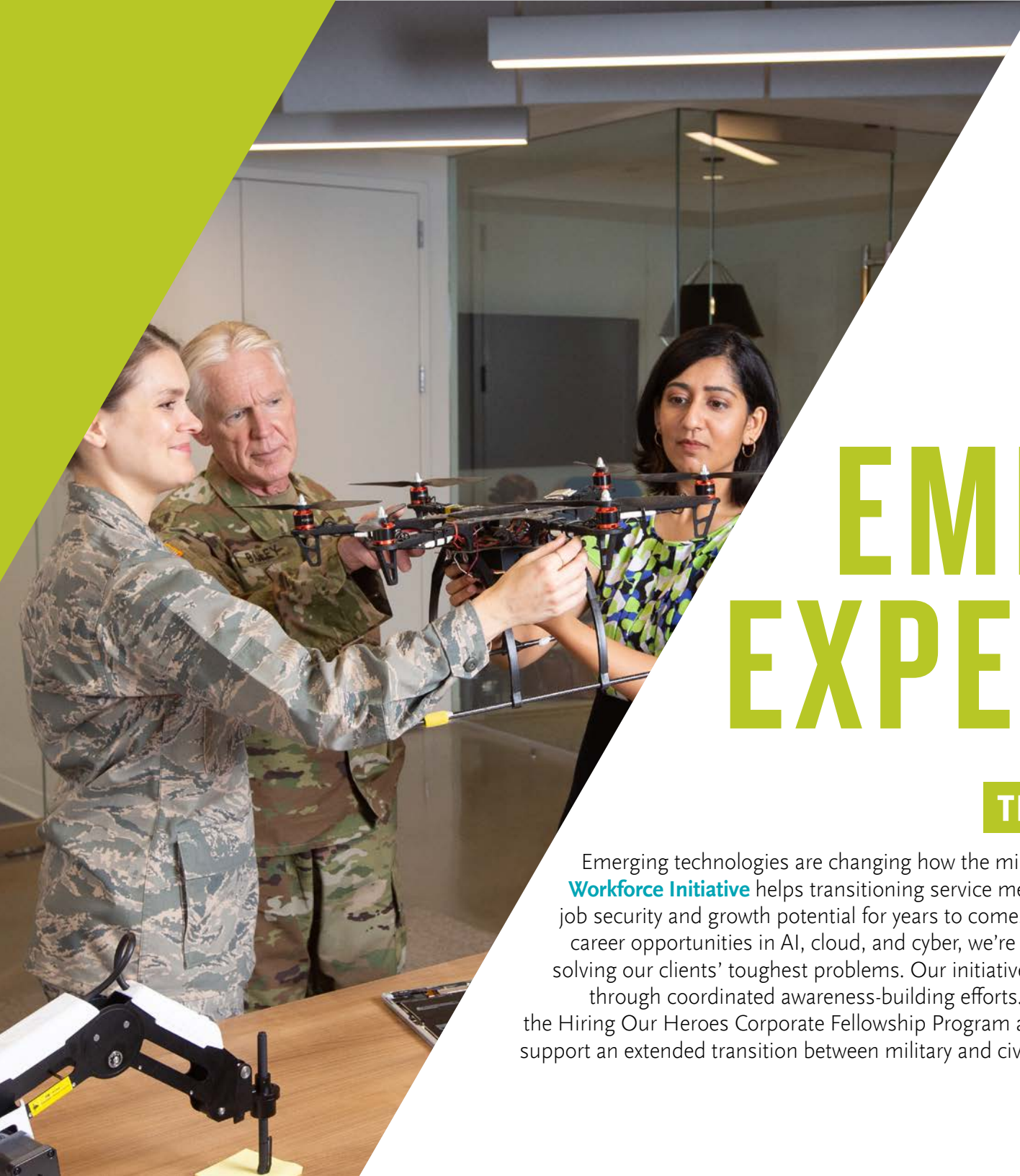
The future can't wait and, to meet it, we must be flexible, agile, and inclusive as we engage with and deploy our most essential asset—the people who are the innovation and creativity engines of our business and society. Our role is to provide the tools and systems to empower their success as we collectively reimagine the future of work.

EMPLOYEE EXPERIENCE

The adoption of new technologies will continue to increase demand for specialized technical skillsets. Innovations like the hybrid workforce enable professionals who want to make a difference to be productive in nontraditional circumstances—for example, while waiting for clearance or working partly in an office facility and partly remote.

Embracing a distributed workforce, when appropriate, leverages flexibility and agility, benefitting the firm and its clients through enhanced productivity and an expanded talent pool. Effective remote work can also reduce certain stressors of traditional working arrangements and disrupt many geography-based hurdles to ideal employment scenarios, leading to improved employee engagement, wellness, and workforce retention—essential issues in a highly competitive job market.

We are also working hard to build a team that is reflective of our communities and the wide range of experiences, cultures, and perspectives that the nation is built upon. Working mothers, first-generation college graduates, recent immigrants, transitioning service members, people from the LGBTQ+ community, and countless other groups strengthen our work immeasurably and are essential contributors to the value we deliver to our clients. Our commitment to diversity, equity, and inclusion ensures that we can bring the nation's best efforts to bear on the critical challenges of the 21st century.



EMPLOYEE EXPERIENCE

THE FUTURE IS EMPOWERED

Emerging technologies are changing how the military defends the nation. Booz Allen's **Mil/Tech Workforce Initiative** helps transitioning service members pursue future-focused careers that offer job security and growth potential for years to come. By matching military talent with upskilling and career opportunities in AI, cloud, and cyber, we're helping to transform the veteran workforce and solving our clients' toughest problems. Our initiative meets the military community where they are, through coordinated awareness-building efforts. We promote training through partnerships like the Hiring Our Heroes Corporate Fellowship Program and our own **Tech Excellence** program. And we support an extended transition between military and civilian life through peer support and mentorship.

EMPLOYEE EXPERIENCE OVERVIEW



We foster an inclusive environment that attracts, develops, nurtures, and retains a highly skilled workforce in a setting that values and embraces our employees’ unique and diverse perspectives.

Our ability to deliver lasting value to our stakeholders has always been a product of the strong character, expertise, and tremendous passion of our people. Our employees embrace our clients’ toughest challenges and realize their biggest opportunities, making client missions their own.

Our employee value proposition is a shared agreement between our employees and the firm. It centers on this promise: when employees commit to being curious, self-motivated, and inclusive of different viewpoints and living the Booz Allen purpose and values, Booz Allen commits to empower them to meet their full potential. This is brought to life through our **BE3 Promise**: “Be You, Be Booz Allen, Be Empowered.” This promise aligns core elements of our culture—we respect our people as individuals, each committed to **passionate service**; and we are a purpose-driven and values-based organization committed to a consistent leadership philosophy that relies on **collective ingenuity**. When these two components—Be You and Be Booz Allen—overlap, empowerment is possible. The doer, driver, and dreamer embracing every opportunity Booz Allen has to offer is where the differentiation comes from. And that’s the third component of our value proposition: Be Empowered.

We keep a pulse on what we’re doing well and where we need to invest in improvement. Using employee and candidate data and feedback, we validate whether their experiences align with our goals and values, as well as their aspirations. Our annual Employee Experience Survey (EES) helps inform and evolve our priorities and programs, and we are proud of notable improvements in the employee experience in key areas such as access to new experiences, opportunities to build new skills, and feeling supported in their overall well-being.



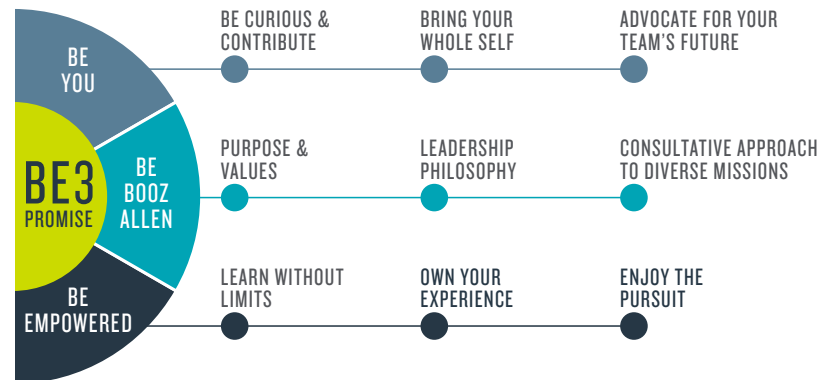
DIVERSITY, EQUITY, INCLUSION: We are committed to maintaining a culture where all employees have opportunities to meet their full potential—the best of what “Be You” means to them—and feel safe bringing their whole selves to work, contributing their diverse perspectives, and fostering inclusion for their teams.



RECRUIT, REWARD, RECOGNIZE: To “Be Booz Allen” means embracing a consistent purpose-driven and values-based approach, joining a diverse collective of mission-focused people to address every problem to its strongest outcome.



DEVELOP, PERFORM, LEAD: We believe a growth mindset is essential and supports the development of agility to maximize new opportunities. We provide our people with offerings that will sharpen their skills and expose them to new ideas—that’s what it means to “Be Empowered.”



DIVERSITY, EQUITY, INCLUSION

► We believe diversity brings valuable perspectives to our work and inclusion ensures that those perspectives make for richer, more equitable, and more innovative solutions for our clients and those our clients serve.

Diversity, equity, and inclusion (DEI) is woven into our purpose and values. Our **DEI mission** is to make Booz Allen a more equitable place so that all people can achieve their full potential.

We are committed to cultivating an environment of respect, equity, and opportunity for all employees—where you can bring your whole self to work. Our priorities extend beyond statistical victories and our work in DEI begins at the individual level—with clear tone from the top as DEI remains a Board-level strategic priority.

This focus on DEI also helps us attract and retain top talent. We believe representation is an important element of inclusion, so we strive to ensure that employees and candidates with diverse identities and lived experiences see themselves and feel a true sense of belonging when they look both horizontally and vertically across the firm.

Although we still have work to do, we are proud of the recognition and awards we have received for our commitment to DEI, and the demonstrated positive impacts this commitment has had on our business. We believe doing the right thing is good business, but it's also a reflection of our culture, centered around our purpose and values.



EMPLOYEE-LED BELONGING: We encourage our employees to tear down barriers to collaboration and pursue excellence together. To harness the power of **collective ingenuity**, our **Business Resource Groups** (BRG) are firm-sponsored and employee-led organizations that give business thrust to the cultural focus of our 10 inclusion networks. Our BRGs—which anyone can join—are culture carriers: cultivating meaningful networks and development opportunities, celebrating inclusive action through recognition programs, and bringing diverse talent to the firm. The BRGs foster our employee networks—communities with a common affinity or focus—in connecting employees and their allies across locations, job roles, levels, and functional expertise. BRG leaders also inform and govern our DEI strategy and action plan and help drive accountability at all levels.



