

2024 ANNUAL SUSTAINABILITY REPORT

# Scaling Impact in a Changing World

May 2025

BCG



# Contents



A full-page photograph of a forest of giant redwood trees. The trees are massive, with deeply textured bark, and their trunks stretch vertically across the frame. The forest floor is covered in lush green ferns and other undergrowth. A person wearing a blue jacket and a backpack is walking away from the camera on a dirt path that winds through the trees. The lighting is soft and filtered, creating a serene atmosphere. A white rounded rectangle is positioned at the top of the image, serving as a background for the title.

# Introduction





## Executive Introduction

Every day, we work alongside thousands of clients, helping them identify opportunities and create value. In all our work, we aim to unlock the potential of those who advance the world and create meaningful and lasting change.

BCG's Annual Sustainability Report zeroes in on our societal impact. The first half of this report tells the story of how we're sparking change, together with our clients. The second half highlights BCG's own progress and shares how we lead with integrity.



# A Year of Change and Opportunity

Our report, *Scaling Impact in a Changing World*, reflects the depth and breadth of our societal impact. It highlights key milestones that show how we're continuing to move the needle—together.

Here are some examples:

- We invested more than \$600 million in societal impact, totaling over \$2 billion since 2020.<sup>1</sup>
- We estimate improving educational outcomes and job opportunities for 70 million students and workers by 2030 through our top 2024 social impact efforts in education and skilling.
- We stayed on track to achieve annual climate impact of 400 million metric tons of CO<sub>2</sub>e by 2030 by helping our clients develop detailed implementation plans (while not directly comparable, 400 million metric tons of CO<sub>2</sub>e are roughly equivalent to the UK's annual greenhouse gas emissions).<sup>2</sup>
- We worked with more than 1,200 societal impact clients in 2024, up 13% since 2023.
- We delivered at least one societal impact case with 72% of our largest clients.

## Leading with Integrity

While we measure our success by the positive impact we help our clients and partners create, we also hold ourselves to the same high standards. That means taking care of our people, investing in the communities where we work and live, and managing our environmental impact.

BCG's overall effectiveness depends on our people—a global workforce that has grown to 33,000. Nurturing an inclusive environment for every one of them remains a priority. In 2024, we offered numerous leadership programs and training initiatives to unlock the potential of all BCGers.

We remain steadfast in our commitment to reduce our own impact on climate, using the same best practices we bring to our clients and partners. Our progress so far has been substantial:

- Our 2024 emissions intensity fell 58% compared with our baseline in 2018.
- We are on track to reach our internal climate targets and remove 100% of the emissions that we're unable to reduce by 2030, using the most effective nature-based and engineered carbon removal.
- We are a top ten global buyer of durable carbon dioxide removal credits, helping to scale the technologies needed in the transition to a low-carbon future.<sup>3</sup>

Our commitment to sustainable operations was recognized with a Platinum EcoVadis rating for the second consecutive year, placing us in the top 1% of firms assessed for environmental, social, and governance performance.

## Looking to a Sustainable Tomorrow

Both our revenue and our impact grew in 2024, as we helped our clients push the boundaries and reach their goals—and did the same within BCG. We're proud of how we've nurtured a culture that keeps driving that progress, and we look forward to continuing this march ahead, building a more sustainable business and a more sustainable world.



**CHRISTOPH SCHWEIZER**  
Chief Executive Officer



**DAVID WEBB**  
Chief Sustainability Officer

1. Investments include both cash and in-kind support for programs that unlock business value with leading private, public, and social sector organizations that also support social and planetary impact. It also includes investment in planetary impact projects in 2024.
2. 400 million tCO<sub>2</sub>e of annual climate impact from 2024 alone. In 2023, net territorial greenhouse gas emissions in the UK were provisionally estimated at 384.2 MtCO<sub>2</sub>e (**UK Department of Energy Security & Net Zero, 2024**).
3. Source: **BCG press release** December 12 2024, citing CDR.fyi. Confirmed still true as of February 20, 2025.



# 2024 Highlights



## Unlocking Societal Impact

**\$600M+**

Invested in societal impact in 2024; \$2B+ since 2020

**3K+**

Societal impact cases in 2024, up 19% from the previous year

**400Mt**

Annual climate impact unlocked via client work by 2030<sup>1</sup>

**70M**

People expected to benefit from better education and jobs by 2030



## Leading with Integrity

**\$13.5B**

In revenue, a year-on-year increase of 10%

**33K**

People form our strong, global team

**39%**

Of Executive Committee members are women



On track for our own internal climate targets



## Walking the Talk



EcoVadis Platinum (top 1% of companies) for the second consecutive year



60+ employer awards recognized BCG in 2024

Our partnerships contribute to the SDGs. Those commonly reflected in the case studies of this year's report include:

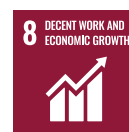
### People



### Planet



### Prosperity



1. 400 million tCO<sub>2</sub>e of annual climate impact from 2024 alone. Although not directly comparable, 400 MtCO<sub>2</sub>e is roughly equivalent to the annual emissions of the UK. In 2023, net territorial greenhouse gas emissions in the UK were provisionally estimated at 384.2 MtCO<sub>2</sub>e (UK Department of Energy Security & Net Zero, 2024).



# About This Report

Boston Consulting Group (BCG) is committed to transparent, high-quality sustainability reporting that aligns with evolving global standards. Our sustainability governance includes our Board of Directors, Executive Committee, Audit and Risk Committee, and topic-specific steering groups, all of which review and approve this report to help ensure rigor and accountability.

This voluntary report covers January 1 to December 31, 2024. It includes BCG Inc. and all global operating entities, such as BCG Nordic AB and BCG UK1 Limited. The scope of consolidation mirrors that of our financial statements for the same period and incorporates value chain considerations across operations, suppliers, and clients.

A double materiality approach informs the content that we include, considering both financial materiality and impact materiality as shaped by stakeholder expectations. (See [page 13](#).) Although BCG is not currently required to do so, we have structured some of this report to facilitate comparison to the European Sustainability Reporting Standards (ESRS). We also reflect our adherence to leading frameworks such as the Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD). This report also serves as our annual Communication on Progress to the United Nations Global Compact. The appendix includes index mapping to these frameworks.

## Data in This Report

The data in this report aims to provide credible information to our stakeholders. We have extracted data from many sources, such as financial, workforce, and supply chain systems. We follow established protocols to ensure transparency and accuracy. Where data transformation requires estimation—such as for impact data or future projections—we clearly indicate this.<sup>4</sup> We maintain a lessons-learned log to strengthen reporting practices year-on-year.

We engage independent third-party auditors to provide limited assurance on selected metrics, including Scope 1, Scope 2, and Scope 3 emissions. Our greenhouse gas emissions methodology is detailed on [page 104](#). We also use external ratings and certifications, such as EcoVadis and CDP, to monitor our progress.

4. Words such as *expects* and *plans* identify forward-looking statements. Such statements are based on the best information available to us on the date of publication but are subject to risks and uncertainties that may cause actual results to differ. We undertake no obligation to publicly update or revise any forward-looking statements in this report.

# About BCG

Boston Consulting Group partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities. BCG was the pioneer in business strategy when it was founded in 1963. Today, we work closely with clients to embrace a transformational approach aimed at benefiting all stakeholders—empowering organizations to grow, build sustainable competitive advantage, and drive positive societal impact.

Our global teams bring deep industry and functional expertise and a range of perspectives that question the status quo and spark change. BCG delivers solutions through leading-edge management consulting, technology and design, and corporate and digital ventures. We work in a uniquely collaborative model across the firm and throughout all levels of the client organization, fueled by the goal of helping our clients thrive and enabling them to make the world a better place.

## Purpose, Principles, and Values

At BCG, our purpose is to unlock the potential of those who advance the world.

BCG is a global company and works across diverse geographies and cultures. Our principles help ensure that we deliver our purpose wherever and with whomever we engage:

- **We bring insight to light** by challenging traditional thinking and ways of operating and bringing new perspectives to the toughest problems.
- **We drive inspired impact** by looking beyond the next deadline to the next decade and by collaborating closely with our clients to enable and energize their organizations.
- **We conquer complexity** by discovering unique sources of competitive advantage and hidden truths in dynamic, complex systems.
- **We lead with integrity** by confronting hard issues, staying true to our values, and stating our views candidly and directly.
- **We grow by growing others**, enabling our clients, colleagues, and the broader community to build success and achieve their full potential.

Our values complement these principles. (See [Exhibit 1](#).) We spell them out in our code of ethics and business conduct, and we expect each employee to adhere to them. We encourage every employee to embrace our values and our principles at BCG. Our biannual “Key to Purpose” awards recognize, reward, and enable those who do.



## EXHIBIT 1

# Our Values



**Integrity** as an expression of courage and accountability



**Respect for the individual** and their capacity and desire for personal growth



**Partnership:** a long-term view guides BCG's relationships, both internally and with clients



**Clients come first:** we measure our success by our clients' success



**Strategic perspective** enabling clients to deliver superior results in a sustainable manner



**Expanding the art of the possible** because the goal is not simply to apply best practice but also to invent it



**Value delivered** in the form of tangible, positive, and lasting change



**Diversity** of thought, expertise, experience, and background



**Social impact:** we believe we can make the world a better place

## Governance

BCG's governance ensures that sustainability topics are systematically managed and escalated to the appropriate bodies, including through the annual sustainability reporting process. The Chief Sustainability Officer oversees the process, supported by topic experts and, when material, the Audit and Risk Committee. Final reports are approved by the CSO and shared with the Board of Directors and Executive Committee, reinforcing accountability and transparency for internal and external stakeholders on our most relevant sustainability impacts, risks, and opportunities.

## Board of Directors

Boston Consulting Group, Inc., operates as a privately held entity. The corporation is wholly owned by the members of its partnership. The Board of Directors ensures the incorporation of relevant sustainability matters into governance, strategy, decision making, risk management, and accountability reporting. It also helps ensure high-quality reporting with clear policies and metrics, so that stakeholders across the organization understand sustainability priorities. The Board ensures that a sustainability governance structure is in place, with access to relevant expertise and skills.

## Executive Committee

The CEO and the Executive Committee act on the board's behalf. The Executive Committee is responsible for shaping the firm's strategy in areas such as investments, policies, growth, personnel, and philosophy. The composition of the Executive Committee includes both appointed and elected members. The CEO's position is subject to a board election every four years. Each CEO can serve for a maximum of two terms. Our Executive Committee's expertise is detailed on our [leadership webpage](#).



## Topic Sponsor

Each material sustainability topic has a topic sponsor—a senior leader responsible for developing policy and actions for that topic by engaging with the Executive Committee. Each topic sponsor is eligible for a short-term annual discretionary bonus and for long-term promotion incentives, both of which factor into sustained progress on their given topics, among other considerations. In 2024, the topic sponsors chiefly accountable for this report’s chapters were Rich Hutchinson, Global Leader of Social Impact, and Wendy Woods, Vice Chair of Social Impact and Climate & Sustainability (“Unlocking Potential for Society”); David Webb, Chief Sustainability Officer (Managing Our Environmental Impact); Alicia Pittman, Global People Chair (“Empowering Our People”); and Adam Farber, Chief Risk Officer (“Promoting Responsible Business”).

## Topic Steering Group

The topic sponsor may appoint a steering group composed of other senior leaders to advise on strategic decisions. For example, the CSO has appointed a Strategic Committee—consisting of BCG’s Global Chair, Chief Financial Officer, and Global People Chair—that meets monthly to review climate strategy, performance, impact, risks, and opportunities.

## Topic Experts

Topic experts support the topic sponsor. Whether an individual expert or a group of experts, they form a plan for delivery, execute it, and monitor performance. If impacts, risks, or opportunities arise and exceed prespecified thresholds, the topic expert notifies the topic sponsor, who may raise the issue to the Audit and Risk Committee or to the Executive Committee, depending on its severity.

## Audit and Risk Committee

The Executive Committee nominates prospective members of the Audit and Risk Committee, and the board elects them. The Audit and Risk Committee helps manage risks, provides feedback to senior leadership, and guides strategy and decision making at the senior level. This iterative process safeguards policy with strong accountability, but also strengthens resilience in pursuit of policy goals.

## Global Functions

Global functions such as BCG’s People, Finance, and Legal teams collaborate closely with the topic sponsor to integrate decisions and actions into core operations, geographic regions, practice areas, and business units. This fosters alignment with the topic program’s strategic objectives.





# Interests and Views of Stakeholders

Stakeholder engagement is essential to deliver BCG's strategy effectively, especially in a changing world. **Table 1** offers an overview of our main stakeholders, our engagements with them, and examples of how we incorporate their views into our strategy, operations, and approach to the impacts, risks, and opportunities that arise from material topics.

**TABLE 1**

## BCG Stakeholder Engagement

STAKEHOLDER	WHY WE ENGAGE	EXAMPLES OF HOW WE ENGAGE
<b>BCG leadership</b>	To set the firm's strategic direction and priorities, and to understand which corporate sustainability issues are most important to our leadership and clients	<ul style="list-style-type: none"> <li>• Biannual meeting of worldwide managing directors and partners (MDPs)</li> <li>• Annual people survey for MDPs</li> <li>• Management committees and briefing calls</li> </ul>
<b>BCG employees</b>	To inform our people management strategy and employee value proposition, and to understand which corporate sustainability issues are most important to our people	<ul style="list-style-type: none"> <li>• Annual people survey</li> <li>• Regular pulse check surveys</li> <li>• Weekly case team surveys</li> <li>• Annual global town hall meetings for all staff</li> <li>• Biannual career management and development meetings</li> <li>• Employee networks on sustainability topics</li> </ul>
<b>Clients</b>	To better understand the challenges that our clients and their industries face, and to identify opportunities to improve our services and client delivery	<ul style="list-style-type: none"> <li>• Client relationship management and dialogue</li> <li>• Business leader surveys</li> <li>• Client questions in tender documents</li> <li>• Client-led reporting disclosures (such as EcoVadis)</li> </ul>
<b>Future talent</b>	To understand what drives the career selection and decision-making process of highest-potential talent, and to better position BCG as the employer of choice	<ul style="list-style-type: none"> <li>• Participation in recruitment events</li> <li>• Surveys of candidates and new recruits</li> </ul>
<b>Civil society</b>	To understand the most complex global challenges, to contribute to thought leadership and coalitions on these topics, and to align our programs with emerging best practices and stakeholder expectations	<ul style="list-style-type: none"> <li>• Participation in industry forums, working groups, and roundtable events</li> <li>• Placement of BCG employees with partner organizations, such as nongovernmental organizations (NGOs)</li> <li>• Responses to public consultations and ad hoc requests with partners, such as NGOs and standard setters</li> </ul>
<b>Suppliers</b>	To better understand supplier concerns, and to manage risk in our supply chain in order to identify opportunities to collaborate on material topics	<ul style="list-style-type: none"> <li>• Regular tender processes</li> <li>• Ongoing supplier relationship management</li> <li>• Annual business reviews</li> </ul>



# Risk Management

BCG's Global Risk Management function is a trusted advisor to the BCG community, enabling innovation and growth in our services, and helping to navigate complex risk management decisions, while supporting and protecting our people, clients, and brand. Led by our Chief Risk Officer, Global Risk Management is made up of specialist teams across compliance, data protection, enterprise risk management (ERM), assurance and advisory, information security, and safety and security. Their job is to be ready for what might come next, from inside or outside the firm, and to partner with other global functions and the frontline business to proactively identify and holistically manage risks, applying appropriate guardrails when necessary.