WE HOLD OURSELVES ACCOUNTABLE: We measure inclusion through our Employee Experience Survey (EES) Inclusion Index, which consists of five questions that are designed to better understand employees' impression of the inclusiveness of our work environment. The index highlights an insightful correlation between inclusion and empowerment—employees who reported feeling highly included also reported highly favorable ratings on EES questions related to empowerment. The index results provide insights into how employees experience the firm and its culture, helping our leaders better understand areas of opportunity and areas for greater attention. This insight drives action and change that serves our DEI mission.



TONE FROM THE TOP: At Booz Allen, our leaders work shoulder to shoulder with our people and our clients. They know that the best ideas come when we all put our heads together—welcoming different perspectives and speaking boldly when we see a better way forward. That spirit of **collective ingenuity** is paramount to our success and underscores our commitment to inclusion, collaboration, and service. The members of our executive Leadership Team come from all walks of life and are among the most diverse in corporate America today.



8 of 9 Leadership Team members are women and/or people of color



8 of 11 Board members are women and/or people of color

DIVERSITY, EQUITY, INCLUSION

REPRESENTATION MATTERS

We believe representation is vital to our employees feeling welcome and included. To increase representation at all levels of the firm, we've further grown our diverse leadership and talent and remain steadfast in our commitment to enhance belonging through inclusive practices.



Jon Muñoz has worked as a leader in the diversity, equity, and inclusion (DEI) space for over 25 years before joining Booz Allen as VP and Chief DEI Officer. An expert in leading global corporate DEI practices, Muñoz has extensive experience driving comprehensive and celebrated diversity management practices within top multinational corporations. As a servant leader, he is committed to nonprofit leadership and is actively

involved with numerous diverse advocacy, business, and industry-focused organizations.

“A successful DEI strategy requires a true commitment that starts from the top and is applied across the entire business. Booz Allen’s long-standing dedication lays a strong foundation for the work ahead,” observes Muñoz. Our tone from the top is clear, with 73% diversity representation on our Board of Directors and 89% on our Leadership Team.

As Muñoz works with leaders and teams across the business, he will seek to instill a sense of shared responsibility, where each of us fosters an inclusive and equitable workplace where all employees feel they belong, are valued, and can achieve their full potential. “[DEI] has been an essential part of our culture for decades,” says **Aimee George Leary**, Booz Allen Executive Vice President, “and Jon’s expertise will help us deliver innovative solutions that drive our ambitious DEI mission forward and increase our impact.”

	FY21	FY20	FY19
ALL EMPLOYEES	27,727	27,173	26,069
Female	36%	37%	36%
Male	64%	63%	64%
BIPOC	31%	31%	30%
Veteran	27%	29%	29%
Under 30 years	20%	20%	20%
30-50 years	55%	55%	55%
Over 50 years	25%	25%	25%
SENIOR MANAGEMENT	2,067	2,067	1,935
Female	34%	33%	32%
Male	66%	67%	68%
BIPOC	19%	18%	18%
Veteran	23%	24%	25%
Under 30 years	0%	0%	0%
30-50 years	60%	62%	62%
Over 50 years	40%	38%	38%
ALL OTHER EMPLOYEES	25,660	25,094	24,134
Female	36%	37%	37%
Male	64%	63%	63%
BIPOC	32%	32%	31%
Veteran	28%	29%	29%
Under 30 years	21%	21%	22%
30-50 years	55%	55%	55%
Over 50 years	24%	24%	24%

Note: Information set forth above is based upon voluntary employee self-reporting at the end of the listed fiscal year. Senior management represents employees at the senior associate level or above. Demographic information related to race and ethnicity is not captured for employees outside of the United States; however, all percentages above are calculated relative to our total workforce. This may result in an understatement of our Black, Indigenous, and People of Color (BIPOC) representation, due to the unavailability of data for that portion of our workforce. As of the end of FY21, employees self-identifying as BIPOC comprised 32% of our U.S. workforce.

DIVERSITY, EQUITY, INCLUSION

Together, we will create a more inclusive, just, and equitable future. Our goal is to make each employee feel seen, heard, valued, and cared for. To make this happen, we must increase transparency and drive equity in our policies and practices, while ensuring everyone has opportunities to reach their full potential and know they belong. There’s no shortcut to becoming a more diverse and equitable company with a more inclusive culture. It’s hard work. And it takes time. But diversity, equity, and inclusion are a part of our legacy, reflected in our purpose and values, and key to our future.

Together, we will make Booz Allen a more equitable place so that all people can achieve their full potential. **Together, we are unstoppable.**

▶ OUR APPROACH TO ENHANCING EQUITY

Our **action plan** is ambitious. The strategy to accelerate our sustainable growth is powered by four goals that serve as our focus and north star, guiding what we’ll do, how we’ll share information, and most importantly, how we’ll measure our success and hold ourselves accountable.

These goals reflect and were shaped by the strengths of the firm’s **long history of DEI commitment**, as well as the pillars of our **Race & Social Equity Agenda**.



LEAD BY EXAMPLE

We will be transparent and model inclusion

- Hire a Chief Diversity, Equity & Inclusion Officer and stand up Leadership Team-sponsored DEI councils.
- Publish firmwide DEI goals and data (internally and externally) and advocate for our position and progress.
- Commit to leadership accountability for outcomes.
- Sponsor and develop underrepresented talent.



EMPOWER POTENTIAL

We will drive equitable access and outcomes

- Require increased diversity in our leadership pipeline and succession plan.
- Train leaders to develop talent and give feedback across differences, including providing annual written evaluations.
- Provide greater access for all employees on key assignments or projects.
- Reduce bias and clarify expectations across all people processes; enforce consistency in execution.



INSPIRE BELONGING

We will be a safe place where people are seen, heard, valued, and cared for

- Cultivate opportunities to celebrate diversity, share stories, and support authenticity.
- Increase DEI competency for all leaders; encourage learning for all employees.
- Expand listening sessions, connections to co-workers, and communities and mentoring across the firm.
- Improve the employee experience—initially focused on women of color.



USE OUR VOICE

We will be a force for advancing equity and resilience

- Use Unstoppable Together insights to identify biggest challenges and deploy our capabilities to solve them.
- Activate multichannel approach to build pipeline of underrepresented tech talent.
- Target philanthropic investments and relationships to create pathways to equity and resilience.
- Establish a best-in-class Supplier Diversity Program.

RECRUIT, REWARD, RECOGNIZE

► We empower our people by offering fulfilling career experiences, limitless growth potential, and values-driven recognition, enabling them to tackle the challenges of today and to lean into the opportunities of tomorrow.

Our people have a history of doing, driving, and dreaming. They want to collaborate with the smartest people and to focus on the future. They care about each other and our communities. Most importantly, they have a strong, values-based character, and diverse perspectives that matter to us—that’s what it means to “Be Booz Allen.”

The commitment that we make to our people for bringing their best selves and representing our values in all they do goes beyond compensation and benefits to include employment practices that help us attract, reward, and recognize the best talent in our industry. We are committed to creating an agile, resilient, future-focused firm where people want to be—and stay. We are doing this by prioritizing opportunity and choice, inclusion and individualization, and empowerment and experience.

We believe the power of agency, enabled by our internal talent marketplaces, can quickly connect changing work priorities with skills, experiences, and importantly, individual interests. Speed is a big differentiator in today’s talent landscape. We also seek to recognize our people for the extraordinary ways they live their commitment to “Be Booz Allen” through their work and through their values.



RECRUIT: We work across the global marketplace to attract and retain people with unique perspectives and the right skills, credentials, and clearances to both match our clients’ needs today and develop the innovative capabilities of tomorrow. We provide a diverse pipeline of candidates for all management levels. Our teams develop and implement recruitment strategies that align with multiyear plans and corporate growth objectives. We evaluate whether our talent base is properly sized, appropriately compensated, and contains an optimal mix of skills. To prioritize the safety of our people and candidates, we successfully pivoted to virtual recruiting during the COVID-19 pandemic without experiencing any significant impacts on our recruiting and hiring practices.



REWARD: Our **Total Rewards** program shows our appreciation for our employees’ contributions, provides them with opportunities and choice, supports well-being, and helps them navigate work-life integration. To support a resilient, high-performing workforce, we invest in financial, emotional, and physical wellness. We offer financial and non-financial benefits and incentives that are built to expand our employees’ life pursuits, such as continuous learning through mentoring, upskilling and reskilling programs, including firm-funded FlexEd opportunities; time to rebuild, repair, and recharge with paid time off and holidays; and civic responsibilities leave. We offer competitive Total Rewards packages and regularly benchmark our offerings to support talent attraction and retention.



RECOGNIZE: We believe recognizing excellence is important. Our recognition program focuses on both values and efforts and we encourage all employees to recognize staff at all levels that they believe have gone above and beyond. Our Living Our Values awards program offers tiered options for our people to recognize their colleagues’ meaningful displays of values, while our prestigious Values in Practice and **Booz Allen Excellence Awards** celebrate business impact through the lens of our values. Finally, we appreciate the loyalty, dedication and contributions of our many long-tenured employees.

RECRUIT, REWARD, RECOGNIZE

RECRUITING FOR NEW PERSPECTIVES

We believe great ideas come from integrating diverse viewpoints. We conduct annual analyses for review and discussion with our Board of Directors to evaluate our employees' compensation across gender and racial equity dimensions.

Our approach to recruiting includes building diverse talent pipelines that accelerate the growth of our workforce—and propel our business forward:

- We maintain pipelines to critical talent pools to support our growth initiatives: identifying, engaging, and nurturing the diverse talent our clients' challenges require.
- We provide external candidates with access to a functional team of hiring experts who can guide them through their journey, and most importantly align their individual value proposition to ours, maximizing both acceptance rates and retention.
- We leverage our **Business Resource Groups**, DEI program, and Military & Veterans Affairs team, among other internal resources; as well as external partners to attract diverse candidates.
- Our employee referral program harnesses the power of our employees' networks to access a deeper pool of qualified, quality candidates. Employees prefer working with people they know, respect, trust, and can rely on. And the candidates our people refer are retained at a higher rate and tend to achieve more billable hours.



Over the past year, we've hired **1,565 employee referrals**, which is **33% of all our FY21 hires**.



Premium-Free Medical Plan included among several options offered to suit employees' needs



6% dollar-for-dollar 401(k) match



Employee Stock Purchase Plan open to all employees



PTO Flex options for surplus paid time off, including sell-back; donation; and HSA, 401(k), student loan, or 529 plan contributions



Six weeks paid parental leave for new birth and adoptive parents, in addition to unpaid leave and short-term disability insurance

This is just the tip of the iceberg; for more information about our Total Rewards, visit boozallen.com/careers. All benefits are subject to eligibility requirements, which may vary based on geographic customs or regulations.

	FY21	FY20	FY19
NEW HIRES			
Female	30%	33%	33%
Male	70%	66%	67%
BIPOC	36%	35%	33%
Veteran	34%	31%	34%
TURNOVER			
Female	30%	31%	32%
Male	70%	69%	68%
BIPOC	33%	31%	31%
Veteran	36%	37%	33%

Note: Information set forth above is based upon voluntary employee self-reporting at the end of the listed fiscal year. Demographic information related to race and ethnicity is not captured for employees outside of the United States; however, all percentages above are calculated relative to our total workforce. This may result in an understatement of our BIPOC representation, due to the unavailability of data for that portion of our workforce.

DEVELOP, PERFORM, LEAD

▶ We endeavor to ensure all employees have the knowledge, skills, and experiences to advance their careers in meaningful ways within our dynamic business environment.

We are committed to fostering the development of the mission-focused employees who will propel us into the future. Our consulting heritage and technology-focused future, combined with our collaborative environment, empower our employees to learn from each other’s expertise and diverse skillsets, resulting in the **collective ingenuity** that makes us a leader in our industry. Our talent development programs provide employees with access to the latest thinking, exposure to industry-leading experts and practitioners, a flexible approach, and the opportunities to apply knowledge on the job, unlocking new doors.

We know that employing a diverse pool of cleared, technical, and trusted talent empowers us to promote from within, offering career mobility and boosting retention of our greatest asset—our people. We encourage employees to upskill and reskill to enhance their agility, mobility, and long-term success, and we work to fill positions with internal candidates whenever possible. This is vital not only for the professional development of our workforce, but also because it improves our delivery of mission-critical work for clients. Redeploying an employee from an existing project to a new one increases engagement, reduces costs, and spurs innovation.

Whether employees are analysts with ambitions to become data scientists, consultants looking to launch new missions, or engineers in search of the solution to an enduring technical problem, we empower our people to advance the careers they want. We provide a multitiered approach to learning that combines online and self-paced options, opportunities for traditional classroom-based experiences, and solutions that accelerate informal and peer-to-peer learning. This ensures that we meet employees where they are—in their careers, work locations, and job roles.

WE ARE COMMITTED TO A CULTURE OF CONTINUOUS FEEDBACK

- Employees are regularly engaged with leadership to measure sentiment through information sharing or open dialog channels, such as fireside chats, newsletters, town hall meetings, and more.
- We employ quantitative feedback, user experience analysis, development feedback surveys, employee experience annual surveys, and voluntary industry-leading environmental analysis to provide candid and actionable feedback at all levels.
- Our Firmwide Behaviors & Performance Expectations provide clarity around roles, responsibilities, and rewards.
- Monthly “Snapshots” provide real-time feedback on day-to-day performance and future growth and development.
- Our performance evaluation programs provide for 100% of employees to receive, at minimum, annual feedback on their performance, alignment with firm values, and progress on their professional goals and development.

 In FY21, **over 180,000 discussions** took place between employees and direct managers to **discuss performance, development, and future growth.**

 **85%** say Booz Allen helps them **build relevant skills;** **83%** say Booz Allen **supports their professional development.***

*FY21 Employee Experience survey.

DEVELOP, PERFORM, LEAD

OUR APPROACH TO EMERGING LEADERS:

For our first-year leaders, we seek to provide a measurable experience, driving behaviors and expectations that will accelerate success and time to business impact. Newly hired and promoted senior leaders are immersed in a year-long journey deeply rooted in our purpose and values and leadership philosophy—providing connection points to build and grow networks; focusing on critical transitions and pivots; and offering a portfolio of learning experiences and resources related to their role.

The new hire journey begins with our Onboarding program “Launch,” acclimating leaders to the firm’s rich history and culture while providing important resources to start strong. Within weeks of hire or promotion, leaders are introduced to New Leader Integration, providing 90-day actions, and enabling successful transition. During New Leader Immersion program, leaders interact with external experts and connect with firm thought leaders to share experiences and discuss challenges. Peer Coaching groups from across the organization are established to build social connections and share different perspectives. Online electives and curated resources are accessible for personalized development. Additionally, technology platforms and automation are used to execute a timely and engaging experience while scaling to meet business growth and build the digital acumen of our leaders to operate successfully in a hybrid environment.



FOSTERING LIFE-LONG LEARNING: To empower people to grow their careers, every employee has access to generous annual tuition reimbursement funds, starting from Day One. This benefit may be used to pay for voluntary external training and professional development, such as academic assistance, certifications and licenses, conferences, and technical training. Funding increases with tenure to \$10,000 annually. In FY21, we supported over 7,200 employees with over \$19 million funds. Internally, in addition to bespoke training, we leverage best-in-class vendors and platforms to provide learning without limits, offering more than 2,000 resources for employees to use at the time and place—and in the language—that works best for them.



EMPOWERING OPPORTUNITY & MOBILITY: Change can be one of the scariest and most exciting things about consulting. Our Accelerator program fosters mobility in the face of change and contributes to talent retention. We enhanced this program to empower our employees as they search for their next opportunity on an active program or look “internal first” for the next person to join their team. Last year, 5,200 employees were engaged through the Accelerator program and more than 1,400 were successfully placed.



RAISING THE BAR FOR BEST IN CLASS: Our investments in leadership are part of a cultural commitment to Be Booz Allen and to live our purpose and values out loud. To achieve our firm’s business strategy and as part of our promise to our employees, we uphold a leadership philosophy that defines how our leaders empower people and describes the values required to change the world.



LEVERAGING
COLLECTIVE INGENUITY
AND CAPABILITIES
FOR SOCIAL
IMPACT

EMPLOYEE EXPERIENCE

Booz Allen’s FY21 Pro Bono Program engaged a diverse group of leaders and employees who leveraged the firm’s **CAPABILITIES** and their **PASSIONATE SERVICE** to make a difference. This year’s program—our largest to date—engaged employees across **ALL MARKETS** and from more than **15 GEOGRAPHIES**.

COMMUNITY ENGAGEMENT

Our pandemic response featured a commitment of at least **\$10 MILLION** in community assistance, including a pledge of up to **\$2 MILLION** in pro bono projects. Our program was committed to ensuring that at least **50% OF OUR PRO BONO** project portfolio reflected our race and social equity commitments.



COMMUNITY ENGAGEMENT

THE FUTURE WORKS FOR EVERYONE

In June 2020, we launched a task force to understand any challenges to racial and social equity within our walls—and to amplify areas of success where we could lead by example. We asked employees to nominate nonprofit organizations focused on racial and social equity—Thurgood Marshall College Fund (TMCf) quickly rose to the top of the list. This brought a new dimension to our long-standing partnership, designed to support their mission to transform the lives of students at Historically Black Colleges and Universities and Predominantly Black Institutions. In addition to our multiyear pro bono commitment to support process improvements for TMCf’s core functions, we solved a new challenge through skills-based volunteerism. To make the partnership accessible to all employees, we sponsored a special matching gift campaign that raised over \$100,000 for TMCf.

COMMUNITY ENGAGEMENT OVERVIEW



We maintain strong connections to the communities where we live and work—creating positive impact—through outreach, partnerships, recruitment, advocacy, philanthropy, pro bono service, and volunteerism.

Embedded within our corporate history, from the early days of our U.S. federal business, is the notion that Booz Allen people are stewards of the nation’s security and well-being, working shoulder to shoulder with our clients in a joint commitment to the public good.

We are fortunate to serve public sector clients whose missions contribute to inclusive education; equitable health outcomes; and safe, secure, and sustainable communities.

As a values-driven organization, we are committed to doing more—in pursuit of a future that works for everyone.

Our community engagement efforts bring our corporate purpose to life, empowering our people to change their worlds, deploying the firm’s capabilities to make a difference in the places where we live and work. During the pandemic, our reach has expanded with agile, flexible virtual engagement with an expanded community.



PEOPLE: We create opportunities for our employees to get to know community members, firm leaders, and each other. As we continue to expand geographically and deliver more work virtually, community engagement brings our people together—building trust and invaluable relationships.



PLACES: We believe that we have a responsibility to our communities, so many of our investments and partnership efforts are local-first. We gain insight into the unique needs of each place to deliver targeted programs, taking the lead from our employees on the ground and community leaders.



PURPOSE: We **empower people to change the world**. Guided by this overall purpose, we are passionate about service to our communities. We use the firm’s capabilities to help nonprofit partners solve their toughest problems through skills-based volunteering and pro bono, support veterans and

military families, and inspire the next generation of STEM professionals. These concrete actions not only give our employees a platform to change the world, but they also remind our employees why it’s important to do so.

Our community engagement activities are an important way to enhance positive impacts that our business makes on society and on our employees, who routinely cite these programs as a source of pride and connection to the firm.

We take steps through oversight, technology solutions, and enterprise-wide **policies** to mitigate any business risks that could arise through these activities. To this end, we seek to affiliate only with organizations that are responsible stewards of corporate and employee contributions of time and money and that share our values, such as our commitment to **diversity, equity, and inclusion**.



We surpassed our pledge of 10,000 hours of employee volunteerism in support of frontline workers, military, and vulnerable communities most affected by the COVID-19 pandemic.

In total, our employees volunteered approximately **63,000 hours in FY21** benefiting a range of communities and organizations and creating positive impacts related to COVID-19, race and social equity, and many other areas.

COMMUNITY INVESTMENT

► We invest in important causes—both financially and by harnessing our employees’ skills and passion for impact—through corporate grants, in-kind pro bono services, and by empowering employee engagement.

Guided by our strong purpose and values—especially our **champion’s heart** and our spirit of **passionate service**—our approach to community investment fosters pathways for team connection, enhanced internal corporate culture and external brand awareness, capability-building, and employee development, all while imparting a positive impact on the world, and specifically on the communities where we live and work.

Leading these efforts is our Community Impact & Philanthropy team, a group of dedicated social responsibility, engagement, and philanthropy experts who both drive our enterprise-level strategy and programs and support a global network of employees who volunteer to serve as champions and leaders for charitable activities within their local Booz Allen offices, capability teams, and our **Business Resource Groups**. We employ a wide variety of channels to support organizations whose charitable missions align with our purpose and values, and those whose missions align with our peoples’ passions.



FOCUS FOR IMPACT: At the local, national, and global levels, we prioritize employee engagement efforts and corporate philanthropy that closely align with our firmwide business and community investment strategies. Traditionally, our giving has been centered on programs related to veterans and military families, enabling future-proofed jobs, and inspiring an increase in STEM professionals from underrepresented groups, disaster response and community resilience, and focusing on emotional health and other health causes that are important to our employees and our business.



INTEGRATED PARTNERSHIPS: Our community impact program is heavily focused on integrated partnerships that leverage our time and talent as well as our financial resources. To amplify our financial support, we deploy employees to help nonprofit partners solve some of their biggest challenges through pro bono initiatives. This year, we delivered pro bono services to clients including Association of Defense Communities, Feeding America®, Thurgood Marshall College Fund, Smithsonian’s National Air and Space Museum, United Through Reading, and the Booz Allen Foundation, among others.