Our approach to risk management follows established frameworks and processes that align with industry and regulatory best practices and support our objectives and values as an organization and as a global risk function. Central to that approach is the fact that all BCGers are responsible for risk identification and risk management. Our specialist risk management teams work in partnership with our managing directors and partners (MDPs) and employees to proactively identify and manage risks across our regions, practices, functions, and risk categories.

To foster ongoing engagement and partnership in identifying and mitigating the key risk exposures that our business faces, we rely on a variety of initiatives:

- Proactive management and assessment of our global risk register through evaluation of various data sources and through regular engagement with MDPs and other senior leaders of our firm
- Local and global commercial advisory processes to support case teams with client and topic selection and conflict management
- A global risk and compliance node network composed of senior leaders across our geographies and practice areas who help embed a culture of risk management and participate in our commercial advisory processes
- Internal risk reviews of BCG offices, functions, and processes
- Full compliance with the ISO 27001 international information security standard
- Regular virtual and in-person training on various risk, compliance, and information security topics—including anti-bribery and corruption, conflict of interest, and cybersecurity—as well as cohort-specific training for employees in senior positions
- Alignment of BCG's first double materiality assessment (DMA)—which looks at the firm's impact on people and the planet—with our global ERM system

This last initiative helps BCG comply with regulations such as the EU's Corporate Sustainability Reporting Directive. Moreover, a number of voluntary frameworks, including the GRI and the World Business Council for Sustainable Development, consider it best practice.

To ensure that we operate within our risk tolerances, BCG maintains a robust system of policies and controls. We regularly review and update the policies to address emerging risks and regulatory changes, and to provide clear guidance to our global workforce on their roles and obligations. The design and monitoring of controls are critical to validating that these policies not only are properly implemented but also are effective in mitigating risks. This structured approach ensures that all BCGers are equipped to contribute to a culture of compliance and accountability.

The scope and effectiveness of BCG's governance, risk management, and internal controls receive independent and objective evaluation from our Assurance & Advisory team, as well as through our external auditor and industry certifications. Internal geographic risk reviews typically occur on a three- or four-year cycle, depending on the local risk environment and the results of prior reviews. In addition to conducting internal risk reviews, the Assurance & Advisory team leverages data analytics to enhance procedures, performing global functional and shared service reviews and geographic spot checks to validate the proper design and effective operation of revised controls. At the highest level, BCG's CEO and Executive Committee provide risk oversight, as does the Audit and Risk Committee—a committee of the board, along with an external and independent senior advisor, that meets at least six times each year to review the firm's risk management profile.



We achieved 100%  
ISO 27001 certification  
coverage for our  
Information Security  
Management System



# Top Risks

BCG operates in a dynamic and complex global environment in which a proactive and structured approach to risk management is essential to sustaining our business and delivering value to our clients. Six key risk areas are central to our risk management strategy, each of which is carefully monitored and mitigated through targeted actions and strategic oversight to ensure alignment with BCG's values, commitments, and long-term objectives:

- 1. Strategic.** BCG faces strategic risks arising from global geopolitical instability, macroeconomic fluctuations, and the rapidly evolving business environment. We mitigate risk through continuous monitoring of geopolitical and economic developments and scenario planning to anticipate and respond to strategic challenges.
- 2. Client and Topic Selection.** Selecting clients, projects, or topics that do not align with BCG's core values or with societal benefit can expose the firm to reputational damage and erode public trust in BCG. We managed this risk through our System Commercial Advisory process, which governs higher-risk engagements to ensure that appropriate mitigating controls are in place, where required for certain project work.

- 3. Legal/Regulatory.** As a global organization, BCG must navigate a complex and evolving regulatory landscape to comply with local laws. We mitigate risk with the help of dedicated compliance and legal teams that scan the regulatory horizon, ensure that policies and associated processes are in place, and raise staff awareness through ongoing in-person and virtual training.
- 4. People.** People are at the core of BCG's success, as our talent and our collaborative culture drive innovation and deliver exceptional value to clients. Our People Team ensures that we maintain a welcoming and inclusive workplace for our global workforce. (See "Empowering Our People" on [page 65](#).)
- 5. Cybersecurity.** BCG relies on advanced IT systems to drive its operations, support client engagement, and protect sensitive data. As cyber threats grow more sophisticated, our IT infrastructure is critical to safeguarding our business and maintaining client trust. Our information security team provides continuous threat monitoring and penetration testing, and administers all-staff cyber security training annually.
- 6. Vendor Management.** Effective vendor management is essential to maintaining BCG's operational resilience and ability to support its business objectives. Vendor-related risks are mitigated through rigorous screening, due diligence, contracting, and incident management processes.



# Double Materiality Assessment

BCG has conducted materiality assessments since 2019, and our approach continues to evolve in line with best practice. In 2023, we completed a DMA in greater accordance with the guidance issued under the EU's Corporate Sustainability Reporting Directive (CSRD). This means we consider both impact materiality and financial materiality:

- **Impact Materiality.** This category of materiality includes actual or potential positive or negative impacts on people or the environment over short-, medium-, or long-term time horizons.
- **Financial Materiality.** This category includes actual or potential risks or opportunities that influence BCG's financial position.

We also consider megatrends, voluntary reporting frameworks (such as GRI), and our global ERM (see the previous section) in order to identify, assess, and manage impacts, risks, and opportunities (IROs). Considering our ERM involves reviewing our risk registers and company policies to help identify conceivably material IROs, whether actual or potential. This process is evidence based, and we map the DMA and ERM scoring methods in a way that enhances interoperability between the two systems.

Both the CSO, who oversees the DMA, and the Chief Risk Officer (CRO), who oversees ERM, report directly to the CEO and are members of BCG's Operating Committee. This structure allows the results of the ERM and DMA to inform BCG's strategy, policies, action plans, targets, key metrics, and internal processes. It also supports our efforts to optimize positive impacts and mitigate risks and negative impacts on BCG, the planet, and society.

The results of our DMA corroborated previous BCG materiality results. (See [Table 2](#).) Although the content of this sustainability report reflects the results of our DMA, we also include information on areas such as safety and security, water, and waste to maintain consistency with past reports, show progress over time, and address topics that may be important to some stakeholders.

We recognize the importance of having independent experts review our sustainability data. In 2024, we once again obtained limited external assurance on the data related to our climate commitments. (See [page 106](#).)

## BCG's approach to double materiality involves five key steps:

- 1 Set the stage.** Identify megatrends, relevant regulations, affected stakeholders, and the appropriate time frame, and map the value chain—including determining the weighting for each of the three parts of the value chain.
- 2 Identify potential material topics.** Create a list of potential material topics by analyzing regulatory requirements, conducting peer benchmarking, and assessing BCG's legacy material topics.
- 3 Assess impact and financial materiality.** Score each listed topic against levers of materiality that include quantitative and qualitative thresholds defined by industry-specific data, national statistics, and benchmarking data.
- 4 Validate and prioritize results with stakeholders.** Conduct surveys and interview stakeholders to obtain their perspectives on topics. To increase the representativeness of the results, make reasonable efforts to include stakeholders from across global operations.
- 5 Finalize the sustainability matters, impacts, risks, and opportunities report.** Aggregate the validated stakeholder results with the baseline list to create a final list of material topics. Have the DMA steering committee, including the CSO and CRO, approve the DMA.



TABLE 2

## BCG Material Topics and Descriptions

MATERIAL TOPIC	DESCRIPTION
<b>Climate change</b>	Managing climate risks, reducing emissions, and unlocking value through cost savings, resilience, and new market access in our client work and in our own climate commitments
<b>Corporate culture</b>	Championing the purpose, values, and code of conduct that shape the working environment and practices within BCG
<b>Protection of whistleblowers</b>	Establishing policies and mechanisms to protect individuals—including any employed by BCG—who report unethical or illegal activities
<b>Employee benefits and flexibility</b>	Offering a range of benefits and flexible working arrangements to support the varied needs of our employees
<b>Employee well-being</b>	Developing and maintaining programs and initiatives that focus on the physical and mental health of our employees
<b>Inclusive culture</b>	Promoting equal opportunities and treatment for all BCG employees, regardless of background or experience, including ensuring that our workplace is accessible to those with disabilities and promoting fair compensation practices
<b>Talent attraction and retention</b>	Devising strategies and initiatives to attract and retain top talent within BCG
<b>Talent learning and development</b>	Providing opportunities for continuous learning, professional development, and career growth for employees.
<b>Effective teaming</b>	Enhancing team effectiveness and collaboration through structured programs and initiatives, which in turn drives client relationship excellence
<b>Employee engagement</b>	Measuring and improving employee morale, productivity, and job satisfaction
<b>Human rights in our supply chain</b>	Upholding international standards of human rights throughout BCG's supply chain
<b>Sustainable procurement</b>	Promoting environmentally and socially responsible purchasing through procurement policy and practices
<b>Social impact</b>	Launching initiatives and projects—including thought leadership, client projects, and partnerships on social and sustainability matters—that unlock value for clients while creating positive social change and addressing societal challenges
<b>Data privacy and information security</b>	Ensuring the protection of personal and sensitive data and maintaining robust information security practices
<b>Responsible AI</b>	Developing and implementing AI solutions responsibly within BCG





# Unlocking Potential for Society

in Partnership with Our Clients





BCG seeks to maximize positive impact in the world by partnering with our clients to scale solutions, spark innovation, shape strategy, build capabilities, and transform systems, thereby driving meaningful and lasting change across business and society.

For decades, our unique business model has empowered us to address the world's most complex and pressing challenges by working collaboratively with corporations, investors, NGOs, foundations, multilateral organizations, and governments. In doing so, we drive positive social and environmental change, and we unlock business value for our clients by creating new markets, accelerating growth in existing ones, reducing risk, and lowering costs.

Our purpose is to unlock the potential of those who advance the world. With so many critical challenges already shaping the world around us, the need for global progress is clear. From rising inequality to climate instability, these challenges are captured in the United Nations Sustainable Development Goals (SDGs), a global framework for building a fairer, more sustainable, and more prosperous world. By unlocking business value for our clients, BCG actively contributes to the SDGs and scales positive impact for society.

## 2024 CLIENT HIGHLIGHTS

### Prosperity

\$600M+

invested in society  
in 2024

\$2B

invested in society  
since 2020

72%

of largest clients  
involved in at least one  
societal case

### People & Planet

3K+

Societal impact cases  
(+19% since 2023)

1.2K+

Societal impact clients  
(+13% since 2023)

70M

People expected to  
benefit from better  
education and jobs by  
2030, due to our top 2024  
social impact efforts in  
education and skilling

400Mt

Annual climate impact  
unlocked via client  
work by 2030

400 MtCO<sub>2</sub>e is roughly  
equivalent to the UK's  
annual greenhouse  
gas emissions<sup>1</sup>

Our partnerships contribute to the SDGs. Those commonly reflected in the case studies of this year's report include:

#### People



#### Planet



#### Prosperity



1. 400 million tCO<sub>2</sub>e of annual climate impact from 2024 alone. Although not directly comparable, 400 MtCO<sub>2</sub>e is roughly equivalent to the annual emissions of the UK. In 2023, net territorial greenhouse gas emissions in the UK were provisionally estimated at 384.2 MtCO<sub>2</sub>e ([UK Department of Energy Security & Net Zero, 2024](#)).

In 2024, businesses faced increasing pressure to adapt to global megatrends: geopolitical developments, supply chain disruptions, energy volatility, rapid advances in digital and GenAI technologies, and evolving regulatory expectations such as the EU's Corporate Sustainability Reporting Directive (CSRD). These trends introduced new demands for transparency and risk management, but they also created new opportunities for competitive advantage.

BCG's Social Impact practice has dedicated a cumulative total of 2.8 million consulting hours to unlocking value for business, people, and communities over the past five years. Last year we delivered 1,000+ social impact cases with approximately 500 clients, and about 50% of BCG's largest clients were involved in at least one social impact case.

Our Social Impact work continues to unlock value for our partners while driving impact in key areas: global health; economic development; food, agriculture, and hunger; education and skilling; risk and resilience; diversity and inclusion; and humanitarian crisis response. We support each area with a diverse body of programmatic work that aspires to deliver meaningful change for end beneficiaries.



Our education and skilling work helps clients deliver educational opportunities and workforce potential to students and workers around the globe. In 2024, we conducted more than 180 projects in this space, a selection of just 10 of which aspire to benefit some 70 million learners and workers by 2030.<sup>5</sup> Highlights of those selections include the following:

- We have participated in efforts to transform education systems in India since 2017, and digital innovation has reshaped the landscape and possibilities. For example, an AI-powered app enables personalized learning for approximately 4.5 million students in Rajasthan in grades 3 to 8 who face learning gaps. As a result, about 400,000 students have advanced out of “learning poverty” (defined as being two grades behind their age cohort) in 2024–2025.
- Technical and vocational graduates in Malaysia face underemployment due to industry misalignment and stigma. We are supporting an upskilling program to increase employability and job readiness for about 500 graduates during a pilot, with plans to upskill 100,000 or more over the next five years (either directly via upskilling or indirectly via new capabilities embedded in institutions).
- AI presents an opportunity to transform K-12 education by adapting each student’s learning journey in real time. One application unlocks teacher capacity, as AI solutions have the potential to save 5 hours per week (approximately 180 hours per year) that can be reallocated to quality teaching. We are eager to work with our partners to activate these benefits at scale.

In parallel, BCG’s Climate & Sustainability practice delivered more than 2,300 projects in 2024 across over 1,000 clients, spanning private, public, and social sectors. We also invested \$280 million in supporting these clients, moving us near the halfway point in meeting our multiyear commitment to dedicate \$2 billion by 2030 to drive planetary impact and business advantage through sustainable strategies and operations. Of our top 100 Energy and Industrial Goods clients, 80% unlocked business value through sustainability solutions.

At BCG, we believe that sustainability is not a tradeoff: it’s an opportunity. Leaders who embed sustainability into their business models, product portfolios, and investment decisions are better positioned to access high-growth markets, attract talent, reduce exposure to shocks, and lower operating costs. We also help clients amplify their impact through collaboration across value chains, industries, and regions, unlocking the business case for sustainability at scale.

This work contributes to billions of dollars in revenue uplift and cost savings, and an estimated 400 megatons of annual CO<sub>2</sub>e impact by 2030, as we help our clients develop detailed implementation plans. Half of this figure stems from improvements in operational efficiency that address current emissions and costs, and half from scaling low-carbon and circular business models to enable green growth for our clients. Beyond cost and carbon savings and clean revenue uplift, we support nature-positive strategies to safeguard natural resources; we build resilience to climate, weather-related, and geopolitical disruptions; and we support international collaboration on these topics.

As we deepen our climate work, we are building strong safeguards to align with global climate goals—integrating a climate screen into all BCG case approvals and refining our firmwide policies to ensure that our work contributes to a low-carbon future and a healthy planet.

#### MANAGING OUR ENVIRONMENTAL IMPACT

Although we measure our success by the positive impact we help our clients and partners create, we also hold ourselves to high environmental standards.

5. Our efforts in education and skilling vary in breadth and depth of reach. Some projects (such as transforming education systems in India) focus on systemic change at national and subnational levels, leading to population-scale reach. Others (such as investing in skills and career pathways for broadband-focused roles in Puerto Rico) are designed to drive outcomes for a more narrowly targeted group of beneficiaries.

# Making a Measurable Impact

A key step in our impact journey as a firm has involved introducing world class best practices in impact management to our case teams. We aim for all dedicated consulting teams to adopt our new impact measurement approach when delivering our cases. We are eager to continue upskilling and supporting each case team to actively track and express the impact and value they are driving through their work.

Our aspiration is bold: to maximize our positive impact in the world by scaling the efforts of our clients. That means continually refining our approach in a changing world, equipping our case teams with the tools they need, and bringing our best capabilities to everyone we work with. As we scale our impact, we continue to believe that business can be a force for good.

Societal impact is complex to measure and attribute, and it is highly case-dependent. In addition, due to the advisory nature of our work, the impact we deliver is indirect. However, we aspire to make a difference and to measure and evaluate the results that we help our clients achieve. Embedding meaningful outcomes into our work is central to our mission, as it strengthens our transparency, our credibility, the value we deliver to our clients, and the positive impact we have on our societies.

To advance our commitment to impact, we are enhancing how BCG teams engage internally and with clients. Our goal is to embed impact measurement and value generation at the core of every project. This involves several substantive actions:

- Capturing the inputs that both BCG and our clients have invested
- Assessing how inputs and project deliverables enhance our clients' capacity to drive change
- Ensuring that strengthened client capabilities translate into measurable improvements for the planet, the people, and the communities we serve

Over the past year, we have focused on improving the transparency, accountability, and rigor of our methods for measuring impact. We have developed social and planetary impact frameworks that we used to support in-depth impact evaluation of over 400 cases in 2024.

The qualitative and quantitative information in this report is as robust, up-to-date, clear, and reliable as possible. Rigorous reviews by internal experts, external experts, and third-party verifiers help ensure that we continue to improve the way we gather and report data in line with best practice.



# Advancing Socially Transformative Businesses

BCG believes that private companies play a crucial role in driving social impact and sustainable development. By developing scalable, high-impact business models, they create value not just for clients and stakeholders, but for society as a whole.

For nearly 20 years, BCG has helped businesses integrate social impact into long-term visions, strategies, and business models. We have done this in various ways: we support clients in building inclusive and sustainable supply chains and enabling small and medium-size enterprises (SMEs) to scale through growth-focused alliances; we help firms strengthen their employee value propositions, driving workplace inclusion, satisfaction, and productivity; and we assist companies in expanding their market reach through inclusive products and services, as seen in Pfizer's initiative to improve health care access for 1.2 billion people in 45 lower-income countries. In addition, BCG has partnered with leading global financial institutions and **health organizations** to bridge equity gaps in banking and health care. By aligning and amplifying the efforts of individual businesses, we reinforce market leadership and help scale solutions that address society's most critical challenges.



# Designing Solutions for Financial Inclusion



## Partner's Challenge

In 2020, a major payment company expanded its financial inclusion ambition to address the 4.3 billion people worldwide who either don't have a bank account or lack access to credit. In 2024, the company's leaders decided to go beyond expanding access—focusing more on supporting and improving the financial health of their customers.

To achieve this, the company needed to partner with local banking organizations to gather both quantitative and qualitative data that accurately reflected local market conditions. Ensuring a commercially effective approach required deep insights and strong local partnerships.

Additionally, scaling financial inclusion initiatives across multiple geographies demanded a replicable strategy. The company aimed to create a guiding framework to embed financial inclusion into its core business practices and product offerings, making sure the initiative could drive impact and be sustainable.

## BCG's Contribution

BCG worked closely with the organization to conduct a comprehensive analysis of financial inclusion trends, identifying key growth areas and estimating the market opportunity. A critical step was facilitating a partnership with a fintech institution, enabling the collection of customer insights and the development of a proprietary model to assess financial health determinants.

To enhance user engagement, BCG designed financial education features to guide users through their financial inclusion journey, ensuring accessibility and usability. We also tailored high-impact solutions to target groups to maximize effectiveness and refined key financial inclusion indicators, establishing a robust framework to measure success over time. In parallel, BCG developed a financial health roadmap that defined the company's North Star for financial inclusion, identifying key enablers needed to accelerate impact and scale initiatives across multiple geographies through a cohesive, structured approach.

## Potential Unlocked

The company now has a clear understanding of the key levers needed to deliver impactful financial inclusion services, enhancing access for underserved communities. With a well-defined pathway and targeted enablers—such as optimized distribution channels—the company can accelerate improvements in financial health. With a new way of measuring progress, it has also operationalized its financial inclusion strategy internally and through strategic partnerships, identifying new partners to foster ecosystem-wide collaboration.

These initiatives contribute to several Sustainable Development Goals, including poverty reduction through increased savings and resilience, improved education outcomes via greater financial stability, and innovation driven by entrepreneurship.



# Closing the Health Access Gap

## Partner's Challenge

Global health equity disparities continue to limit access to essential health care services, disproportionately affecting underserved populations. Chiesi, a global pharmaceutical company, aimed to address these gaps but needed a clear, strategic approach to improve prevention, diagnosis, access to care, and long-term patient support. The company sought to design high-impact, feasible initiatives that aligned with its corporate strategy while being tailored to the unique challenges of local health care systems.

## BCG's Contribution

BCG partnered with Chiesi to define and implement a comprehensive health equity strategy. Through benchmarking and expert consultations, the team established four key pillars: patient centricity, global reach, financial sustainability, and partnerships. To ensure effective oversight and decision making, we also developed a governance framework with a dedicated steering committee. A critical component was designing a patient journey covering key stages—from prevention and diagnosis to access to care and sustained treatment—while working with affiliates to identify pain points and develop tailored, country-specific solutions aligned to local strategic plans.

To expand the initiative's reach, BCG supported Chiesi in rolling out the approach to additional affiliates across regions. Progress was tracked via PMO dashboards, enabling real-time refinement based on emerging outcomes. To embed knowledge and sustain momentum, we developed a "Health Equity Playbook" to guide ongoing efforts across the organization.

## Potential Unlocked

Chiesi's health equity initiative strengthened partnerships, enhanced its reputation as a trusted community health care player, and boosted internal motivation and corporate social responsibility. Health care providers gained critical skills to better prevent, diagnose, and treat neonatal and respiratory diseases, while infrastructure upgrades improved treatment outcomes and system resilience. For patients, the strategy expanded access to affordable, life-saving care—reducing neonatal mortality and slowing chronic disease progression. Results in 2024 include:

- Approximately 1,220 neonatology specialists, nurses, and midwives were trained in proper surfactant delivery and upskilled to provide appropriate care for preterm newborns and their families.
- Around 11,300 preterm newborns received adequate care in NICU settings, instead of suboptimal or no care.
- More than 24,700 respiratory specialists, general practitioners, pharmacists, and nurses were trained in diagnosis and treatment of respiratory conditions.
- An estimated 222,000 patients with lung diseases received improved diagnosis, care, and treatment.

# Building a North Star Strategy to Boost Social Value

## Partner's Challenge

FEMSA, a Mexican multinational beverage and retail company headquartered in Monterrey, Mexico, had numerous social initiatives in place but lacked a unified strategy and a dedicated social impact team. The company needed a cohesive social value strategy to maximize impact, align with business goals, and improve operational efficiency. The challenge was to integrate and scale existing initiatives while ensuring that the efforts were consistent with FEMSA's broader corporate objectives.

## BCG's Contribution

BCG partnered with FEMSA to elevate its social value strategy by transforming scattered initiatives into a cohesive framework with scalable flagship programs aligned to business priorities. The team conducted a comprehensive diagnostic—37 executive interviews, 1,500+ client surveys, and 300 employee surveys—to capture a broad perspective on FEMSA's social impact landscape. Benchmarking against 35+ companies helped identify 16 relevant social value topics across FEMSA's industries. Using BCG's Comply, Compete, Lead, Shape framework, the team evaluated existing initiatives and identified opportunities for FEMSA to take a leadership role in social impact.

To prioritize efforts, BCG facilitated workshops and leadership meetings to narrow the focus from 16 topics to seven flagship initiatives. We defined a unifying “North Star” vision to position FEMSA as a socially responsible leader while ensuring strategic focus. With FEMSA, we developed a scalable operating model, enabling regional teams to adapt programs to local needs while maintaining alignment with the broader strategy. Additionally, we incorporated ESG metrics into executive incentive plans to ensure leadership accountability for social impact outcomes.

## Potential Unlocked

FEMSA's initiative has created a unified, data-driven approach to social impact, with clearly defined flagship areas to guide resources and capacity. Benchmarking improved the company's baseline understanding, while employee and family well-being programs—ranging from training and mentorship to health support—were expanded. The strategy also boosted economic stability and upward mobility across communities, advancing inclusion for women, immigrants, and the elderly through financial access, employment, and skills development. FEMSA supported local economies by backing SMEs and launching job creation efforts.

With BCG's help, FEMSA can focus even more deeply in these areas and improve upon already impressive results.





## Mobilizing Private Capital for People and the Planet

Energy companies plan to invest **\$10 trillion in the coming decade**, and BCG research indicates that half of this amount is earmarked for low-carbon technologies and grid upgrades. Although considerable, these investments fall short of the \$3 trillion to \$5 trillion needed every year until 2050 for climate change mitigation. Developing countries alone need more than **\$300 billion annually up to 2030 for climate adaptation**. Beyond its environmental impact, investment in a just transition is critical for driving economic growth, supporting entrepreneurship, and strengthening communities.

Without better financing mechanisms, the transition may risk deepening social inequalities, particularly in emerging markets and underserved regions. Addressing those social challenges requires additional funding. Historically, foreign aid, charity, and philanthropy have addressed some of these needs, but innovative financial solutions such as impact investing or debt-for-nature swaps are now being tested to determine whether they can achieve outcomes at scale and deliver measurable social and environmental benefits alongside financial returns. Another approach is blended finance, which aims for a multiplier effect by committing public funds to attract private funds to support projects whose perceived risks previously rendered them uninvestable.

Although the capital exists, it often fails to reach the right projects because of barriers such as country risk, technology risk, and fragmentation—both in financial structures and in governance of the various small local projects to be supported.

BCG partners with public, private, and philanthropic stakeholders to mobilize and scale financing solutions that accelerate green growth and inclusive development. We help financial institutions unlock new market opportunities, supporting the financing of emerging technologies, small businesses, and local economies. Our expertise in blended finance enables public-private partnerships that de-risk investment and ensure that funding reaches high-impact projects. By designing financial mechanisms that align capital with goals related to sustainability and social equity, we help organizations achieve climate action and positive social impact.

# Commonwealth of Massachusetts



## Partner's Challenge

The Massachusetts Clean Energy Center (MassCEC), a quasi-public state agency, wanted to create an economic development strategy and implementation plan that would position the state as a global leader in climate technology.

The goal was to drive a just transition toward a net zero economy while contending with increasing competition from other states that were rapidly advancing in climate tech investment and surpassing Massachusetts in key performance metrics such as total dollars invested.

## BCG's Contribution

BCG worked closely with the agency to understand the current state of the ecosystem, identifying its strengths, gaps, and competitive advantages in terms of state assets and capabilities. Stakeholder input and best practices from other regions helped inform a targeted approach.

To strengthen the state's climate tech ecosystem, BCG developed a comprehensive economic development strategy in collaboration with MassCEC and other state agencies. The plan aimed to drive regional engagement and ensure distribution of benefits across the state.

In addition, BCG designed an implementation plan, budget, and public report that focused on financing innovative solutions across mitigation, carbon sequestration, and adaptation and resilience. The team also gauged the economic impact of the strategy, ensuring that the proposed initiatives would be effective and financially viable.

## Potential Unlocked

The result is exciting: MassCEC is planning to invest significantly in climate technology over the next ten years. The initiative will support more than 1,000 companies, create and train more than 30,000 direct jobs and individuals, and attract more than \$10 billion in incremental private and federal funding.



# Strengthening Private Sector Collaboration for a Multilateral Development Bank



## Partner's Challenge

The client, a multilateral development bank focused on agricultural development, sought to enhance its private sector engagement strategy. The primary challenge was to assess existing entry points for private sector collaboration and identify ways to accelerate mobilization of private capital. The bank needed a clear strategy to align internal stakeholders, optimize its operating model, and create effective blended finance platforms to drive long-term impact.

## BCG Contribution

BCG conducted a comprehensive review of the client's private sector engagement, addressing key gaps and opportunities. This effort had several major components:

- Assessing the bank's current private sector engagement through 12 key questions
- Defining a new ambition statement and strategic direction for private sector collaboration
- Recommending an approach to scale up mobilization and channeling of private capital
- Proposing organizational changes to better integrate public and private sector operations
- Developing a roadmap with short-term (nine-month) and long-term (five-year) implementation milestones

## Potential Unlocked

Through BCG's intervention, the client gained renewed strategic directions for private sector engagement that delivered a number of key outcomes:

- Clear alignment among leadership and internal teams on private sector priorities
- A prioritized shortlist of blended finance platforms for future development
- An enhanced operating model to foster seamless public-private collaboration
- A structured roadmap to mobilize private capital to drive sustainable impact

This transformation puts the client in a position to significantly scale its influence in agricultural development by leveraging private sector partnerships more effectively.



## Promoting a Sustainable and Prosperous Planet for All

BCG supports clients' efforts to unlock business value while promoting sustainability—whether by accelerating green growth via low-carbon innovation, reducing costs and carbon emissions, developing nature-positive strategies that protect vital ecosystems, or managing climate risks by building resilient operations and supply chains.



This work contributes to billions of dollars in revenue uplift and cost savings, and an estimated 400 megatons of annual CO<sub>2</sub>e impact by 2030.



# Green Growth

Reaching net zero and promoting energy independence require a combination of reducing emissions from existing operations and scaling breakthrough technologies. Our **research with the World Economic Forum (WEF)** establishes that currently available technologies—such as renewables, electric vehicles, and electrified heating—can mitigate approximately 60% of today’s emissions, but the remaining 40% must come from emerging but not yet commercially viable solutions such as synthetic fuels, green cement, and long-term energy storage.

Despite the need to invest **\$3 trillion to \$5 trillion annually by 2030**, businesses face significant challenges in scaling new technologies effectively. This is particularly true in the case of hard-to-abate industries, plastic waste management, and biodiversity conservation. Companies that successfully commercialize these innovations will gain a competitive edge in a rapidly evolving market. BCG helps clients drive profitable growth by launching and scaling businesses through both established low-carbon solutions and emerging technologies. We support organizations in overcoming regulatory barriers, securing investment, and developing viable business models to monetize decarbonization. Our expertise encompasses everything from optimizing existing sustainability solutions to helping scale-ups commercialize breakthrough innovations by connecting with strategic partners and offtakers.



# Capitalizing on a New Technology with Sanko



## Partner's Challenge

Sanko, a leading Turkish industrial conglomerate, saw a market opportunity to be a first mover taking advantage of the rising demand for circular fashion. A clear commercialization strategy and strong industry engagement to drive adoption were essential for success.

The company developed a proprietary textile recycling technology that has the potential to transform blended-material recycling, particularly polycotton. To commercialize this innovation, Sanko needed to determine the right business model, an optimal go-to-market plan, and an effective operating model.