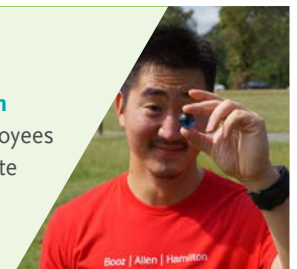


EMPLOYEE ENGAGEMENT: We support employees and their personal choice when it comes to community investment—whether in the form of volunteerism or charitable giving. During the year, we launched a two-day virtual volunteerism marathon in partnership with The Taproot Foundation and an employee-nominated grant program to support race and social equity. Through the latter, we gave \$200,000 to bolster 16 local organizations advancing equity-based programs that promote equal rights, opportunities, and access for everyone.



BOOZ ALLEN CARES

This year, we relaunched our employee community engagement platform, **Booz Allen Cares**, now powered by Benevity. The platform provides a user-friendly tool for employees to engage with their communities and for Booz Allen to track data related to corporate responsibility, like volunteer hours and charitable giving. As part of the launch, we invested \$200,000 in seed funding into employees’ accounts.



COMMUNITY INVESTMENT

OUR MULTIFACETED INVESTMENT APPROACH

- **Corporate Partnerships:** We align corporate financial resources and pro bono service to initiatives where our capabilities and subject matter expertise can make the most difference.
- **Skills for Social Impact:** We facilitate opportunities for our employees to apply consulting, technical, and mission expertise to social challenges or charitable purposes that match their passions.
- **Amplified Giving:** We amplify our employees’ generosity through matching gift campaigns, supporting the causes that are important to our people and our philanthropic priorities.
- **Disaster Relief:** We proactively contribute to disaster response and recovery by maintaining a portfolio of nonprofit partners, building their capacity to respond before crises hit.
- **Dollars for Doers:** We recognize employee volunteerism through grant-making to qualifying organizations that our employees support through volunteer service.
- **Time to Participate:** We provide flexible scheduling and leave programs to support employee participation in qualifying community engagement activities, such as civic responsibilities leave.
- **Volunteerism:** We invest in, create, and promote global, national, and local team-based volunteer opportunities for employees—and often for their friends and family members.
- **Networking:** We enhance employee connection through support of forums that bring people together based on shared interests or experiences, such as youth mentoring and military spouses.



WHEN IT COUNTS

Our race and social equity giving campaign raised more than \$500,000 for four employee-nominated nonprofits. The results of initial investments made by employees along with matching firm funds include:

- Over 5,000 Year Up students have gained access to technology for one year, making it possible for career readiness in a virtual environment to be within reach.
- The Equal Justice Initiative received funding to continue efforts providing free legal representation to people who have been condemned, illegally convicted, unfairly sentenced, or abused in state jails and prisons, and producing public education materials that explore the legacy of racial injustice in America.
- More than 150 Black girls ages 7–17 gained unlimited access to Black Girls CODE programming for the next year, including in-person and virtual workshops and enrichment activities.
- Thurgood Marshall College Fund received additional investment to continue its critical mission of steadfast support to member HBCUs—over 50% of which are educating first-generation college students.
- DonorsChoose received a \$25,000 grant that supported 172 teachers in 168 schools around the country, to fund requests from educators seeking to increase learning resources and materials in their classrooms that better reflect their students’ identities and promote a sense of belonging.

COMMUNITY INVESTMENT VALUE

	FY21	FY20	FY19
Financial Contributions ^{1,2}	\$3.09M	\$12M	\$3.7M
Pro Bono Service ³	\$1.736M	\$386,580	\$133,943

NOTES:

¹ Direct payments made by Booz Allen to nonprofit organizations and classified as contributions in our financial system. Employee-directed corporate contributions, associated with matching grants, volunteer services grants, and volunteer recognition programs.
² FY20 increase primarily related to COVID-19 pandemic response.
³ Attributed fair market value of in-kind services provided at zero cost to charitable organizations.

KEY COMMUNITY PARTNERSHIPS

▶ **We combine philanthropy, pro bono service, volunteerism, thought leadership, community convening, and more to cultivate integrated partnerships aligned with our business priorities and critical social causes.**

Our founding partners, Edwin Booz and Jim Allen, believed that values of corporate and individual citizenship made our communities better for all. Today, we advance that commitment through the promise of **collective ingenuity**, amplifying our impact through collaboration with nonprofit partners who share our values.

We engage across a wide spectrum of philanthropic organizations that share our values, from local initiatives to strategic national partnerships, making an impact where our help is needed. During the last fiscal year, our most significant partnerships reflected our long-standing priorities in the areas of inclusive STEM education and military and veteran support.

These partnerships not only represent a down payment on our talent pipeline and provide opportunities to deepen relationships with the people whose missions we serve; they also support resilient communities and foster diverse ideas for the economy and workforce of the future.



STEM: Through partnerships with organizations such as the National Children’s Museum, AI Education Project, the Thurgood Marshall College Fund, and the Booz Allen Foundation, we worked to widen the aperture of inclusive pathways to STEM careers, fostering a love of learning in even younger children and continuing support into the college years. We also continued as a global and local supporter of *FIRST*[®] (For Inspiration and Recognition of Science and Technology) with multifaceted support spanning regional and national *FIRST* programs to include its Global Innovation Award and team grant programs.



MILITARY & VETERANS: Together with organizations like Hiring Our Heroes, the Elizabeth Dole Foundation, and the COVID-19 Military Support Initiative, we helped tackle some of the military community’s toughest challenges. We support these organizations not only because we understand the military community and count many among our ranks, but also because we care deeply about the military’s readiness, and the health and wellness of service members, veterans, and their families.



HEALTH: In FY21, we saw the impact made by our investments from late FY20, at the outset of the COVID-19 pandemic, when we engaged both existing and new partners to address urgent needs for support and solutions serving the military and veteran communities, frontline workers, and vulnerable communities.



I’m proud of our firm’s long-standing corporate commitment to Thurgood Marshall College Fund. What makes our work together extraordinary is that our people really power the partnership. A real highlight was having the nonprofit’s President & CEO, Dr. Harry Williams, host a panel discussion during our annual Unstoppable Together Summit. He challenged us, through the voices of current scholars and alumni, to continue to build momentum in all aspects of equity.

—Josh Petty, Booz Allen Senior Vice President and Chief Counsel, Member of Thurgood Marshall College Fund Board of Directors

KEY COMMUNITY PARTNERSHIPS

DEPLOYING TALENT AND TREASURE TO SUPPORT HUNGER RELIEF

Booz Allen and the Booz Allen Foundation each donated \$1 million to help support the work of Feeding America®, the country’s largest domestic hunger-relief organization. Our donations supported the distribution of over 10,000,000 meals* to children and families experiencing food insecurity.

Just as Booz Allen and our people rushed to support, so too did a record high number of donors, putting Feeding America’s® systems at their greatest risk for cyber threats. Amplifying the impact of our people’s generosity, a pro bono team of Booz Allen employees was well suited to jump in quickly and address this pain point. This resulted in increased confidence that Feeding America® and its network of 200 food banks could continue to thrive by ensuring proper cyber governance in all locations.

Later in the year, Feeding America® presented us with a new problem to solve leveraging data science expertise to estimate recoverable food across all 200 member food banks. As another result of the pandemic and the anticipated long-term impact on food insecurity, Feeding America® prioritized efforts to maximize food recovery. Members of the firm’s Women in Data Science team quickly took on the challenge, providing Feeding America® with a methodology and supporting tool to estimate the recoverable food at a local, state, or national level.

“Through this partnership with Feeding America®, we’ve been able to leverage our firm’s capabilities, collective ingenuity, and the passion of our employees to address one of the biggest problems of the COVID-19 pandemic,” shared Christine Hoisington, leader of Booz Allen’s Community Impact and Philanthropy team and Executive Director of the Booz Allen Foundation. “We are grateful for the opportunity to work with a critical organization to address these challenges in a way that’s scalable, sustainable, and helps people who need it most.”

*\$1 helps to provide at least 10 meals secured by Feeding America® on behalf of local member food banks.

OUR APPROACH TO PARTNERING FOR IMPACT

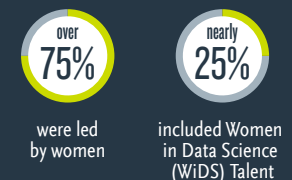
- **Employee Engagement:** We curate pro bono and volunteer opportunities and promote employee giving campaigns that support key partners whose purpose and needs align with our people’s capabilities and passion for solving tough problems and doing right.
- **Sponsorship and Convening:** We sponsor innovative social impact programs and collaborate with partners, bringing bright minds together to improve community resilience through **collective ingenuity** and create a more inclusive future.
- **Leadership:** We leverage our business and strategic acumen through the **passionate service** of our employees and leaders on philanthropic and community boards of directors and advisory groups.
- **Community Ties:** We build relationships with community stakeholders to support the firm’s business priorities and position the firm to support community needs.

THE FY21 PRO BONO PROGRAM WAS THE FIRM’S LARGEST TO DATE, CONNECTING CAPABILITIES AND PASSION FOR IMPACT

Pro bono projects featured in-demand skills



Engaging Employees



PROMOTING COMMUNITY INNOVATION TO DRIVE PANDEMIC RESILIENCE

In a coordinated philanthropic effort, Booz Allen and the Booz Allen Foundation collectively devoted \$10 million to COVID-19 pandemic relief. Supporting the development of creative solutions to the wide-ranging pandemic impacts, the **Booz Allen Foundation Innovation Fund** awarded 21 nonprofits, startups, and small businesses with almost \$1 million in funds in September 2020.

COMMUNITY ENGAGEMENT

Since the Booz Allen Foundation was established in 2017, it has aspired to convene stakeholders from the private, nonprofit, and academic sectors and empower people to develop innovative technologies and solutions that help vulnerable populations build generational resilience. Through the Innovation Fund, the Foundation brought its mission to life, identifying and elevating great ideas and helping to turn them into actionable and impactful solutions.

Joining the Foundation and its grant recipients in a virtual community of innovators and impact-makers, Booz Allen employees volunteered their time and their talent throughout the Innovation Fund's selection process. Teams of Booz Allen employees also amplified the Foundation's impact through pro bono consulting projects that helped four nonprofit recipients navigate key issues including strategic planning, data science and analytics, cybersecurity, and financial modeling.

As the pandemic continued, Booz Allen and the Foundation fostered continued engagement with "Innovation Unlocked," a virtual event convening high-profile speakers to discuss challenges posed by the pandemic and hear from the 21 Innovation Fund grantees. The event centered on topics from pivoting relief efforts to "pandemic fatigue" and beyond. Participants posed questions about how to build the systems and public trust necessary for successful vaccine deployment, and how new technologies can advance and commercialize innovation in a COVID-19 environment, while celebrating the new partnerships, programs, and possibilities that have emerged to date.

A year into their projects, Innovation Fund grantees have created resilience in the face of the pandemic. Among their innovations are the development of a decontamination device that improves sustainability of personal protective equipment and improvement in disease surveillance through a novel approach to estimating disease spread, and many others—each launched by grantees who we are proud to call part of the Booz Allen innovation ecosystem.

GLOBAL RESILIENCE

The COVID-19 pandemic continues to put unprecedented stresses on communities around the world and expose weaknesses in many institutions and processes that we have taken for granted. The need for coordinated action across many actors in civil society has never been greater. The Innovation Fund sought to understand where those needs are greatest, and where its investments could be amplified to build capacity and drive resilience.

The Innovation Fund's recipients identified diverse societal challenges that were either borne out of, or exacerbated by, the effects of the COVID-19 pandemic. Ranging from understanding the mental health needs of frontline healthcare workers, to addressing the needs of victims of domestic abuse, to training young people to be advocates for change in their communities, the Innovation Fund's recipients share a common goal: "Creating truly groundbreaking solutions that address critical needs, build community resilience, protect vulnerable populations, and support the safe return to work," said Nancy Laben, co-founding board member of the Booz Allen Foundation. Together with the Foundation, they also share a commitment to finding multistakeholder, multidisciplinary solutions to the challenges they seek to address.

"One of the primary goals of the Booz Allen Foundation is to convene those working at the intersection of innovation and impact," said Laben. "We established the Innovation Fund to improve COVID-19 relief efforts and truly empower people to make a difference—now we get to see what that initial impact looks like."



GLOBAL RESILIENCE

THE FUTURE IS READY FOR ANYTHING

The United States relies on unconstrained access to space for national security, telecommunications, and advancement in areas from critical infrastructure to space where systems are increasingly targets of adversarial attack. Building on a history of securing information to ensure the nation's future, Booz Allen is using model-based systems engineering to create virtual duplicates of satellite systems that enable scenario testing designed to reveal vulnerabilities, identify new methods to protect the system, and sustain space superiority. Our intuitive digital twin solutions, powered by analytics and machine learning, allow organizations to explore possibility like never before and confidently pursue more agile, innovative, and intelligent ways of achieving their mission.

GLOBAL RESILIENCE OVERVIEW



We promote individual, systemic, and societal resilience by supporting the ability to anticipate, address, and adapt in the face of climate change and other threats to global stability and security.

Booz Allen is on the forefront of resiliency-based innovation, where we work to push the boundaries of the realm of the possible. No organization is impervious to risk. Yet through thoughtful resilience planning, Booz Allen leverages our integrated solutions to help our clients, our operations, and our people build the capabilities they need to mitigate the severity of threats and bounce back from adverse events, whatever form they may take.

Against a backdrop of increasing disruption from the COVID-19 pandemic, natural disasters, climate risk and impacts, human error, international threats, cyber criminals, and terrorist threats, building resilience has emerged as a strategic imperative for people, businesses, and governments seeking to shape a better future. Shaping that future will require acknowledgment and preparation for risks on the horizon—building resilience across economic, environmental, technological, geopolitical, and societal vectors. The challenges we face to reduce the social, economic, and environmental costs of disruptive events require solutions that inspire resilient action.



SOLUTIONS FOR A RESILIENT WORLD: Whether we are tackling national security, cybersecurity and cyber resilience, smart installation management, energy security, transportation, healthcare or environmental management issues, we bring a **champion's heart** and the full strength of our capabilities to help our clients and communities avoid or reduce the impacts of hazards and enable individuals and communities to recover faster and smarter after a disaster. We employ resilience strategies that adopt and implement a comprehensive fit-for-purpose framework that allows organizations (including our own) to assess and measure resilience at scale.



BUILDING A RESILIENT BUSINESS: At its core, operational resilience is an exercise in speed and agility, and Booz Allen's ability to snap into action quickly, nimbly, and effectively rests on a foundation of thorough preparation. Our people are on the front lines with our clients—detecting malicious behavior, predicting and modeling future scenarios, and preparing for natural hazards—whether on the ground or supporting from afar. We take a holistic approach in helping our people balance and manage the stresses of work with those in their personal lives. By relieving our people of at least some of the anxiety and challenges they face in times of crisis or unrest, we empower them to channel their energy toward supporting our clients and communities, their loved ones, and each other. This has always been true, but perhaps never more evident than in **our approach** to our employees' safety through the COVID-19 pandemic.



In today's challenging times, I am reminded what it takes to be resilient and how to use that strength to better the world around us.

—Susan Penfield, Booz Allen Chief Innovation Officer

INTEGRATION FOR ACCELERATED RESILIENCE

▶ We leverage an integrated understanding of our clients’ most complex challenges, often with far-reaching consequences for resilience and security, to deliver solutions that are strong and malleable enough to withstand the unknown.

As the pandemic has brought to the forefront, our health, economy, and security depend on the resilience and readiness of the infrastructure, forces, and systems that protect everything from financial transactions, transit, and healthcare systems, to water supplies, power grids, emergency services, and defense capabilities. Citizens trust the federal government to keep these systems modernized and ready for future challenges. Government agencies trust us to bring our mission understanding, expertise, and **passionate service** to get the job done.

Whether our clients’ objective is to ensure the safety, security, health, and well-being of citizens, boost national competitiveness, or facilitate commercial sustainability, we provide integrated, customized, and scalable solutions that improve the readiness and resiliency of critical infrastructure, forces, systems, and populations.

Building resilience not only decreases the likelihood of disruptive events, but also prepares an organization to manage and mitigate the consequences if an event occurs. To become resilient, organizations first need awareness of their future threats and current weaknesses in order to make informed strategic and tactical decisions.

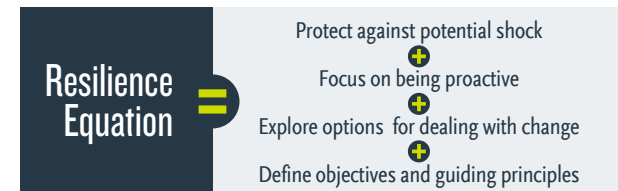
Across our capabilities, our solutions advance our clients’ ability to drive readiness, promote resilience, and integrate modernization that connects information and agencies with speed and at scale. Our experts deliver results with clear, actionable paths forward to maximize operational performance, make smarter investments, and mitigate competitive threats. Our open architecture-based approach lowers lifecycle costs and other barriers to implementation, putting clients in control of their own systems, enabling readiness, and advancing both global connectedness and global resilience.

To these ends, we combine decades of experience supporting the intelligence community and all branches of the military with transformative solutions—from modernizing legacy systems to integrating information across the mission—and leverage that experience to drive efficient and effective strategies for the future. We are accelerating innovation to help defend and secure the nation.

▶ OUR APPROACH TO PROACTIVE RESILIENCE

A **proactive resilience strategy** combines three key elements that, when taken together, provide a holistic view of an organization’s ability to thrive and grow through changes, disruptions, and unknown events:

- **Risk Management:** We help clients assess the threats they face, their vulnerabilities, and the anticipated impact of an adverse incident, in order to support development of a prioritized mitigation plan.
- **Continuity Planning:** We facilitate scenario planning, with a focus on mission execution and acceptance that some disruptions will inevitably succeed, requiring development of appropriate buffering, redundancy, and adaptiveness.
- **Testing and Exercises:** We support the review and assurance of internal control systems and a variety of immersive, simulated, controlled environment opportunities for organizations to evaluate gaps, deficiencies, and overall preparedness in a safe space.



INTEGRATION FOR ACCELERATED RESILIENCE

ELEMENTS OF OUR APPROACH TO BUILDING A RESILIENT WORLD

We build and integrate end-to-end technology solutions that improve outcomes across the mission lifecycle—even as it evolves—by embedding the right policies, processes, training, and culture changes to drive digital adoption. We emphasize open architecture to help clients move from proprietary systems to ones that can be upgraded rapidly and cost-effectively, reducing barriers to implementation, and bringing the power of digital solutions to the future battlefield and boardroom.

- *Engineering and Technical Strategy:* We leverage mature engineering methodologies with a holistic understanding of client needs and technical strategy to deliver purpose-fit solutions to problems.
- *Consulting:* We activate our consulting legacy, combining IT platform modernization and analytics with management tools and performance improvement techniques to advance resilient protocols for projects across markets and sectors.
- *Infrastructure, Energy, and Environment:* We help clients gain greater efficiency, navigate complex critical infrastructure protection and carbon regulations, and identify new revenue streams.
- *Emergency Preparedness and Response Planning:* We craft comprehensive all-hazards prevention, protection, response, and recovery solutions that are sensitive to regional concerns while cognizant of national requirements.
- *Cybersecurity:* We design, integrate, and operationalize cyber risk management with a lens toward enduring efficiency and effectiveness in protecting the integrity of sensitive information.
- *Health Analytics and Life Science:* We bring scientific, medical, operational, and consultative experts to leverage the right emerging technologies to accelerate enduring solutions that are safe, clinically effective, and cost-efficient.



Each year, the C5ISR Hall of Fame recognizes top individuals advancing global resilience through mission readiness. **Dennis Via**, a retired U.S. Army general and Booz Allen Executive Vice President, is celebrated as one of this year’s prestigious awardees. C5ISR stands for combat, control, computers, communications, and cyber in

intelligence, surveillance, and reconnaissance. C5ISR is how the Army makes sure today’s warfighters are prepared.

Via, one of only nine U.S. Army African American four-star generals, brings expertise to Booz Allen’s global resilience practice from his 36-year military career advancing weapons systems, communication infrastructure, and cybersecurity. During his final assignment with the Army, he led the largest global logistics command in the United States. Today, as a Fellow for Defense Futures and Executive Vice President for Corporate Engagement, Via is helping to “bring our defense clients into the future” while also passionately serving as a lead of the firm’s Diversity, Equity, Inclusion Executive Council. As the premier digital integrator for the Department of Defense, Booz Allen is committed to helping our military take on new missions, adopt innovative technologies, and prepare our warfighters for the increasingly complex challenges they face. We are proud of Dennis Via for his C5ISR Hall of Fame award and his dedicated approach to his global resilience work at Booz Allen.

CYBER RESILIENCE

► We look past the horizon of cybersecurity with an integrated resilience mindset, seeking to fully realize the promise of digital transformation by building preparedness to withstand the threats of a hostile ecosystem.

Cyber resilience is more critical now than ever. The evolution of the next-generation digital transformation generates a multitude of new security vulnerabilities, in which cybersecurity considerations span full ecosystems, with implications that include extended organizational supply chains. In this landscape, organizations can also leverage cyber as a **business enabler**. Innovations resulting in proprietary technology and intellectual capital aid in maintaining competitive advantages.

Organizations do not operate in a vacuum—they need a cohesive and proactive security strategy that incorporates enterprise IT, third-party vendors, and suppliers, as well as cloud security providers to truly create a blanket of security upstream and downstream of their operations. Working with the most sophisticated government organizations and leading enterprises, Booz Allen has consistently seen that the most effective cyber defense is having an agile Leadership Team that continuously prioritizes

risk in response to relevant threats. Organizations that understand their threat landscape will be the most cyber resilient, ready to mitigate and defend against an increasing number of attacks. Moreover, those that prioritize cyber as an enabler of their digital transformation will realize lasting business value well into the future.