## BCG's Contribution

BCG worked with Sanko to craft a winning strategy to scale circularity in the textile industry by commercializing high-performance, traceable, and more sustainable next-generation materials that capitalize on Sanko's proprietary technology and 120 years of textile know-how. To accelerate execution, BCG supported Sanko with its business build offer of BCG Transform Practice, to establish a new fully functioning venture, RE&UP, envisioned as a global leader in textile-to-textile recycling. BCG and Sanko teamed up to work under the "one team, one target" philosophy.

Market entry and operational setup were key priorities so BCG mobilized a dedicated team, kick-started the company's operations, and identified locations for future production facilities. To ensure rapid growth, BCG

developed a dynamic financial model, facilitated feedstock commitments, and promoted engagement with the fashion industry, leading to multiple brand partnerships and high visibility at major industry events and awards, including COP28, COP29, and the Global Fashion Agenda.

## Potential Unlocked

The work has yielded promising results:

- RE&UP is now positioned as a global leader in textile-to-textile recycling, with a goal of processing 1 million metric tons of textile waste by 2030—one of the largest initiatives of its kind.
- The company enables annual water savings of over 1 billion cubic meters, exceeding the combined annual water consumption of US and European data centers—as well as CO<sub>2</sub> emissions avoidance exceeding 500,000 tons per year at full scale, a number that surpasses BCG's total annual emissions figure—by replacing virgin cotton and polyester with recycled materials.
- The team created a robust, scalable roadmap for further growth and global expansion, including infrastructure development and supply chain security.
- Sanko has strengthened its competitive position in the circular textile economy, benefiting from the industry's growing demand.



# Breakthrough Energy Catalyst: Accelerating the Commercialization of Climate Technologies



## Partner's Challenge

In 2024, BCG continued its partnership with Breakthrough Energy Catalyst, a program that focuses on bridging the critical funding gap for emerging climate technologies and supporting first-of-a-kind, demonstration-scale projects.

## BCG's Contribution

As a strategic partner, BCG provides essential advisory support to help innovators navigate the complexities of deployment and position their technologies for long-term success.

Catalyst has already made significant financial and nonfinancial commitments to advance breakthrough climate solutions. These investments include aspects of strategic project development support such as execution planning, structuring agreements, and scaling strategies. Catalyst has also developed a structured framework, **The 12 Keys to Scaling Up**, to help early-stage companies bridge the gap from pilot to commercialization.

## Potential Unlocked

In the past two years alone, Catalyst has provided funding for sustainable aviation fuel production, direct air capture, and next-generation battery storage technologies. Notable projects include:

- A \$50 million grant to LanzaJet, supporting the first commercial-scale facility in the US for converting alcohol to jet e-fuels
- Equity funding of \$75 million to Infinium to develop large-scale power-to-liquids e-fuels
- Grant and debt funding worth €60 million to Energy Dome to advance CO<sub>2</sub>-based battery storage technology in Italy
- Grant and debt funding of €75 million to Rondo Energy to scale thermal energy storage across three facilities in the EU
- A \$40 million grant to Deep Sky to establish a direct air capture technology testing facility in Canada
- A \$20 million grant to the Form Energy and Xcel Energy partnership to deploy iron-air battery technology in the US

# Cost and Carbon Reduction

The total quantity of global emissions continues to rise, and 2024 was the first calendar year on record in which the global average temperature was more than **1.5°C above the preindustrial level**. Nevertheless, there has been progress. For example, BCG supports the WEF's Alliance of CEO Climate Leaders, whose 131 members—spanning 12 industries and 27 countries—collectively lowered their emissions by 10% between 2019 and 2023, outperforming regional average reductions in both the EU (–5%) and the US (–1%). Further, **BCG's Carbon Emissions Survey** discovered that decarbonization efforts have delivered benefits exceeding 7% of revenues, or \$200 million annually for the average company in the sample. And although the first application of the EU's Corporate Sustainability Reporting Directive (CSRD) has required significant effort from companies, it is also creating powerful incentives for them to remove emissions from their own operations and from their supply chain. Our approach helps companies focus on the most material issues—driving meaningful action that benefits both their business and the planet.

Clearly, there is more work to be done, so we are assisting our clients in their pursuit of financially beneficial decarbonization efforts. We support organizations in reconciling financial performance with environmental stewardship in diverse ways. By rethinking traditional approaches, businesses can reduce their carbon footprints, access untapped value, and drive competitive advantage.





# The Sustainable Markets Initiative's Health Systems Task Force



## Partner's Challenge

Many of our pharmaceutical clients face challenges in decarbonizing the end-to-end health-care value chain, especially across a global footprint. Engaging suppliers to ensure that they meet sustainability requirements is difficult, and much of the manufacturing footprint of pharma production occurs in complex markets in Asia, where green energy solutions can be less accessible and sourcing them can be less cost effective than in the US and EU.

## BCG's Contribution

BCG worked with the biopharma companies participating in the Sustainable Markets Initiative's Health Systems Task Force to define joint minimum sustainability targets for suppliers and to engage and track the progress of top suppliers in the industry, in order to accelerate their Scope 3 reduction efforts. BCG also facilitated a group buying scheme to help clients gain the benefits of scale in buying impactful renewable power at lower prices. This arrangement enabled pharma companies and their suppliers to sign an industry-first, multiparty renewable power agreement in China.

## Potential Unlocked

Over the course of 2023 and 2024, top suppliers' adherence to sustainability targets doubled, as leading suppliers disclosed their end-to-end emissions and set science-based targets. Companies also signed a three-year renewable energy supply agreement in 2023 to unlock around 200 gigawatt hours (GWh) of renewable electricity annually in Jiangsu, Guangdong, Shanghai, and Beijing. The same companies expanded this agreement through 2024, enabling more pharma suppliers to join and resulting in a further 200 GWh or more of renewable power procurement annually, which is equivalent to taking approximately 50,000 cars off the road. This work opens up additional opportunities for companies across the health care supply chain to join and decarbonize their operations, thereby accelerating decarbonization across the industry. By pursuing sustainability targets as a group and negotiating collective alternative power agreements, these companies have been able to clarify expectations across the supply chain and drive cost advantages for all.



## Nature Protection and Restoration

Ensuring a sustainable future requires a holistic approach that extends beyond climate measures and recognizes nature's role in economic and social stability. Freshwater, marine, and terrestrial ecosystems underpin biodiversity and sustain livelihoods, industries, and resilience against natural disasters. Forests alone provide employment for 1.6 billion people, and coastal wetlands deliver \$23 billion annually in hurricane protection. Yet these ecosystems face unprecedented challenges from climate change, overexploitation, and environmental degradation. Businesses increasingly recognize their dependence on nature, but they struggle to effectively measure and mitigate their impact.

BCG helps organizations identify risks, develop mitigation strategies, and adopt regenerative practices that protect and restore nature. Our 2022 acquisition of Quantis, a sustainability leader with over 300 experts, has strengthened our expertise across all planetary boundaries. We work with clients to integrate nature-positive strategies, leveraging data, technology, and global partnerships. Collaborations with Science Based Targets Network and with the Taskforce on Nature-related Financial Disclosures (TNFD) support companies in setting measurable targets and enhancing transparency in nature-related disclosures. In addition, our longstanding partnership with WWF advances green financing, nature-based solutions, and biodiversity conservation.



# Building a Nature Strategy for a Global Pharmaceutical Firm



## Partner's Challenge

A global pharmaceutical firm had made progress toward its climate goals and sought to expand its sustainability strategy to include nature. With its near-term commitments on water, waste, and packaging nearing expiration, the company needed a science-informed approach to integrate nature into its broader planetary goals. It also aimed to align with emerging frameworks such as the TNFD and comply with impending regulations, including the EU's CSRD and Deforestation Regulation.

## Potential Unlocked

The firm conducted its first enterprise-wide assessment of its nature maturity and impact, identifying hotspots covering 70% of direct impact along with significant upstream effects. Armed with this insight, the company set preliminary targets to reduce its impact on nature, aligning sustainability efforts with regulatory expectations and climate goals. Our work helped position the company as a leader in nature strategy, and our roadmap provided a clear, actionable plan to consolidate this position in the future.

## BCG's Contribution

BCG, in collaboration with Quantis, helped the client assess its nature-related impacts across operations and supply chains. We identified key sites, purchased goods with the highest environmental impact, and then conducted a dependency assessment to highlight critical natural-resource-reliant commodities and locations. To establish measurable targets, we benchmarked industry best practices and developed data-backed sustainability commitments. Then we outlined preliminary initiatives for reducing water withdrawal, improving waste management, and integrating sustainable design, estimating costs and creating a three-year roadmap for execution.

# Enhancing the Nature-Based Carbon Program of American Forest Foundation

## Partner's Challenge

American Forest Foundation (AFF), a leading environmental NGO, partnered with BCG to develop a strategic plan and conduct a risk analysis for its flagship nature-based carbon program. Known for its commitment to sustainability, the organization aimed to enhance its impact on efforts to reduce carbon emissions by developing and commercializing high-quality forest carbon credits in the US.

Nature-based solutions have the potential to provide more than 35% of the cost-effective CO<sub>2</sub> mitigation required by 2030. However, the voluntary carbon market faces challenges in the form of increased media attention, unclear guidance on the role of carbon credits in net zero strategies, and growing buyer sophistication—all of which have an impact on supply and demand dynamics.

## BCG's Contribution

To provide strategic guidance, BCG developed a comprehensive blueprint that addressed key challenges and opportunities.

We conducted an in-depth external market analysis to assess overall opportunities, key growth drivers, and barriers within the voluntary carbon market. Through this analysis, we identified the unique position of the NGO to create value by offering high-quality carbon removal credits, allowing it to stand out in the evolving carbon credit landscape.

We also evaluated critical financial assumptions, such as accurate carbon yield projections and cost structures, to ensure the program's financial viability and attractiveness to investors. Recognizing key challenges, we developed risk mitigation strategies to address potential issues, including price volatility, acreage enrollment targets, and landholder management costs. This work involved securing advanced market commitments, designing targeted enrollment strategies, and conducting competitive analyses to manage costs and sustain enrollment rates. To support long-term success, we proposed strategies to mitigate both market and organizational risks, ensuring a sustainable and effective growth trajectory for the carbon program.

## Potential Unlocked

Through our collaboration with AFF, the NGO gained a number of critical insights and strategies, unlocking new opportunities in the carbon market:

- Development of risk mitigation strategies that support family forest owners in accessing the carbon market
- Translation of complex market dynamics into clear-cut terms to help secure additional funding and drive growth in the North American carbon market
- Introduction of a new high-quality nature-based carbon credit standard to enhance credibility in the market
- Identification of key market mechanisms that will promote long-term industry growth and sustainability





## Risk and Resilience

As noted earlier, 2024 was the first year in which the global average temperature was more than 1.5°C above pre-industrial levels, offering a stark preview of the growing threat posed by weather-related challenges: hurricanes, flooding, extreme heat, and other severe weather events. The economic consequences are profound. Since 2000, climate-related disasters have inflicted **over \$3.6 trillion in damage globally**. Our WEF–BCG report, *The Cost of Inaction: A CEO Guide to Navigating Climate Risk*, found that by 2050, physical risk could reduce company EBITDA by 5% to 25%, depending on industry sector and geography. The urgency is unmistakable: in the absence of decisive action, climate risk will continue to disrupt economies, displace communities, and push millions of people into poverty. BCG helps organizations identify vulnerabilities, mitigate risks, and build a resilient business.

Beyond the physical risks of phenomena such as extreme weather, businesses must contend with transition risks, such as regulatory requirements, technological advances, shifting market dynamics, and evolving consumer preferences. By integrating climate adaptation into business strategies, we help companies build resilience while remaining competitive in a low-carbon economy.

BCG also partners with governments and international organizations to develop National Adaptation Plans, safeguard critical infrastructure, and protect vulnerable populations from climate-driven disruptions. Strengthening resilience at every level—business, government, and society—is essential to mitigating the harshest impacts of climate change on the planet and on the people who live there.



# Strategic Review of a Climate Risk and Opportunity Assessment Framework Aligned with TCFD for a Chemical and Fertilizer Company



## Partner's Challenge

A company specializing in chemicals and fertilizers has committed to decarbonizing its operations and achieving carbon neutrality by 2040. A preliminary assessment revealed significant climate-related risks and opportunities throughout its value chain, highlighting the need for a structured approach to address these challenges. To ensure effective climate risk management, the company sought to develop a climate risk framework and an operating model aligned with TCFD standards. In addition, the company needed a comprehensive adaptation and mitigation plan to tackle the most pressing climate risks and ensure long-term resilience.

## BCG's Contribution

BCG structured its support into two core modules. The first focused on designing a TCFD-aligned framework, covering the assessment and design of an enhanced operating model across governance, strategy, risk management, and metrics and targets pillars. BCG assessed regulatory requirements, analyzed market trends across the TCFD pillars, and evaluated the client's maturity level. Based on this work, the team identified key initiatives to strengthen the company's target operating model.

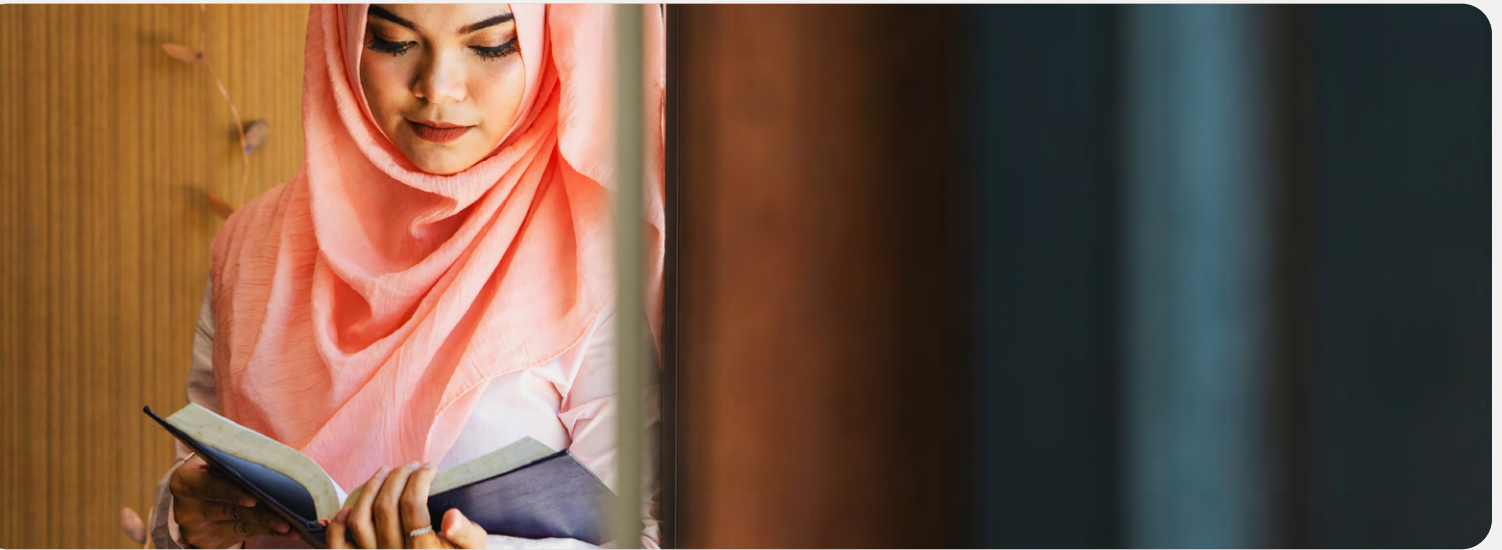
The second module developed an adaptation and resilience plan. BCG conducted an end-to-end climate risk assessment of the value chain to prioritize key risks and design actionable measures, with particular focus on assessing downstream risks and opportunities for farmers and highlighting the key role of fertilizer as a resilience tool for farmers that are at risk in different geographies (for example, negative impacts of drought and heat on crops and financials). We helped create a high-level business plan and strategic roadmaps to address priority physical and transition risks and opportunities, ensuring the long-term sustainability of the company's strategy.