We believe cybersecurity is a business and global imperative. We focus on minimizing risk and the impact of vulnerabilities, as well as improving both preparedness and resiliency. During the pandemic, telework has led to new cybersecurity concerns by reducing physical protections and expanding user access to potentially compromised networks, while providing organizations with fewer insights into user behavior when employees are not connected to corporate networks. We have partnered with our clients to focus on planning adjustments to security measures in this new environment, including the use of secure, zero-trust access to ensure enterprise devices are used in a secure, trusted state.

Particularly in the context of cyber defense, resiliency is the ability to continue to execute the mission even in the face of cyber attack. Doing so calls for an approach that builds upon established methods of managing cyber risk but adds an integrated engineering and architecture-based overlay that strengthens cyber resilience.

OUR EXPERTS BRING UNPARALLELED TECHNICAL EXPERTISE AND CYBER-FOCUSED MANAGEMENT CONSULTING TO OUR SERVICE OFFERINGS:

Cyber Risk: We define, measure, and reduce cyber risk thresholds to improve organizational readiness.

Cyber Platforms: We assess and harden systems, including cloud, weapons platforms, manufacturing equipment, embedded systems, medical devices, and critical infrastructure.

Cyber Warfare: We provide solutions for the full spectrum of cyber and electronic activities, including mission operations, readiness, and capability development support.

Cyber Defense: We reduce vulnerabilities, identify threats, and enhance defenses for faster detection and response.

- 

Responded to and mitigated **100+** incidents involving Fortune 500 and Global 2000 companies
- 

Secured cyber across **four** continents and served nearly every agency across U.S. federal, defense, and intelligence
- 

Detected adversaries before they attacked by infusing tradecraft, AI, threat hunting, monitoring **50+** advanced persistent threats, and continuous red teaming
- 

Modernized and supported **130+** Security Operations Centers and Cyber Fusion Centers

CYBER RESILIENCE

▶ OUR APPROACH TO INTEGRATED CYBER RESILIENCE

In the past year, the U.S. has experienced the effects of a pernicious and skillful cyber espionage campaign. No matter the client or the mission, we work to enhance the nation’s safety and economic prosperity by taking bold, unified measures to modernize its technology infrastructure and to build a more secure and resilient enterprise. We deploy our core capabilities in a tailored approach to build resilience appropriate to each client’s circumstances.

- **Zero Trust and Continuous Diagnostics & Mitigation:** We correlate and enrich telemetry data from network and host sensors and use analytics and decision dashboards to diagnose and mitigate cyber risks in near-real time. We baseline security at the endpoint and take it beyond protecting the perimeter—to protecting the data—as physical boundaries fade across new ways of working.
- **Cyber Defense Operations:** We designed a federated cyber analytics stack that is tool agnostic, enabling security operators to more seamlessly interact and query the state of assets and network infrastructure. Leveraging more modern cyber threat intelligence with threat defense operations through modern fusion centers, we drive enterprise-wide visibility, reduce detection time, and protect our clients’ most critical assets.
- **Cyber Risk and Resiliency Assessment:** Our threat-centric approach to understanding cyber risk for an enterprise identifies gaps in security protocols and provides systematic approaches to reduce risk. Consistent with business continuity planning, our approach provides for more modern methods in securing high-value assets and enterprise data back-ups, through use of secure cloud protocols that eliminate or reduce downtime.
- **Secure Platforms:** We develop secure cloud-enabled platforms that build in resiliency through more modern security design, where federated and zero trust architectures provide real-time security and health monitoring, while eliminating centralized points of failure and avoiding mission disruption.
- **Wargaming:** We provide planning, immersive technologies, and strategic assessments that range from small-group, executive-level wargaming to full-scale, force-on-force Department of Defense and Inter-Agency digital exercises.



DEFENDING SECURE MOBILITY

Where and how we work has changed. Organizations understand the need to embrace mobility but doing so comes with inherent risk. Forward-thinking organizations are no longer relying on user training and manual precautions for protection—these practices leave organizations exposed to human error, the most common and most expensive threat to enterprise networks and data.

Booz Allen developed **District Defend®** to address gaps in the secure mobility space by bridging the intersection of proactive protection, asset management, zero trust access on existing devices, and availability everywhere users are approved to support their mission. District Defend automatically matches a laptop or tablet’s security settings to the requirements of its physical location and guarantees compliance with security protocols that enhance mission capabilities while mitigating risks and reducing costs. Our solutions enable organizations to monitor and manage data and networks today, while establishing the infrastructure to respond to the unknown threats of tomorrow.



RESILIENT ENTERPRISE & WORKFORCE

► We facilitate resilience and risk management at individual and enterprise levels, encouraging development of personal preparedness and adaptability alongside corporate continuity planning, training, and crisis response.

Our purpose empowers every Booz Allen person to change the world. To truly empower our people, we offer a suite of benefits and other opportunities to reinforce balance. This has never been more important than in the destabilizing pandemic environment. Supporting each employee with fair compensation isn't enough. We also support employees well beyond their fundamental needs, providing offerings that encourage financial, emotional, and other elements of well-being.



PATHWAYS TO CYBER

Building a more diverse cyber talent pipeline “is a critical business imperative,” says Booz Allen Senior Vice President **Jennie Brooks**. “There’s a prevailing attitude in cybersecurity that you can’t perform unless you’ve already done the role before. It creates this Catch-22 situation.” Expanding our talent pools to include non-traditional backgrounds in arts or humanities, and offering pathways to develop foundational skills, can bring a valuable fresh perspective and help close the talent gap. Booz Allen is committed to investing in partnerships and communities to develop a workforce that will secure the future.



► WE SUPPORT OUR WORKFORCE IN BUILDING RESILIENCE

- *We Keep Our People Informed:* Our Emergency Alert System (EAS) notifies employees of risks affecting their work location, with flexibility to sign up for additional alerts specific to where they live or travel.
 - ▶ In the past year, 136 tailored, incident-related EAS alerts along with nearly 700 automated weather alerts were circulated to employees.
- *We Support Our People As They Recover:* If an employee or their family is impacted by a disaster or other qualifying hardship, Booz Allen offers resources to support their recovery, such as loans from funded Employee Capital Accumulation Plan balances and our Emergency Loan Protocol, and an option for emergency PTO cash-out.
 - ▶ During the COVID-19 pandemic, we enhanced emergency PTO for those who became ill or had unexpected dependent care needs due to the pandemic and increased contributions to employee Flexible Spending Accounts.
- *We Support Our People As They Support Each Other:* We offer programs that enable employees to support one another, including through contributions of time via PTO Leave Sharing or treasure via the Booz Allen **Employee Resilience Fund**. We also support employees as they exercise civic resilience skills, offering 10 days of paid leave per year for activities such as trained disaster response and recovery.
 - ▶ During the COVID-19 pandemic, we provided an infusion of \$5 million of support for the Booz Allen Employee Resilience Fund to provide grants to employees facing financial hardships due to the pandemic.
- *We Promote Long-term Resilience for Our People and Their Families:* We extend our wellness and financial planning and preparedness incentives to our employees’ families to keep them living healthy, working well, and preparing for the future.
 - ▶ During the COVID-19 pandemic, we added major enhancements to our Employee Assistance Program, including additional resilience and emotional well-being programs, added new voluntary health benefit programs, and expanded telehealth services coverage.

RESILIENT ENTERPRISE & WORKFORCE

WE MAINTAIN RESILIENCE IN ENTERPRISE OPERATIONS

Booz Allen manages risks from potential disruptions through a robust enterprise risk management program and supports business continuity through formal emergency plans for essential activities, geographic distribution of staff and business operations, and other strategies.

We also employ a flexible work program that includes telework when possible and appropriate. At the onset of the COVID-19 pandemic, we were able to pivot swiftly to nearly complete virtual delivery, without missing a beat on performance. We have continued that high-level, consistent, and agile performance from a virtual-first environment during the pandemic.

- **Managing Emergency Response:** We employ emergency management, global risk monitoring, and coordinated response to critical incidents. Dedicated teams of experts work before, during, and after emergencies to implement swift, effective solutions that minimize impacts to our people, property, operations, and stakeholders.
- **Securing Our Assets:** We are vigilant in providing a safe and secure environment worldwide for all of our people and visitors. We also have technology solutions in place that protect the firm’s valuable information assets, whether in a Booz Allen facility or on the go.
- **Keeping the Enterprise Strong:** We build resiliency into all aspects of our planning and execution through a formal, global Business Continuity Program that maintains recovery plans and monitors performance. This program leverages state-of-the-art technology to enhance the efficiency and effectiveness of our business continuity processes.
- **Keeping Our People Safe:** We recognize that our employees in some parts of the world and in certain lines of business may face higher threats. We provide them with location-specific protection and risk monitoring, mitigation, planning, training, and response support.



Achieved **remote issuance** of employee smart cards, secure ID tokens and non-employee badges while continuing to comply with **NIST-FIPS 201-1** requirements.



Continued to **secure facilities** and **protect employees** through mandatory telework and enforcement of vaccination or testing for those with business-critical on-site presence.



Completed **336 business impact analyses** in FY21 through our **Business Continuity Program Office** up from 200 completed in FY20, fostering continued resiliency.



Processed **1,588 COVID tests** through Vault Health's testing program to bolster employee safety.



Repurposed over **1,600 unused airline tickets**, with an approximate value of **\$1 million**, due to the pandemic.



Finalized a firmwide policy on **business continuity** through a partnership between the Business Continuity Program Office, Corporate Quality Office, and Legal.

ENVIRONMENTAL MANAGEMENT & CLIMATE IMPACT

▶ We voluntarily manage our operational greenhouse gas emissions and innovate proactive and lasting climate-related solutions for our enterprise and our clients at the local, regional, and global levels.

At Booz Allen, we hold ourselves accountable for our environmental impact. We partner with client-facing experts to support continuous improvement of our internal systems, solutions, and innovations, and to remain apprised of the best practices being delivered to our clients.

Our firmwide 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.

For more than a decade, we have accounted for and reported our global greenhouse gas emissions—with increasing maturity and granularity—according to the operational control approach. We seek to develop a complete understanding of our limited carbon footprint and the elements of our impact over which we have meaningful influence. For more information about our current carbon emissions targets, set for 2026 and achieved ahead of schedule, see our [FY21 Carbon Footprint Report](#).