## Potential Unlocked

By implementing a structured framework, the company enhanced its ability to manage climate-related risks and integrate sustainability into its broader risk strategy. The approach will strengthen the company's resilience, improve its strategic positioning, and enable it to capitalize on climate-related opportunities.



# A Climate Adaptation and Resilience Strategy for the Government of Pakistan



## Partner's Challenge

Pakistan ranks eighth among countries that have been hit hardest by climate change over the past two decades, experiencing severe socioeconomic losses due to recurring extreme weather events, especially flooding.

In 2022 alone, Pakistan suffered \$14.9 billion in infrastructure damage and \$15.2 billion in economic losses—an amount equivalent to 2.2% of its GDP. Given the country's high level of climate exposure and limited resources, the government wanted to develop a climate adaptation and resilience strategy—a scientifically driven roadmap to mitigate risks, prioritize vulnerable sectors, and mobilize funding for long-term resilience.

## BCG's Contribution

BCG used its climate analytics expertise to design a robust adaptation framework, ensuring targeted, high-impact interventions.

We started with a thorough review of existing government policies, NGO reports, and donor-funded strategies to establish a foundation for policy alignment. We then developed a risk exposure heatmap to help analyze climate impact drivers, such as chronic heat, floods, droughts, storms, and sea-level rise, and shape proactive adaptation efforts.

To underscore the urgency of action, BCG developed a high-resolution 10km-by-10km grid model, quantifying the financial consequences of inaction. This model provided decision makers with a clear economic rationale for immediate intervention. From there, the team created a comprehensive list of adaptation measures, drawing from best practices identified in local and global case studies.

We prioritized each measure on the basis of sector and region to ensure its relevance to the most pressing climate risks. And we identified and quantified key social, economic, and biodiversity performance indicators to assess the impact of climate risks on vulnerable groups and natural resources.

## Potential Unlocked

The work resulted in development of a detailed cost-of-inaction model, enabling precise adaptation and resilience strategies tailored to the most at-risk sectors and regions. Without intervention, Pakistan's total cost of climate inaction is projected to reach \$250 billion by 2030 and \$1.2 trillion by 2050, with priority sector losses amounting to approximately 30% of annual GDP at peak impact.

We also helped establish an adaptation plan for four priority sectors, strategically identified on the basis of the cost of inaction analysis to maximize impact. And we identified at-risk social groups and ecosystems, supporting evidence-based policymaking to enhance future resilience efforts.

# Scaling International Development

As the world develops more sustainably, low- and middle-income countries face critical barriers to progress. Developing and ensuring long-term solutions require not only funding and resources, but also building local capacity and fostering innovation within these regions:

- **Africa is set to become home to almost half of the world's population under 18 by 2050**, yet extreme poverty, food insecurity, and financial exclusion limit the continent's economic potential.
- The Asia-Pacific region faces stark economic disparities that restrict access to education, employment, and health care. Although technology offers potential solutions, local expertise and inclusive policy are essential to ensure that the region develops fairly.
- Latin America holds rich natural resources, many of which are crucial for a clean and just energy transition. However, the region faces challenges such as climate resilience, food security, and disparities in education and health care that must be solved systemically.

Driving lasting impact requires solutions built and delivered by local experts who deeply understand the challenges in their communities. BCG providing high-quality insight to local leadership, strengthening institutions, fostering innovation, and scaling impact through local teams. In this way, we help communities take ownership of their own development. For example:

- In Africa, we promote financial inclusion and gender equality by expanding access to capital, entrepreneurship opportunities, and skills training—particularly for women and small businesses.
- In Asia-Pacific, we partner with organizations such as the Japan International Cooperation Agency (JICA) to enhance digital capabilities and foster inclusive economic growth. Our teams also help embed expertise locally to ensure impactful, resilient, and enduring solutions.
- In Latin America, BCG led 30 projects in 2024. These addressed vaccine supply, sustainable agriculture, and water stewardship, where we worked with local institutions to mobilize capital for degraded pastures and improve public education outcomes.
- We strengthen the institutional capabilities of development actors—governments, nonprofits, and businesses—by equipping them with the tools they need to scale sustainable impact. A recent example is our work in Rajasthan, India, where we partnered with the local government and the Dell Foundation to transform educational efficiency and attainment. The case studies in this section illustrate how locally driven innovation can enable systemic, long-term social progress in locales where the world needs it most.



## BCG and UNGC Addressing the Economic Gender Gap in Africa

Women are essential to Africa's economy, as 400 million of them currently engage in paid employment, informal work, or self-employment. Helping women achieve full economic inclusion could significantly boost the continent's GDP. Barriers persist, however, and companies, as key economic drivers, must play a critical role in overcoming them.

A survey conducted by BCG and the United Nations Global Compact (UNGC) of 3,700 people across Egypt, Kenya, Morocco, Nigeria, and South Africa identified three major obstacles. First, gender discrimination remains widespread, and biases regarding women's technical, analytical, and leadership abilities limit their career growth and access to funding in many localities. Second, traditional views about women's domestic roles persist, particularly in North Africa, where many people believe that women should not work if their husbands can financially support them. Third, misconceptions about the gender pay gap persist, with both men and women underestimating its prevalence despite experiencing it firsthand.

When asked about how to bridge the economic gender gap, respondents highlighted strategies such as implementing anti-discrimination policies, providing safe transport, offering training in business and financial literacy, and ensuring equal pay and benefits such as parental leave.

Companies can lead these efforts, improving opportunities for women across formal and informal sectors. Broader initiatives, such as parental leave, require collective action and government regulation. Public-private partnerships are critical to unlocking women's potential and driving Africa's economic growth. [Read the report here.](#)



# How AI Is Transforming Teacher Effectiveness and Learning Outcomes in India

## Partner's Challenge

Despite high student enrolment, the School Education Department in Rajasthan faced a learning crisis, with nearly 88% of grade 5 students struggling with basic division. In 2022—in a postpandemic trend reflected nationwide—literacy and math skills, especially among primary-grade students, dropped significantly. As a result, many children were falling up to two grades behind.

Poor foundational education limits students' future opportunities and productivity, which in turn contributes to a cycle of poverty, perpetuating a pattern of economic disadvantage from one generation to the next. To overturn the situation, the Education Department adopted an ambitious, AI-based solution focused on grades 3 through 8 to improve teacher effectiveness.

This was the largest AI deployment in the public education arena undertaken within Rajasthan to date. BCG, along with the Michael and Susan Dell Foundation in India, supported the process in a partnership that included problem diagnosis and solution design, data technology integration, and project management, with a focus on shifting from traditional rote learning to a competency-based learning system.

## BCG's Contribution

After a detailed analysis of learning gaps and challenges and engaging with core stakeholders—including teachers, school administrators, and government officials—BCG designed, developed, and helped deploy the AI-based system at the heart of the solution.

AI digitized and analyzed student assessments quickly and made personalized teaching recommendations on the basis of student performance data. The overall result was a reduction in manual effort, fostering a system that allowed teachers to focus on specific competencies and on the students who needed extra support. The solution was deployed via the “Shikshak app”—a job aid that enabled teachers to meaningfully support their students. It broke down the teaching journey into microsteps, which included videos on how to teach competencies.

## Potential Unlocked

Since the introduction of the new system, student learning outcomes have improved markedly:

- More than 400,000 students have moved out of learning poverty (as they are no longer two grades behind).
- Overall, there has been an 18% reduction in students lagging two or more grades behind.
- It now takes a teacher 30 to 40 seconds per child to digitize student assessments, versus 5 to 6 minutes before.

Access to real-time classroom data has quickly identified where problems exist and where action is needed:

- AI tools have reduced the time spent on assessments and data entry, allowing more time for teaching, including targeted teaching.
- Competency-focused report cards and updates have enabled more active participation by parents in their children's education.
- For policymakers, regular and reliable learning-outcome data has led to more informed policy decisions.

Working with the right partners across education, policy, and technology underscored the deployment in Rajasthan and its potential scalability elsewhere.

# Improving Public Education in Brazil with Instituto Sonho Grande



## Partner's Challenge

Instituto Sonho Grande, a Brazilian education NGO, collaborates with state governments to transition public high schools from half-day schedules (five hours per day) to full-day programs (seven to nine hours per day). Although this shift aims to enhance student learning and engagement, the NGO faced several challenges in implementation.

State-dependent implementation posed a major hurdle, as varying levels of political and operational support across regions affected program adoption. And the absence of strong, frequent quality indicators hampered efforts to guide strategy and measure progress effectively. The complexity of implementing the program alongside the NGO's other initiatives was another challenge, especially in a period of political uncertainty.

## BCG's Contribution

BCG conducted a 15-week strategy review, working closely with the NGO to refine its approach and enhance sustainable impact. We helped develop a structured four-step methodology to enhance decision making and streamline implementation:

- **Prioritizing Partner States.** BCG analyzed factors such as equity, volume, quality, and political receptiveness to categorize states into high-priority, low-priority, light-touch, and deprioritized segments.

- **Enhancing Education Quality Metrics.** The team researched international benchmarks and engaged key stakeholders to identify alternative indicators that went beyond existing metrics.
- **Focusing on High-Impact Initiatives.** BCG mapped existing and potential initiatives, using a strategic framework to prioritize projects with the highest impact and lowest effort.
- **Optimizing the Portfolio.** We evaluated different education areas—including vocational education, technology, and elementary education—to optimize resource allocation and strategic focus.

## Potential Unlocked

Our more targeted approach resulted in a drop in the number of high-priority states from 16 to 10, enabling more effective interventions and resource allocation. The strategy refinement led to a more robust measurement system.

BCG's portfolio optimization recommendations included phasing out the technology front and expanding efforts in vocational education, where greater impact could be achieved. As a result, follow-on projects were initiated to explore vocational education in-depth, ensuring long-term scalability and alignment with workforce and market needs.



## Work Across Development Actors

Our international development work has a broad reach, extended by collaboration with diverse actors across the development ecosystem. By partnering with philanthropies, donors, governmental agencies, the private sector, academia, and civil society, BCG is advancing sustainable change.

Although these collaborations focus primarily on successfully delivering programs to achieve on-the-ground impact, we also empower our partners with the tools and strategies to enhance their ability to achieve their own transformations.

### Humanitarian Response and Connecting Business Initiative

Low- and middle-income countries can suffer disproportionately during humanitarian emergencies due to limited financial resources, weak infrastructure—including limited access to health care, transportation, and utilities—and geographic vulnerability. To respond to these challenges, BCG has partnered with the Connecting Business Initiative (CBI), which engages the private sector before, during, and after emergencies, fostering greater resilience in affected communities.

The CBI was established in 2017, with BCG assistance, to support and increase private sector engagement in disaster risk management in the face of growing humanitarian needs, increasingly frequent natural disasters brought on by climate change, and mismatches in funding. The initiative facilitates better planning ahead of disasters so that governments, business groups, and companies, working with the UN, can share best practices and help identify local needs and available resources during humanitarian crises. Strategy and foundation support has helped produce a clear overview of how the humanitarian landscape has evolved from 2005 to the present, and the continuous partnership between BCG and the CBI has led to an assessment of key trends likely to affect that landscape in future years.

# Digitizing JICA's Project Execution in Emerging Markets

## Partner's Challenge

Historically, the Japan International Cooperation Agency (JICA) has focused on improving physical infrastructure in emerging markets. But digital transformation was becoming increasingly crucial for development impact, and the organization recognized that it needed to integrate digital solutions into its projects. Still, JICA lacked a cohesive digital strategy and faced internal skepticism.

To address these challenges, the organization established the Office for Science, Technology, Innovation & Digital Transformation and appointed a chief digital officer to drive new initiatives. The goal was to implement digital solutions across hundreds of projects worldwide, making its development efforts more efficient, scalable, and effective.

## BCG's Contribution

BCG partnered with JICA through JICA's new DX Lab, working closely with frontline teams to develop and implement strategies. The partnership involved defining JICA's transformation vision and roadmap while launching and operationalizing DX Lab as a hub for innovation.

To ensure relevance in emerging markets, BCG designed frameworks that addressed specific industrial and societal needs. The team also facilitated partnerships with technology companies to co-create digital solutions that would have a strong positive impact while aligning with JICA's development priorities. In addition, BCG mobilized local teams in key emerging markets such as India, Bangladesh, Indonesia, and Kenya to support JICA's country offices and enhance on-the-ground project execution.

## Potential Unlocked

For JICA, the collaboration yielded a comprehensive digital transformation strategy and roadmap, fostering an agile, data-driven, and efficient internal culture that positioned the agency as a leader among global official development assistance stakeholders. For external partners, BCG supported creation of a collaborative ecosystem with private technology firms, shifting their focus from physical infrastructure to digital innovation. Proof-of-concept initiatives with these partners validated the scalability of new digital solutions.

For service providers in emerging markets, the initiative enhanced capacity building and technical support for digital infrastructure projects. It also gave local organizations access to JICA's digital strategies and tools, enabling innovation and promoting sustainable development in underserved regions.



# Food, Agriculture, and Hunger

The global food system faces urgent and interconnected crises, ranging from food insecurity to environmental degradation. In 2023, over 700 million people—9% of the world's population—were undernourished, a 20% increase since 2019, even as agricultural, transportation, and distribution networks lost or wasted 1.6 billion tons of food worth \$1.2 trillion—one-third of global production. Agriculture is a major driver of climate change, accounting for one-third of global greenhouse gas emissions, along with worsening soil degradation, water scarcity, biodiversity loss, and pollution. At the same time, extreme weather events threaten the food supply, disrupting yields and forcing costly shifts in farming practices. These pressures endanger livelihoods in an aging demographic—worldwide **the average farmer is now 57 years old**—and fewer young people are entering the sector due to financial and structural barriers.

Addressing these challenges requires systemic, industry-wide transformation. No single player can solve them alone. BCG helps clients navigate the prevailing complexity by working across the value chain to identify opportunities, develop actionable roadmaps, and promote collaboration. We bring together farmers, manufacturers, retailers, policymakers, and financial institutions to advance sustainable farming practices and resilient supply chains. By aligning stakeholders and fostering innovation, we help businesses adapt, thrive, and contribute to a more sustainable and food-secure future.



## Driving Landscape-Level Change Through Regenerative Agriculture

A key example of our work in industry-wide agricultural transformation is our role in the COP28 Action Agenda on Regenerative Landscapes (AARL), a groundbreaking model of multistakeholder action on regenerative agriculture at the landscape level. Launched by the COP28 Presidency, the World Business Council for Sustainable Development, and BCG, with support from the UN Climate Change High Level Champions, this flagship initiative brings together farmers, agribusinesses, financiers, and leading nonstate actors to aggregate, accelerate, and amplify existing efforts and new commitments to transition large agricultural landscapes to regenerative practices by 2030.