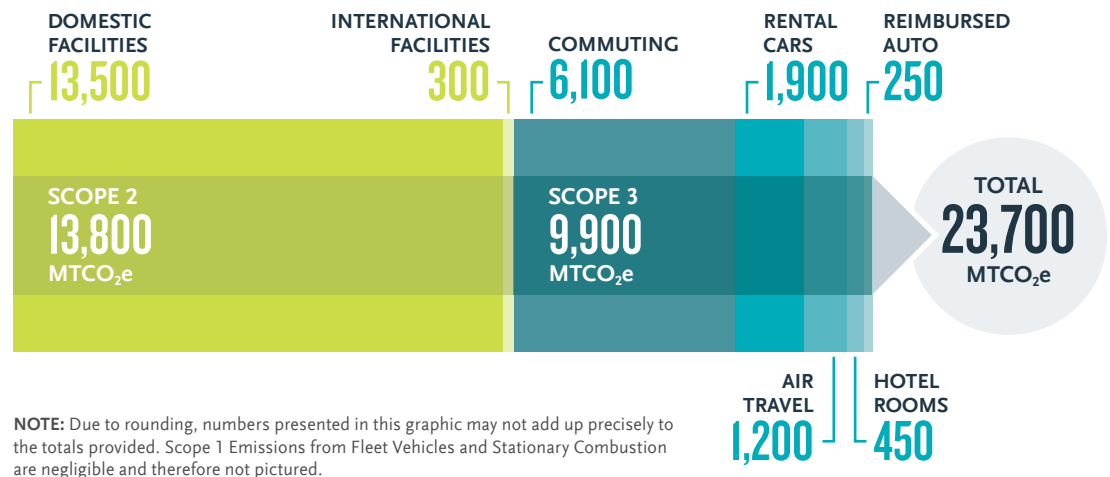


WHEN IT COUNTS

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.

▶ FY21 GREENHOUSE GAS EMISSIONS



NOTE: 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.

ENVIRONMENTAL MANAGEMENT & CLIMATE IMPACT

OPERATIONAL AND BUSINESS APPROACH TO CLIMATE CHANGE

Climate change poses untold future challenges, with no industry immune to some level of operational impact. While we prepare to address any risk to our own business, we also anticipate opportunities to support and advance our clients' goals in environmental performance and energy management.

With every aspect of society threatened by the complex climate crisis, protecting our communities from its growing impacts is an urgent task that requires iterative solutions and committed action from all sectors. Partnerships must be forged, data siloes must be broken down, science must be advanced, and capabilities must be fielded toward the ability to predict, understand, and act on evolving risks in real time.

Our climate change mitigation solutions confront climate challenges and seek to harness opportunities for greater impact across our clients' missions.

- **Climate Resilience and Security:** Helping government entities leverage crisis communications, resilience diagnostics, digital twinning, regulatory transformation and other tools to protect lives and property by avoiding, reducing, and rapidly recovering from the impacts of climate change.
- **Climate Innovation:** Providing essential strategic and operational support for organizations tasked with advancing net-zero vision goals via innovative technology research, design, and development (RD&D). Leveraged capabilities include data analytics and RD&D program management.
- **Climate Equity:** Harnessing big data, human-centered design, health infrastructure systems optimization, and other capabilities to support missions that promote environmental justice and equitable health outcomes for those most vulnerable to the impacts of climate change.
- **Climate Intelligence:** Leveraging advanced data integration techniques, resilient open data platforms, artificial intelligence and machine learning models, and other capabilities to provide intuitive access to comprehensive climate data and modeling to inform government-wide decision making.



SUPPORTING CLIMATE ACTION

The Department of Defense (DoD) has identified climate change as a national security threat and is taking actions to identify and address climate-related vulnerabilities. In support of the DoD, Booz Allen collaborated with the U.S. Army Corps of Engineers (USACE) to develop the DoD Climate Assessment Tool (DCAT) to aid in assessing and preparing for climate change risks, and co-authored a [public report](#) on preliminary findings.

The DCAT uses a robust, authoritative dataset covering eight climate hazard areas: heat impacts, drought, energy demand, land deregulation, riverine flooding, wildfire, coastal flooding, and historical extremes. The DCAT allows for consistent exposure assessments and identification of regions or installations that require additional climate-related studies by using historical data and future climate projections.

DoD personnel at all levels, from installation planners to leadership, can use the DCAT to analyze mission and project exposure to physical and operation climate-related risks under different climate scenarios and timeframes. This screening tool is crucial to understanding the effects of climate-related hazards affecting the DoD mission and project locations worldwide. The DCAT offers a solution to tangibly understand and manage climate change risk exposure and supports the DoD's ability to tactfully allocate resources to improve climate adaptation and resiliency.



BUILDING RESILIENCE THROUGH A SECURE 5G HEALTHCARE ECOSYSTEM

GLOBAL RESILIENCE

Practical applications in the **HEALTHCARE INDUSTRY** highlight the resilience potential of 5G technology and the imperative for security. Connected devices are already in the field, accelerating processes such as telemedicine, immersive medical training, and robotic surgery. We support the three pillars that bolster a **CYBER-RESILIENT 5G** healthcare ecosystem: preparing to integrate new technology, driving security and resiliency improvements, and deploying integrated cybersecurity and privacy solutions.

INFORMATION SECURITY

Healthcare cybersecurity measures are vital to ensure that the 5G networks powering these advances also protect patient data, are uninterrupted, and readily available to support these essential services. Designing and prototyping solutions in a sandbox testing environment like **BOOZ ALLEN'S CARRIER-GRADE 5G LAB** provides the hyper-accelerated connectivity required to transform and evolve cybersecurity defense systems.



INFORMATION SECURITY

THE FUTURE OF DIGITAL RESPONSIBILITY

For over 100 years, Booz Allen has been committed to top-level information and infrastructure security. Strong information security is a top governance concern for our clients, particularly as cyber attacks increase in frequency and severity. Booz Allen's Colorado Springs facility is proud to receive this year's Cogswell Award for our Security Practice for the second time. Of the approximately 13,000 cleared contractors in the National Industrial Security Program (NISP), only the top 0.5% are annually selected to receive the award. It recognizes the leading practices that we employ to ensure that our clients' facilities go above and beyond NISP requirements and adhere to our best-in-class standards for information and infrastructure security.

INFORMATION SECURITY OVERVIEW



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.

Technological advancements in areas like healthcare, finance, and transportation are beginning to deliver on futuristic promises, with features like automation and personalization made possible by transparent and approved collection and use of sensitive information. With the benefits of interconnectivity and greater sophistication in the benign use of information, more sensitive information is being collected than ever before—in both the public and commercial sectors—giving rise to a parallel and competing increase in cyber threats. The scale of these threats may range from an individual invasion of privacy to catastrophic damage to national security. As with the application of any system of rules or norms to unanticipated circumstances, innovation often outpaces regulation, requiring public and private actors to lead with integrity and collaboration to deliver flexible solutions that can meet whatever the future holds.

Rising to the challenge, Booz Allen is vigilant in protecting information. We are committed to implementing leading data and information protection standards, investing in cutting-edge **cyber defense**, and deploying a comprehensive and multifaceted threat detection program that leverages our people and processes.



DELIVERING A TRUSTED WORKFORCE: Our employee-centric wellness and security program is designed to foster a trusted workforce and protect our people, our clients’ missions, and our business operations. During the COVID-19 pandemic, we quickly pivoted this program to provide continuity under new conditions for our employees. Our success rests in the hands of each Booz Allen employee, whose **ferocious integrity** is critical to protecting information assets. We endeavor to build in every employee a sense of ownership and responsibility to protect ourselves, the firm, and our clients.



SENSITIVE INFORMATION PROTECTION: 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 security policies and practices of our suppliers and business partners. The investments we make in security and in trust differentiate us as we support our clients’ most important missions, and we strive to continually operate at the leading edge of best practice. To that end, we actively participate as a member of the Defense Industrial Base in the implementation of the Department of Defense Cybersecurity Maturity Model Certification (CMMC) Program, and have committed internally to a set of initiatives to ensure the necessary CMMC safeguards are met, such as mandatory multifactor authentication at the workstation level, implementation of best-in-class technology upgrades providing boundary protection to the internet, and conditional access to firm resources. Beyond ensuring compliance and best practices today, we are driven to innovate the solutions of tomorrow—and we seek to apply the same level of care to our enterprise and employee information security.



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. The firm has not reported any material cybersecurity breaches in the last three years.

DELIVERING A TRUSTED WORKFORCE

▶ We charge every Booz Allen person with the responsibility to be vigilant stewards of information, while monitoring, supporting, and preparing them to defend against any threat to the security or integrity of our employee, enterprise, or entrusted information.

Whether a threat originates from a malicious actor outside our walls, an employee experiencing crisis, or accidental mishandling, our comprehensive yet purposefully flexible people-practices and security policies place our employees at the front line of defense. One way we protect information is by maintaining a trusted workforce, through an employee-centric wellness and security program. Starting with each employee’s first experiences with Booz Allen in rigorous background screenings and onboarding, we emphasize information management security awareness and risk management. Building on that foundation, our Trusted Workforce program integrates employee engagement, recognizing that connected, resilient employees are more apt to understand each other, manage stressful situations more effectively, feel empowered to ask for help, and report observed concerns.

Key elements of our Trusted Workforce and related security programs include:



SITUATIONAL AWARENESS: We maintain real-time insight into our employees’ continued suitability for the work they do for the firm and our clients. While following a “minimum necessary” approach to accessing information related to detection of potential risk, our program proactively addresses risks before they become issues, reduces potential consequences to the employee and our business, and empowers employees to be a proactive part of risk management.



MANDATORY REPORTING & NON-RETALIATION: We rely on every employee to uphold the firm’s reputation, acting with a **champion’s heart** to speak up when something doesn’t seem right. Each Booz Allen person is obligated under our Code of Business Conduct and specific policies to report potential insider threat situations, illegal activities, and security or ethics violations. We do not tolerate retaliation against anyone who, in good faith, asks a question or raises a concern.



CONTINUOUS TRAINING: We provide support and resources in advance of crisis situations through a firmwide program of mandatory, immersive security training courses, keeping every employee current on topics including social engineering, counterintelligence, insider trading, confidential information handling, intellectual property protection, and more, with heightened obligations for cleared employees and certain corporate functions.



EMPLOYEE ENGAGEMENT: In today’s fast-paced work environment, maintaining emotional wellness is critical. We facilitate consistent and ongoing connectedness for employees, ensuring dedicated time to discuss strengths and aspirations, co-creation of meaningful career opportunities, and comprehensive emotional and physical wellness resources and incentives that enable employees to bring their best selves to the workplace.

Booz Allen people are bound by confidentiality obligations and policy requirements that apply when they collect, receive, use, process, store, 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’s 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.

DELIVERING A TRUSTED WORKFORCE

OUR APPROACH TO CONTINUOUS AWARENESS

Mandatory Annual Training: Every year, each Booz Allen person including management, part- and full-time employees, and independent contractors—completes mandatory training on handling and safeguarding all information that belongs to or is entrusted to us, keeping our people updated on evolution in practice and well-versed in the following actions, among others:

- Identifying Booz Allen information and entrusted information, including employee information and client and third-party information.
- Handling and safeguarding information by understanding concepts like “need-to-know,” proper labeling, access restrictions, data encryption, and de-identification of data.
- Recognizing how to handle special types of information such as Personally Identifiable Information and Export-Controlled Information.
- Identifying and protecting against external and insider threats, including restricting access to facilities and assets.
- Identifying and protecting against buying or selling securities while in possession of material nonpublic information or providing that information to someone who uses it for that purpose.
- Reporting data privacy or security incidents, potential insider threats, and arrests, charges, and convictions.

Specialized Training: Employees who hold U.S. government security clearances are required to complete additional specialized training. Booz Allen reinforces these learnings with required courses on:

- Proper handling, storage, and disposal of classified information.
- Procedures for properly classifying newly created materials from previously classified information (derivative classifications).
- Self-reporting adverse information, such as financial difficulties or substance abuse.



Our success in creating a truly diverse and inclusive organization is earned every single day by our actions, by our decisions, and by our commitment. **Our commitment to value our differences is one of the things that unites us.**

—Aimee George Leary, Booz Allen Executive Vice President



6,400+ Booz Allen employees hold cyber certifications (Security+, CISSP, CEH, etc.) and are deployed across **20+ countries**



Booz Allen has performed classified work for the U.S. Government since **1940** and has successfully maintained a cleared workforce since that time



68% of Booz Allen employees hold security clearances



94% of our firm’s military-affiliated employees hold security clearances

SENSITIVE DATA PROTECTION

▶ We manage risk by applying robust information security and data privacy policies and practices that support fit-for-purpose protection of our enterprise and entrusted information.

Booz Allen respects personal, confidential, sensitive, and material nonpublic information. At Booz Allen, our values are at the center of everything we do. We operate our business with **ferocious integrity**, instituting processes and approaches that enable us to protect our future and our people by protecting the sensitive and critical information we create and information assets that we are trusted with, by both our clients and employees.

We deploy our security practices and procedures through collaborative programs with the shared goal of deterring and detecting potential risks early to prevent accidental or intentional harm to the things our firm values most: our employees, critical business operations, and assets; client-sensitive and classified data; and our reputation as a market leader.



TAILOR-MADE APPROACH: Technology advances continue to be the biggest generators of new threat vectors. To remain agile, to fit our solutions to the challenges we face, and to enhance the experience of employees working in the field, we take the time to assess the security needs of a given set of circumstances and integrate the appropriate privacy and related security measures across each of our technology vectors. This method yields a greater level of flexibility and nuance than a strict one-size-fits-all approach. We use a “privacy by design” approach that covers all employees and incorporates technical and organizational measures to effectively protect information and incorporate privacy principles throughout the firm. Our internal [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.



THIRD-PARTY RISK: When Booz Allen sources products and services with other companies, we have a responsibility to protect our clients’ sensitive and proprietary information along with our own. We protect our business and operations—and those of our clients—by increasing and enhancing protection measures within our supply chain and product portfolio. We bring our **collective ingenuity** to the performance of due diligence on prospective business partners, vendors, suppliers, value-added resellers, contractors, or other third-party organizations. We also work to protect our information from falling inadvertently out of its appropriate level of security by exercising great care and following robust procedures when we create, handle, access, use, secure, and dispose of information, and when utilizing any computer-enabled device or when we communicate with others inside or outside of Booz Allen. Our data privacy policy details rules that third-party service providers must comply with in handling personal information.



INTEGRATED RISK MANAGEMENT: Our **Cyber Fusion Center** (CFC) is our proprietary approach to combining cyber threat intelligence and threat defense operations into a single, integrated cyber defense platform that provides a comprehensive capability to identify and respond to threats facing the firm and our clients. Integrated cyber fusion functions enable anticipation and prevention of threats, as well as improved detection and response capabilities. This approach allows us to act cohesively, take decisive action, and rapidly contain threats. CFC supports the mission by staying at least a step ahead of industry standards to reduce the risk of breach and helps position the firm as a thought leader in the growing cybersecurity market. The close relationships among our internal chief information officer, chief information security officer, and our cyber market leaders enable us to develop and test capabilities within our corporate teams and facilitate information sharing and consistency. Our approach to data and system protection mirrors the capabilities and solutions mindset we bring to our client engagement: protect, defend, and recover.

SENSITIVE DATA PROTECTION

OUR CROSS-FUNCTIONAL APPROACH TO DATA PROTECTION

Every Booz Allen person is responsible for doing their part to maintain the integrity, proper use, and handling of information.

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:

- Track systems integration effectiveness, efficiency, and data integrity.
- 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.
- Collect, consume, and distribute cyber threat intelligence reporting.
- Maintain partnerships within the information security community.
- 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.
- Facilitate both internal and external collaboration for intelligence sharing.
- Promote organizational effectiveness through employee training.
- Proactively 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.
- Advise on public reporting requirements and treatment of material nonpublic information.



DID YOU KNOW?

Booz Allen was successfully assessed by the Defense Contract Management Agency Defense Industrial Base Cybersecurity Assessment Center, confirming our adherence to a common, industry-standard set of 110 requirements for cybersecurity outlined in the National Institute of Standards and Technology Special Publication (SP) 800-171, “Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations.”

We are also an “NSA Trusted Integrator” and trusted by all six of the Department of Defense’s Cyber Commands and all national-level cyber centers.



Tony LaVecchia, a Booz Allen lead associate, was honored by the Japanese government for his contributions toward strengthening the U.S.-Japan relationship on national defense. He received the Order of the Rising Sun, the third-highest honor bestowed by the Japanese government.

LaVecchia served in the region for over three decades, most recently as the highest ranking uniformed DoD intelligence official in Japan, representing the joint forces and the entirety of the DoD intelligence enterprise. Now, LaVecchia and the rest of the Booz Allen team apply their expertise to effectively support our military clients in maritime security and intelligence.



ABOUT OUR REPORTING

APPENDIX

This report details our practices and performance in governing significant environmental and social matters that may affect or be affected by our business operations and corporate actions. We demonstrate our alignment with leading voluntary ESG reporting frameworks through content indices that accompany this report on [our website](#).

ABOUT OUR REPORTING

REPORTING SCOPE AND BOUNDARIES

Data in this report primarily reflects performance and operations during our 2021 fiscal year, which ended March 31, 2021. 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 within 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. Where relevant and appropriate, any limitation to the scope or boundary of disclosure relating to a specific ESG reporting framework standard is included within this report together with the applicable disclosure.

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.

DATA ASSURANCES AND PRESENTATION

Data in this report is subject to various forms of review and assurance.

Certain financial data presented in this report was audited for disclosure in the Booz Allen FY21 Annual Report on Form 10-K.

Our FY21 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 relevant and appropriate, data measurement techniques and the bases for calculations are included as footnotes to tables, charts, and other graphical representations of information.

ESG REPORTING FRAMEWORK ALIGNMENT

Our reporting and strategy are informed by, and we provide **content indices** aligned with, Sustainability Accounting Standards Board ("SASB"), Task Force for Climate-Related Financial Disclosures, World Economic Forum Stakeholder Capitalism Metrics, and the UN Guiding Principles Framework ("UNGP Framework"). This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Core Option.

GRI defines as "material" those 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 employ GRI's concept of materiality, presenting among our priority topics those aspects that have been identified through our assessment as most significant to understanding our business' impact and of substantial interest to our stakeholders.

Topics that may be deemed material under the GRI or SASB standards or salient under the UNGP Framework are not necessarily material for purposes of the U.S. federal securities laws or for other purposes. Please refer to our content indices for more information.

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, 2021, which can be found at the SEC’s website at www.sec.gov.

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.

NON-GAAP MEASURES

We publicly disclose Adjusted EBITDA and Adjusted EBITDA Margin on Revenue because management uses these measures for business planning purposes, including to manage our business against internal projected results of operations and measure our performance. We view Adjusted EBITDA and Adjusted EBITDA Margin on Revenue as measures of our core operating business, which exclude the impact of the items detailed below, as these items are generally not operational in nature. These non-GAAP measures also provide another basis for comparing period to period results by excluding potential differences caused by non-operational and unusual or non-recurring items. We present these supplemental measures because we believe that these measures provide investors and securities analysts with important supplemental information with which to evaluate our performance, long-term earnings potential, or liquidity, as applicable, and to enable them to assess our performance on the same basis as management. These supplemental performance measurements may vary from, and may not be comparable to, similarly titled measures by other companies in our industry. Adjusted EBITDA and Adjusted EBITDA Margin on Revenue are not recognized measurements under accounting principles generally accepted in the United States

(GAAP), and when analyzing our performance or liquidity, as applicable, investors should (i) evaluate each adjustment in our reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA Margin on Revenue, and (ii) use Adjusted EBITDA and Adjusted EBITDA Margin on Revenue in addition to, and not as an alternative to, net income as a measure of operating results, as defined under GAAP. We have defined the aforementioned non-GAAP measures as follows:

“Adjusted EBITDA” represents net income before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including supplemental employee benefits due to the COVID-19 outbreak and acquisition-related costs, in each case net of the tax effect where appropriate, calculated using an assumed effective tax rate.

“Adjusted EBITDA Margin on Revenue” is calculated as Adjusted EBITDA divided by revenue. The firm prepares Adjusted EBITDA and Adjusted EBITDA Margin on Revenue to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary, or non-recurring nature or because they result from an event of a similar nature.

Below is a reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin on Revenue to the most directly comparable financial measure calculated and presented in accordance with GAAP.

	Fiscal Year Ended March 31, 2021
(Amounts in thousands)	(Unaudited)
Net income	\$608,958
Income tax expense	\$53,481
Interest and other, net (a)	\$91,932
Depreciation and amortization	\$84,315
COVID-19 supplemental employee benefits (b)	\$577
Acquisition costs (c)	\$411
Adjusted EBITDA	\$839,674
Adjusted EBITDA Margin on Revenue	10.7%

(a) Reflects the combination of Interest expense and Other income (expense), net from the consolidated statement of operations.

(b) Represents the supplemental contribution to employees’ dependent care FSA accounts in response to the COVID-19 outbreak.

(c) Represents certain costs incurred related to acquisition efforts of the Company, including legal and other professional fees.

About Booz Allen

For more than 100 years, military, government, and business leaders have turned to Booz Allen Hamilton to solve their most complex problems. As a consulting firm with experts in analytics, digital, engineering, and cyber, we help organizations transform. We are a key partner on some of the most innovative programs for governments worldwide and trusted by their most sensitive agencies. We work shoulder to shoulder with clients, using a mission-first approach to choose the right strategy and technology to help them realize their vision. With global headquarters in McLean, Virginia and offices worldwide, our firm employed nearly 27,700 people and had revenue of \$7.9 billion for the 12 months ended March 31, 2021. To learn more, visit [BoozAllen.com](https://www.boozallen.com). (NYSE: BAH)