In the past year, AARL has also launched the Landscape Accelerator program in Brazil, working closely with the country's Ministry of Agriculture, Livestock, and Food to drive at-scale systemic change and transition Brazil's Cerrado region to regenerative practices.

# Addressing Agricultural Complexity in India



## Partner's Challenge

Agriculture in India, as in many emerging markets, faces lengthy supply chains and limited market access that combine to erode transparency and reduce farmer earnings by more than 10%. In Himachal Pradesh, where crops command a significant price premium because the region has a temperate climate that supports off-season cultivation, dominant middlemen still capture most profits. This prevents farmers from maximizing their income and constrains value across the supply chain. To address this, JICA aimed to deploy a digital platform to unlock efficiencies at each stage of the value chain.

## BCG's Contribution

BCG and BCG X—which focuses on cutting-edge data, analytics, and digital technology—partnered with JICA to develop a tailored digital strategy to improve market access for farmers. We assessed farmers' challenges, mapped expected outcomes, and evaluated the state's digital readiness. In collaboration with a digital partner, we deployed a market linkage platform that offered several key benefits:

- **Market Insights.** Digital access to pricing, trade conditions, and buyer demand
- **Transaction Transparency.** A digital marketplace with end-to-end tracking and direct payments within one or two days
- **Logistics Optimization.** Real-time inventory, storage, and post-harvest loss reduction

To drive adoption, we worked with the digital partner and the Himachal Pradesh state government to provide training, increase awareness, and deliver on-the-ground support, leveraging local officers and farmer producer organizations. We also proposed structural interventions to scale the positive impact over the long term, including onboarding multiple partners to encourage cluster-based innovation in the local area.

## Potential Unlocked

The work has strengthened JICA's opportunities in digital agriculture through enhanced stakeholder partnerships. It has brought the market linkage solution to more than 2,500 farmers, more than 750 of whom have engaged in trade with onboarded partners and achieved up to 10% higher price realization through market linkage transactions. In addition over 50% of farmers retraded—a figure that substantially exceeded the original target of 30%.



# Increasing Sustainable Agricultural Practices in Africa



## Partner's Challenge

BCG partnered with the African Export-Import Bank and a global foundation to address agriculture-related issues in Africa that are common to many emerging markets: food and nutrition insecurity, poverty, and exposure to climate risk.

The goal was to design a pilot collaborative funding model to increase sustainable agriculture practices through the African Food Systems Transformation Initiative (AFSTI, a framework designed to bring together value chain actors.

## BCG's Contribution

Working with a tech-enabled agricultural inputs provider and a miller, BCG played a critical role in designing the first AFSTI pilot, based in Kenya. The team engaged and onboarded key stakeholders to co-design a collaborative ecosystem approach, ensuring alignment across participants. BCG then co-developed and finalized the ecosystem strategy and pilot plan.

A key aspect of the initiative involved selecting the most suitable crops and varieties for the pilot. Along with pilot partners, BCG identified Kenyan subregions that were ideal for sourcing and piloting high-yield, resilient, and adaptive practices (HYRAP), prioritizing specific interventions on the basis of regional suitability and agricultural viability. The team also detailed critical operational factors, including material and financial flows, and economic considerations across the supply chain for farmers,

agricultural input providers, aggregators, and food processors. In collaboration with our pilot partners, BCG developed a comprehensive plan outlining key steps, responsibilities, and metrics to monitor progress. This strategic approach enabled stakeholders to take a coordinated, data-driven approach to transforming agricultural practices in Kenya.

## Potential Unlocked

The results are expected to lead to increased profits:

- For farmers, up to a tenfold increase in income and a pathway out of poverty through HYRAP adoption, including the use of high-yield, drought-resistant seeds, crop rotation, and integrated production systems
- For aggregators, centralized aggregation (as opposed to farm-gate aggregation) to improve quality control, simplify operations, and increase EBITDA margins by up to 7 percentage points
- For processors, access to institutional markets such as school meal programs with AFSTI products such as millet, green chickpeas, and beans, thus diversifying and growing market volume

The project is also expected to unlock benefits for society:

- Increasing diet diversity, with a 30% rise in consumption of HYRAP crops such as millet and rotation crops such as beans
- Giving consumers, starting with schoolchildren, greater access to nutritious, whole-grain products grown with HYRAP methods
- Achieving cost-neutrality in school meal programs by blending HYRAP crops (such as 10% millet and 90% corn) in school meals

And finally it is expected to bring important planetary benefits in the form of improved soils through water retention, erosion control, and resource-use efficiency.

# Amplifying Government Impact

Governments are essential to improving citizens' social, economic, and environmental well-being. However, many governments operate within outdated, bureaucratic structures that limit their ability to address crises, drive systemic change, and leverage AI and technology for impact. Tackling present inequities is crucial, but governments can also future-proof workforces and infrastructure to ensure long-term resilience.

A new level of international cooperation can create forward-looking strategies that unlock economic inclusion, digital equity, and social progress. BCG partners with governments at local, regional, and national levels to design such strategies. Our work helps public sector leaders modernize operations, deploy AI-driven solutions, and invest in long-term workforce development. For example, in Puerto Rico, BCG supported the government in developing a strategy to maximize a \$1 billion investment in broadband expansion, building a skilled digital workforce to ensure sustainable impact.





# Developing a Broadband Workforce for Puerto Rico

## Partner's Challenge

Puerto Rico faced significant digital inequities. In 2022, only 52% of households had wired broadband access and only 51% owned a desktop or laptop computer. These gaps limited inhabitants' opportunities in education, health care, and economic mobility, particularly in disadvantaged communities.

The Puerto Rico Broadband Program allocated \$1 billion in federal and state funding to improve broadband connectivity, but workforce shortages threatened the success of these infrastructure projects. Among the key challenges that emerged were limited data on workforce needs, misalignment between education programs and industry requirements, a scarcity of short-term training programs, and low awareness of broadband career opportunities. In addition, many people viewed broadband careers as lacking growth potential or attractiveness.

## BCG's Contribution

BCG worked with the Broadband Program to define the need for more than 2,500 new broadband roles, effectively doubling the existing workforce. To address skill gaps and build a sustainable talent pipeline, BCG designed a workforce development initiative that aligned with industry needs. The program focused on improving technical skills and establishing clear career pathways. It introduced six key initiatives to enhance broadband workforce capacity:

- Updating broadband curricula in high schools and technical education programs
- Designing one- to two-year training programs in collaboration with local technical institutes
- Investing in universities to create short-form and degree-based broadband education programs
- Launching retention bonuses to attract and retain broadband professionals at internet service providers
- Developing apprenticeship programs to upskill existing employees
- Creating a marketing campaign with community organizations to raise awareness and attract talent

BCG also engaged key stakeholders—including representatives from secondary schools and universities, industry leaders, and community groups—to co-design and implement these initiatives. We also conducted focus groups to introduce students to broadband career options, such as broadband technician, tower climber, and network engineer, highlighting their career mobility and competitive salaries.

## Potential Unlocked

The initiative launched and managed a \$20 million investment portfolio to boost the long-term sustainability of workforce development and to inform broadband expansion policies. Targeted training and career programs increased employment, strengthened technical skills, and improved retention through financial incentives, elevating broadband careers as viable and lucrative. For Puerto Rico's communities, improved broadband access will enhance education, health care, and economic opportunity, while spurring business growth and digital innovation—contributing to lasting quality-of-life gains and broader inclusion in the digital economy.

# Building a Clean Energy Regional Ecosystem Strategy with Wide Societal Impact



## Partner's Challenge

A US state sought to build a clean energy ecosystem that would establish the region as a global leader in advanced energy technologies. But doing so entailed overcoming several hurdles. The effort required cross-cutting development across infrastructure, business growth, entrepreneurship, and workforce training, especially in economically distressed areas. The region faced intense competition from other states, which heightened the need to identify unique differentiators, address technology gaps, and unlock commercialization opportunities. Effective governance was essential to manage centralized metrics, risk, and intellectual property across interconnected projects. At the same time, collaboration among utilities, regulators, national labs, and others was critical to crafting a unified, high-impact strategy. Compounding these challenges were high entry barriers for new firms, risk aversion among technology users, regulatory hurdles, long R&D cycles, and a lack of infrastructure for testing and integrating emerging technologies.

## BCG's Contribution

BCG partnered with the client to design and execute a comprehensive clean energy strategy, focusing on several key areas:

- **Strategic Vision.** BCG helped the client assess its existing assets, identify gaps in the clean energy space, and define areas where it had a competitive advantage.
- **Project Prioritization.** The team evaluated more than 40 project ideas and distilled them into a focused portfolio of half a dozen key initiatives that best positioned the state as a leader in clean energy.
- **Collaboration and Governance.** We facilitated partnerships among industry, academia, government, economic organizations, and national labs, developing an integrated strategy to coordinate risk management and funding across over 45 stakeholders.
- **Grant Application Success.** BCG led development of a targeted application for government grants, securing funding for advanced energy projects.
- **Implementation Excellence.** The team established a project management organization to oversee project execution, launch centralized governance, activate partnerships, and track ongoing progress.
- **Inclusion and Diversity.** We ensured that equitable economic growth was a core part of the strategy, fostering opportunities for underserved communities to participate in and benefit from the clean energy transition.

## Potential Unlocked

BCG's work enabled the client to secure a major government grant, establishing the foundation for a transformative clean energy ecosystem. The engagement unlocked significant potential, creating thousands of high-quality jobs and an estimated \$5 billion in economic output over the next decade; developing a tightly aligned portfolio of clean energy technologies that positioned the region as a global competitor; establishing robust project management offices and governance structures to ensure long-term sustainability and continuous improvement; and conferring broad societal benefits, including enhanced energy resilience, reduced income inequality and poverty, expanded access to skills training, and improved quality of life in economically distressed communities.



# Strengthening Community Impact

Unlocking human potential calls for enduring action at multiple levels. Although large-scale partnerships can generate systemic change, achieving social impact requires local engagement, and solutions tailored to communities' specific needs. Businesses and policymakers play important roles, but empowering local organizations and initiatives is essential for lasting progress.

BCG combines global reach with deep local engagement. In addition to working alongside leading clients and governments to tackle systemic social challenges, our teams work within local communities to drive concentrated, positive change. In Germany, for example, our Social Impact teams have played a key role in delivering relief from hunger, supporting initiatives that ensure access to food for vulnerable populations.





# Making Sense of Data with Welthungerhilfe



## Partner's Challenge

Welthungerhilfe (WHH), a leading German NGO focused on combating hunger and promoting sustainable development, sought to use digitization and lower internet costs to improve its operations. But the organization's data management and utilization systems faced several significant challenges.

Data collected from diverse country programs was fragmented and lacked a cohesive analytical framework, limiting the organization's ability to generate actionable insights for decision making, project tracking, and impact measurement. In the absence of a centralized system to integrate data, define KPIs, and monitor outcomes, operational inefficiencies emerged, hindering WHH's ability to produce clear, compelling reports for donors and stakeholders, and ultimately constraining the organization's transparency and funding opportunities.

## BCG's Contribution

BCG partnered with WHH to transform its data management processes, enabling evidence-based decision making and operational efficiency. The team conducted a comprehensive audit to assess data quality and relevance, addressing inconsistencies and developing a standardized framework to support uniform data collection across projects. We also built a centralized database to consolidate data from various programs and regions, supported by advanced integration tools to enable real-time data flow across departments.

In addition, BCG deployed sophisticated analytics tools to uncover key trends and created custom dashboards and visualization platforms to present data in an accessible format for both internal and external stakeholders.

To ensure the updated systems' long-term sustainability, we helped deploy training programs to instruct WHH staff in data management and analysis, empowering them to independently maintain and enhance the systems. The project also incorporated strong change management strategies to foster a data-driven culture across the organization.

## Potential Unlocked

The collaboration with BCG resulted in transformative outcomes for WHH:

- **Enhanced Efficiency.** Streamlined project monitoring and evaluation processes improved operational effectiveness.
- **Data-Driven Decision Making.** WHH now uses actionable insights to guide strategies, measure success, and identify areas for improvement.
- **Improved Stakeholder Engagement.** The organization can present clear, evidence-based impact assessments to donors and partners, strengthening trust and support.
- **Empowered Workforce.** WHH staff are now equipped to independently manage and analyze data, ensuring the long-term sustainability of the new systems.

With stronger data capabilities, WHH can now drive measurable change in communities, advance its mission to end hunger, and continue to promote sustainable development across the globe.





# Leading with Integrity

in Our Own Operations



Although BCG drives positive societal change through our clients and partners, we hold ourselves to the same high standards. That means empowering our people, managing our environmental impact, and promoting responsible business. We are proud of our record, commit to building on this progress, and will continue to lead with integrity.

## 2024 OPERATIONS HIGHLIGHTS

### Operations

33K

People form our strong, global team



On track to achieve our own internal climate targets and to reach our SBTi-validated target of net zero GHG emissions across the value chain by 2050

- 92% reduction in absolute Scope 1 and Scope 2 emissions since 2018
- Offices powered by 100% renewable electricity since 2019
- 58% reduction in Scope 3 business travel emissions per FTE since 2018

100%

Of employees have access to well-being, career growth, family leave, and learning support

1.3M

Hours of online learning logged by employees in 2024, up 8% since 2023

48%

Of our global workforce are women, as are 39% of our Executive Committee

~53K

Nearly 53,000 hours of GenAI-focused learning in our core training curriculum logged by employees in 2024

### Accolades



EcoVadis Platinum (top 1%) for second consecutive year



60+ employer awards recognized BCG in 2024





# Managing Our Environmental Impact

We commit to managing our own environmental impact responsibly.

That means—in addition to unlocking the sustainability strategies of our clients—we deliver internal climate action and support climate innovators as we unlock operational efficiencies and contribute to global decarbonization efforts.

## UNLOCKING POTENTIAL FOR SOCIETY

While we hold ourselves to high environmental standards, BCG also scales positive impact by partnering with our clients.

## 2024 HIGHLIGHTS

We reduced our emissions in line with our SBTi-validated net zero target:

92%

Reduction in Scope 1 and Scope 2 absolute emissions since 2018

58%

Reduction in Scope 3 business travel emissions per FTE since 2018

100%

Renewable electricity used to power our offices since 2019

We maintained carbon-neutral status for the seventh consecutive year:

56%

Of carbon credits from carbon removal projects

79%

Of carbon credits rated BBB or above by Sylvera<sup>1</sup>

\$23

Per metric ton blended average carbon price

We're unlocking the long-term potential of climate action at scale:



New internal carbon charge to drive long-term investment in innovative climate technology

100K

tCO<sub>2</sub> future business travel emissions reductions via sustainable aviation fuel

Top 10

Buyer of durable CO<sub>2</sub> removals, working with our net zero partners<sup>2</sup>

### BCG's Net Zero Partners (not exhaustive)



1. 88% of BCG's credits were rated by Sylvera, a leading provider of carbon credit project ratings. Ratings range from AAA to D.
2. CDR.fyi, October 2023. BCG remains in the Top 10 as of February 21, 2025.

## Further Reading

BCG's Net Zero Strategy

Environmental Responsibility Statement

Taskforce on Climate-Related Financial Disclosure (TCFD) Index

Accelerating BCG's Climate Journey



# Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Climate change	Our client work to manage climate risks, reduce emissions, and unlock value through cost savings, resilience, new market access; includes BCG's own climate commitments

## Management Approach

BCG's Executive Committee (EC) is the firm's highest governing body and provides strategic direction and oversight of firm-wide climate-related issues. The EC established the Sustainability Strategic Committee (StratCo) and appointed a Chief Sustainability Officer (CSO) to lead the climate initiatives.

The StratCo is chaired by the CSO and includes EC members to ensure alignment of BCG's sustainability program with BCG's broader corporate strategy. The StratCo meets monthly, and its members have performance metrics tied to climate targets embedded in their variable compensation.

Supporting the CSO is the Global Internal Sustainability Team (GIST), which is responsible for executing BCG's climate strategy and for monitoring and escalating climate-related risks and opportunities.

## Policy

Our **Environmental Responsibility Statement** describes our policy on climate and other environmental topics. The StratCo have overall responsibility for the policy and reviews it at least once a year.

In 2024, the EC and StratCo approved a new target to reach net zero greenhouse gas (GHG) emissions across the value chain by 2050. This target has been validated by the Science-Based Targets initiative (SBTi) in accordance with the SBTi Corporate Net Zero Standard, and our Scope 1 and Scope 2 target ambitions are in line with a 1.5°C trajectory. This net zero target consists of several near-term targets for 2025 and 2030, and long-term targets for Scope 1, Scope 2, and Scope 3 by 2050. Reaching the net zero target will require not only decarbonization in BCG's operations, but also engagement with value chain partners, such as airlines, as they transition to net zero. Our progress also depends on airlines advancing along credible, science-aligned pathways for emissions reduction.

Our SBTi-validated net zero target builds on existing commitments to neutralize 100% of our emissions through high-quality nature-based and engineered carbon removal credits by 2030 (effectively netting our emissions to zero), and to become climate positive beyond 2030 by removing more carbon from the atmosphere than we emit each year.

## BCG's Climate Transition Plan

Overseen by the governance detailed above, BCG developed a transition plan for climate change mitigation that sets out how we will evolve our strategy and business model to align with efforts aimed at keeping global average temperature increase well below 2°C. The roadmap illustrated in **Exhibit 2**, which applies across BCG's operations globally, details BCG's internal climate mitigation plan.

The actions that we take and the decarbonization levers that we use follow the GHG mitigation hierarchy. First, we avoid and reduce emissions within our value chain. Second, we compensate for our remaining emissions as explained in the "Compensating for Our Remaining Climate Impact" section (**page 62**). For all scopes, these levers reflect assessment of a diverse range of climate scenarios, as described in our "Task Force on Climate-Related Financial Disclosures (TCFD) Index" (**page 112**) and our climate change risk and opportunity assessment (**page 115**). Although our actions depend on the availability of required resources, we expect these to be available in the short, medium, or long term.



## EXHIBIT 2

# BCG's Climate Journey and Transition Plan

### Three ways BCG drives climate impact



With our  
clients



Within our  
operations



Through our  
partnerships

### BCG's climate journey

## 2018

BCG achieves **Carbon Neutral Company Certification** (maintained ever since)

BCG becomes a participant in the **UN Global Compact**

## 2019

BCG transitions to **100% renewable electricity** for offices

BCG launches first **Annual Sustainability Report**

## 2020

BCG launches **Net-Zero@BCG** and pledges to **remove 100%** of emissions by 2030

BCG signs the **Business Ambition 1.5°**

## 2021

SBTi validates BCG's **2025 near-term targets**

BCG signs first sustainable aviation fuel (SAF) offtake **agreement with SKYNRG**

BCG achieves **CDP Climate A List**

## 2022

BCG joins **Breakthrough Energy** and becomes a founding member of the **First Movers Coalition** committing to purchase **100Kt** of durable carbon dioxide removal (CDR) and use **5% SAF** for BCG flights by 2030

## 2023

BCG signs 15-year direct air capture deal for **80 KtCO<sub>2</sub>** with Climeworks

BCG achieves **EcoVadis Platinum** rating

## 2024

BCG enters **top ten** global buyers of durable CDR (>**200 KtCO<sub>2</sub>** purchased)

BCG introduces **internal carbon fee** to increase accountability and reduce KtCO<sub>2</sub>

BCG signs **5-year** SAF offtake agreement with World Energy to reduce **100 KtCO<sub>2</sub>**

## 2030

Reduce Scope 3 business travel emissions by **58% per FTE** by 2030<sup>1</sup>

**Remove 100%** of remaining emissions by 2030

## 2025

Reduce Scope 1 and Scope 2 emissions (direct energy and electricity) by **85%**<sup>1</sup>

Reduce Scope 3 business travel emissions by **48.5% per full-time equivalent employee (FTE)** by the end of 2025<sup>1</sup>

## 2050

Reach **net zero greenhouse gas emissions** across the entire value chain by 2050<sup>1</sup>

### Climate transition plan

Source: BCG analysis.

<sup>1</sup>Science-Based Target Initiatives (SBTi) targets validated, compared to a 2018 baseline.



# Actions

## Measuring Our Climate Impact

To measure emissions across our value chain, we have established a global carbon accounting system in accordance with the GHG Protocol Corporate Standard. We report emissions in metric kilotons of carbon dioxide equivalent (KtCO<sub>2</sub>e). In 2024, we upgraded our carbon accounting platform to unlock even more robust and rigorous carbon accounting. (See **Exhibit 3**.) We have undertaken independent external assurance of our GHG emissions data, aligning with our commitment to continuous improvement. (For more details, see “Independent Limited Assurance Report to Boston Consulting Group Inc.” on **page 106** and “Greenhouse Gas Reporting Methodology” on **page 104**.)



We are on track to reach our SBTi-validated carbon emissions targets.

### EXHIBIT 3

## BCG's Greenhouse Gas Emissions Across Its Value Chain

METRIC KILOTONS OF CARBON DIOXIDE EQUIVALENT (KtCO<sub>2</sub>e)



Source: BCG analysis.

<sup>1</sup>Fuel- and energy-related emissions includes transmission and distribution and well-to-tank emissions.

<sup>2</sup>Covers Scope 1 (natural gas, leased car fuel) and Scope 2 (purchased electricity). We use a market-based approach to report Scope 2 emissions, which factors in the purchase of renewable electricity. In 2019, we shifted to 100% renewable electricity for our offices.

<sup>3</sup>Business travel emissions include air travel, hotel nights, train travel, rental cars, and taxi journeys. Additional warming impacts generated during a flight—such as nitrogen oxides, sulfur oxides, and particulate matter, as well as the formation of contrails that contribute to effective radiative forcing—are also included.

<sup>4</sup>Supply chain emissions include purchased goods and service and capital goods.

## Reducing Our Climate Impact

### Scope 1 and Scope 2

We set an SBTi-validated target to reduce the firm's Scope 1 and Scope 2 emissions by 85% by 2025 versus our 2018 baseline year. (See [page 104](#) of the appendix, which discloses both market- and location-based methodologies.) In 2024, our Scope 1 and Scope 2 emissions were 92% lower than in 2018, meaning that we are on track to achieve our near-term target. (See [Exhibit 4](#).)

Of this reduction, approximately 80% came from shifting to renewable sources of electricity to power our offices since 2019. We have achieved this by transitioning our direct electricity supply to renewable power wherever feasible, and by procuring unbundled energy attribute certificates to reach 100% renewable electricity for the remainder.<sup>6</sup>

We achieved a further 10% reduction in GHG emissions by electrifying the heating within newer BCG offices, thereby reducing our consumption of natural gas. We achieved yet another 2% reduction in GHG emissions by transitioning our leased car fleet toward hybrid and electric vehicles, which now represent around 57% of our fleet compared to 7% in 2018.

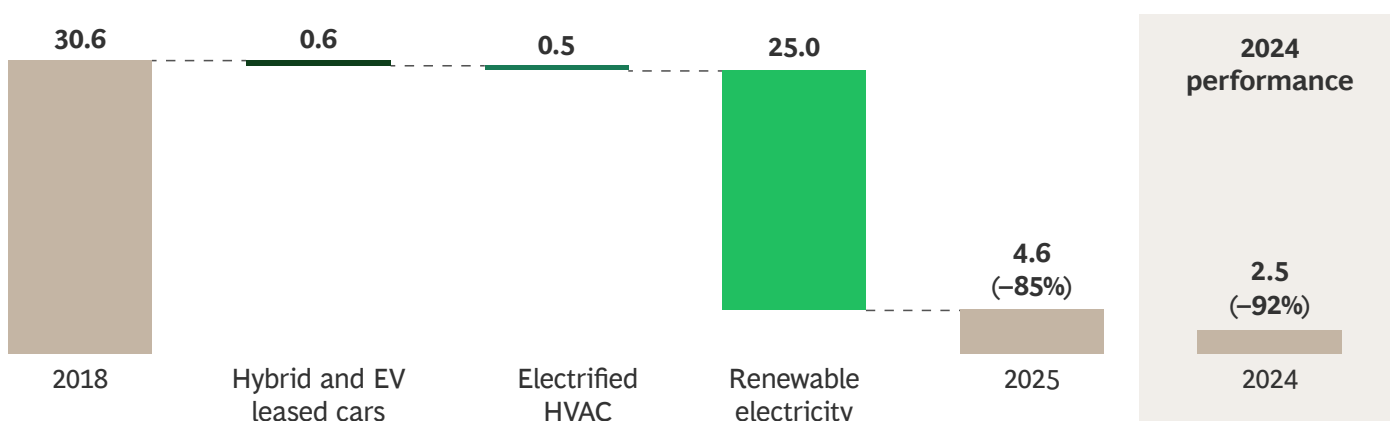
Having already reached our Scope 1 and Scope 2 target zone for 2025, we are working to maintain this reduction while also driving down larger emissions sources, such as business travel.

### EXHIBIT 4

## Scope 1 and Scope 2 Target, Roadmap, and Performance

**Reduce Scope 1 and Scope 2 emissions by 85% by 2025 (against a 2018 baseline year)**

METRIC KILOTONS OF CARBON DIOXIDE EQUIVALENT (KtCO<sub>2</sub>e)



Source: BCG analysis.

Note: EV = electric vehicle; HVAC = heating, ventilation, and air conditioning.

6. We try to align the energy attribute certificates that we purchase as closely as possible to the country and year of electricity consumption.



## Scope 3

### BUSINESS TRAVEL

BCG, like many other firms in our industry, has found that business travel accounts for most of our total emissions each year. We have established targets in this area to cut emissions from business travel by 48.5% per full-time equivalent employee (FTE) by 2025, and by 58% per FTE by 2030 (vs. 2018). These are among the most ambitious targets in our sector, and the SBTi has validated them.

In 2024, we surpassed our 2025 Scope 3 target with around a 58% reduction in business-travel emissions per FTE versus 2018 levels, aligned with our 2030 commitment. (See [Exhibit 5](#).) We now carefully assess when and how we travel, prioritizing client value while minimizing our climate impact.

We have updated our models for engagement and teaming so that we more purposefully co-locate and collaborate among teams and with clients. By involving clients in defining co-location strategies during the planning phase, we optimize travel, improve flexibility, and enhance client value. When possible, we promote train travel over flights, and we encourage colleagues to choose greener options through booking tools. These are reflected in the training materials on climate and environment that 100% of BCGers receive either during onboarding or in more recent training.

We have also adapted the way we organize internal meetings and events, focusing on lower-emission formats and locations. Bespoke tools such as our CO<sub>2</sub> Optimizer help us choose meeting locations that incur the least total emissions for those attending. These efforts have reduced business travel emissions per employee by around 50% versus 2018.

**Introducing Carbon Budgets.** Over the past two years, we have introduced annual internal carbon budgets for travel, managed by BCG leaders across regions and business units. Carbon budget owners receive support from the Global Internal Sustainability Team and are equipped with internal reporting tools, emissions simulators, and playbooks to help them stay within their carbon budgets. Giving leaders their own budgets and tools empowers them to define their own roadmaps, incentivizes the implementation of BCG's global climate-related policies and targets, and advances business and climate objectives—all while creating a clearer sense of shared ownership.

Starting in 2025, BCG will allocate the total costs associated with our climate commitments—such as purchasing carbon credits and sustainable aviation fuel (SAF)—to carbon budget owners as a carbon charge based on their performance against BCG's science-based target. Those who present higher levels of reduction through operational changes will bear a lower cost that is more aligned with the blended average carbon price (\$35/tCO<sub>2</sub>e in 2025); those

who present lower levels of reduction will be more exposed to higher charges, which may exceed \$300/tCO<sub>2</sub>e. Like an internal carbon pricing mechanism, this model develops financial incentives for carbon budget owners to remain within the carbon budget. The carbon pricing mechanism will apply to all business travel emissions (Scope 3) across all BCG geographies and entities. Learn more about our carbon price in the “Compensating for Our Remaining Climate Impact” section ([page 62](#)).

**Investing in SAF.** In the aviation sector, very few commercial flights currently use SAF. At BCG, we have committed to replace at least 5% of our indirect jet-fuel consumption with SAF that reduces emissions by more than 85% compared to regular jet fuel over its life cycle, by 2030. In 2024, we signed a five-year contract with World Energy that will reduce our emissions by 100,000 metric tons of CO<sub>2</sub>, equivalent to flying 177,000 economy-class passengers round trip between Boston and London. This is not only a tangible step toward achieving our commitment, but also a long-term investment in support of this important climate technology.

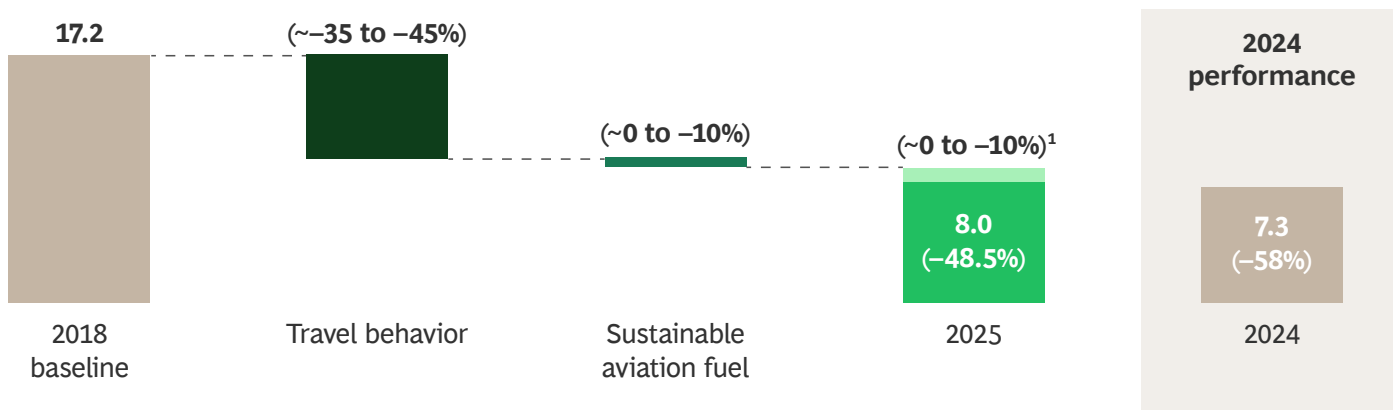


## EXHIBIT 5

# Scope 3 Business Travel Target, Roadmap, and Performance

Reduce Scope 3 business travel emissions by 48.5% per FTE by 2025 (against a 2018 baseline year)

METRIC TONS OF CARBON DIOXIDE EQUIVALENT (tCO<sub>2</sub>e) PER FTE



Source: BCG analysis.

Note: FTE = full-time equivalent employee.

<sup>1</sup>This light green segment represents external improvements in business travel efficiency that could be reflected in annual changes to the emissions factors used to calculate our climate impact.



## Other Scope 3 Emissions

Although our primary focus is to address business travel, as our largest source of emissions, we are also taking significant steps to measure and mitigate other Scope 3 categories. For example, purchased goods and services, along with capital goods, collectively account for 17% of our total footprint. In 2024, we conducted a climate survey with our top 100 suppliers (by spend) to collect detailed emissions data and gain insights into their climate strategies, including targets, policies, and actions. In addition, we collaborated with five IT hardware vendors to analyze the total life cycle emissions of laptops, monitors, and other equipment. By shifting to a life-cycle emissions approach for IT hardware, we are advancing the transition to more carbon-efficient models, helping us further reduce emissions in the long run.

We are also actively measuring employee commuting and homeworking emissions, which represent 4% of our total footprint. Through an annual survey, we track commuting patterns and homeworking emissions to understand their impact. To encourage greener choices, we support employees with benefits such as cycle-to-work schemes, electric vehicle leasing programs, and home energy audit services. These initiatives help employees adopt more sustainable commuting and homeworking practices that align with our broader climate objectives.



## Compensating for Our Remaining Climate Impact

In addition to reducing our absolute GHG emissions, we have, since 2018, purchased and retired a volume of independently verified carbon credits equivalent to our unabated emissions.<sup>7</sup> We achieved carbon neutrality in our business operations for the period January 1 to December 31, 2024, in accordance with PAS 2060 requirements.

As part of our journey toward net zero climate impact, we continually evolve our approach to ensure the integrity and quality of credits. This has helped us pursue two objectives:

- Transitioning our carbon credit portfolio to 100% carbon dioxide removal (CDR) by 2030
- Scaling our support for innovative durable carbon removal technologies

Because transparency helps to scale high-quality climate solutions and a high-integrity carbon market, we voluntarily disclose details about the carbon credits we retire. We also quantify and publicly share the average price we anticipate paying to reduce, avoid, and remove emissions.<sup>8</sup>

In 2024, our blended carbon price was \$23 per metric ton. Looking ahead, we predict that this price will reach \$35 per metric ton in 2025 and rise to approximately \$80 per metric ton by 2030. For a comprehensive breakdown of our carbon credit portfolio, see **Exhibit 6** on this page and **Table 5** in the appendix ([page 111](#)).

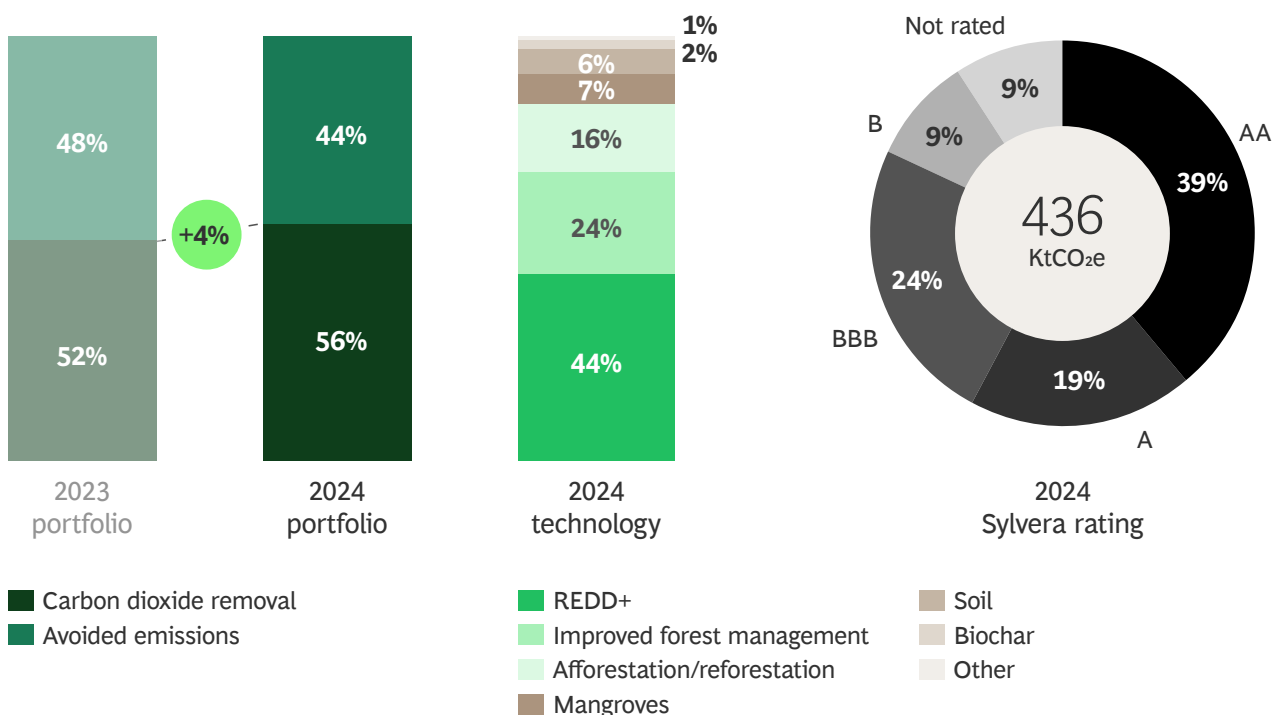
### Transitioning Our Carbon Credit Portfolio to 100% Carbon Dioxide Removal by 2030

In 2024, we successfully increased the share of CDR credits in our portfolio from 52% to 56%, advancing toward our goal of achieving 100% CDR by 2030. Notably, we increased the allocation of hybrid removal solutions from 3,370 metric tons in 2023 to 13,894 metric tons in 2024. Such solutions often have a lower risk of emission leakage due to more robust measurement, reporting, and verification, which aligns with our commitment to scale solutions with credible positive climate impacts. We use Sylvera, a leading climate project and credits rating company, as one way to monitor our commitment to carbon credit quality. In 2024, more than half of the credits we used were rated either A or AA.

#### EXHIBIT 6

### 2024 Carbon Credit Portfolio Overview

**On track to neutralize 100% of residual emissions via carbon dioxide removal technology by 2030**



Source: BCG analysis.

Note: REDD = Reducing emissions from deforestation and forest degradation. Because of rounding, not all bar chart segment totals add up to 100%.

7. To maintain carbon neutrality in accordance with PAS 2060 standards, we purchase and retire a volume of independently verified carbon credits equivalent to our full reported Scope 1, Scope 2, and Scope 3 GHG inventory (as enumerated in Exhibit 6). Our current portfolio is a mix of avoided emissions credits and CO<sub>2</sub> removal credits.

8. In particular, we comply with California's Voluntary Carbon Market Disclosures Act (AB 1305). We also disclose the pertinent entity, project, carbon offset, protocol, and verification information for voluntary carbon offsets sold within California [here](#).

“Without carbon removal, net zero is out of reach. This is true for BCG and across industries at large. It’s imperative that we start scaling carbon removal today—in particular, high-quality solutions that are verifiable, additional, and permanent—to be able to meet the growing demand in the coming decades.”



**DAVID WEBB**

Managing Director & Senior Partner, Chief Sustainability Officer, BCG



### **Scaling Our Support for Innovative Durable Carbon Removal Technologies**

We continue to establish offtake agreements with pioneers of technologies such as direct air carbon capture and storage, biochar, and enhanced rock weathering. So far, we have purchased over 195,000 metric tons of durable CDR. This puts BCG among the top ten global buyers of durable carbon credits and exceeds our First Movers Coalition commitment to purchase 100,000 tons of durable CDR by 2030.<sup>9</sup>

### **Working to Ensure the Integrity and Quality of Credits**

As part of our due diligence process, we have developed a robust internal evaluation framework—in collaboration with industry experts and leaders—that uses the latest scientific insights to independently assess climate project quality. We supplement our internal process with external tools and benchmarks, such as Sylvera.

We continue to advance our approach to procuring high-quality carbon credits. For example, in 2024, we prioritized earlier engagement in project life cycles to help scale the next generation of high-integrity nature-based solutions projects. As we continue to draw on emerging best practices such as the IC-VCM’s draft Core Carbon Principles, we aim to support the growth of a high-integrity carbon market.

9. CDR.fyi, October 2024. BCG remains in the Top 10 as of February 21, 2025.



## Embedding Sustainability into Our Office Operations













Topics such as waste, water consumption, and resource use are less material than climate for BCG, given the nature of our operations. Nevertheless, we have locally managed programs to support more sustainable operations in these areas.

Although we lease rather than own offices, we track sustainability certifications, which are an indicator of enhanced energy efficiency, renewable energy use, reduced waste, and lower water consumption. Currently, 66 (68%) of our offices hold green building certifications (such as LEED Platinum or BREEAM). To guide decisions in favor of sustainable offices, we partnered with experts to develop office selection and fit-out standards covering energy, water, and materials.

We apply the waste hierarchy—avoid, reduce, reuse, recycle. For example, we avoid printing by adhering to paperless office principles and installing recycling facilities. For electronic waste, we collaborate with specialist partners to extend product life cycles and ensure proper recycling. Given our relatively low waste volumes, we do not set formal targets or report total waste volumes.

Through education and awareness initiatives, we empower employees to contribute to BCG's climate goals by providing training materials to all employees. Our Green Teams, now over 1,500 members strong, also implement local office initiatives to promote more sustainable operations.

## Performance

TARGET	PERFORMANCE	STATUS
Reduction of Scope 1 and Scope 2 emissions by 85% by 2025 compared to 2018 <sup>1</sup>	 <b>92%</b>	 Exceeded and on track
Reduction of business travel emissions by 48.5% per FTE by 2025 compared to 2018 <sup>1</sup>	 <b>58%</b>	 Exceeded and on track
Remove 100% of remaining annual emissions by 2030 <sup>2</sup>	 <b>56%</b>	 On track
100% of operations carbon neutral	 <b>100%</b>	 Achieved and maintained
100% renewable electricity	 <b>100%</b>	 Achieved and maintained
100% of employees receive training materials on climate and environmental topics	 <b>100%</b>	 Achieved and maintained

1. Target validated by SBTi.

2. Not validated by SBTi. Achieved when each metric ton of carbon equivalent is offset by a carbon credit from a carbon removal technology.



# Empowering Our People

At BCG, integrity, respect, and accountability are the foundation of how we do business.

Our relentless focus on people has driven our sustained success—more than six decades of impact achieved by unlocking the potential of those who advance the world. At the heart of this success is an environment in which every one of us can grow and excel on the basis of our contributions. We seek to hire the best talent in the world, with a broad range of expertise, experiences, and backgrounds, knowing that this diversity sparks innovation and strengthens our ability to tackle our clients' most complex challenges. We have long led the way in expanding talent pools by broadening recruiting efforts and fostering an inclusive workplace. This chapter traces how our People Team implements this approach and uses it to unlock business value.



“People make us what we are. We are committed to those people. We strive to find and develop them to their fullest potential. Only through people can we achieve excellence.”



**BRUCE HENDERSON**  
Founder of BCG

## Attracting the Best Talent

People are at the heart of BCG’s business, and our success depends on attracting intellectually curious, collaborative, and capable individuals who can navigate dynamic business landscapes. Throughout our global talent pool, we seek diverse perspectives across all levels—from new graduates to seasoned executives—creating teams that are as adaptable as they are impactful.

### 2024 HIGHLIGHTS

6K

In 2024, we hired 6,000 new employees from more than 1 million applicants.

48%

Women represent 48% of our global headcount and 39% of our Executive Committee.

125K+

Prospective candidates enrolled in our virtual experience program in 2024, and lifetime enrollments span 7,700+ unique universities around the globe.

900+

Universities integrated at least 1 of our 12 job simulations into coursework or career service programs in 2024.

60

In 2024, BCG received recognition from platforms across more than 60 categories.

### BCG Talent Accolades



# Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Talent attraction and retention	Strategies and initiatives to attract and retain top talent within BCG

## Management Approach

One of our key priorities is to ensure strong engagement, governance, and partnerships within our worldwide talent acquisition teams and with all key stakeholders. Therefore, we establish robust governance frameworks to ensure transparency, accountability, and alignment with business priorities. We enhance our partnerships with key stakeholders to build trust, improve collaboration, and drive shared success.

## Policy

BCG leverages technology for efficiency and fairness to enable a structured and transparent recruitment process that respects candidates’ preferences, upholds confidentiality, and considers inclusion. To achieve our vision, we have set the following goals:

- Attract talent through an unparalleled, innovative employee value proposition.
- Build diverse, global teams with deep industry and functional expertise.
- Deliver tailored high-touch, high-tech recruiting that fosters strong relationships with top candidates.

## Actions

This subsection describes the actions we have taken to make progress toward our goals. In addition, we engage local, regional, and global stakeholders—including people chairs, HR directors, and others—to elicit feedback to help us achieve our vision.

### Equal Opportunity Recruitment

Our recruitment approach includes structured evaluation and interview protocols that are designed to eliminate potential bias from the recruiting process. All our hiring and other career processes are guided by objective, performance-driven criteria, which help us assess employees on the basis of their demonstrated experience and potential.

### Providing a High-Quality Experience for Candidates

We engage candidates with highly personalized content through innovative virtual tools that broaden BCG’s reach, encourage more extensive candidate pipelines, maximize recruitment efficiencies, and yield sustainable headcount growth. Our virtual experience and internship programs offer students from many disciplines and backgrounds firsthand exposure to leaders tackling critical business and societal challenges.

In June 2024, we launched HT2 (“High Touch, High Tech”), an advanced recruitment platform that enhances applicant tracking and candidate relationship management. The program, which we refine each year in response to participants’ feedback, delivers multiple benefits:

- **Seamless Processes.** Intuitive workflows simplify every stage of recruitment.
- **Data-Driven Insights.** Enhanced analytics improve pipeline tracking and decision making.
- **Smart Automation.** AI-assisted tools reduce administrative tasks, enabling recruiters to focus on strategic priorities.
- **Structured Governance.** Clear access controls help streamline candidate management.
- **Enhanced Candidate Experience.** Recent improvements include transparent role visibility and a talent community for future opportunities.



## Strengthening How We Reach and Engage Top Talent

Our employer brand strategy centers on authentic storytelling and innovative candidate engagement designed to help prospective talent envision a future with us. Through targeted campaigns and digital initiatives, we have expanded our talent pools by 155% since 2023. In 2024, more than 900 universities integrated at least 1 of our 12 job simulations into coursework or career service programs. This increase is important for fostering innovation, solving complex client challenges, and driving inclusive growth.

Our flagship campaign, “**Beyond Is Where We Begin**,” showcases the value of a career at BCG. We implemented the campaign in every BCG office globally to ensure consistent messaging and engagement with potential candidates, regardless of their location, and to maximize the campaign’s impact. The campaign features over 80 employee testimonials, bringing BCG’s culture to life and emphasizing authentic experiences. This effort was supported by a wide array of tools and activities, including these:

- **BCG in 3D.** This simulated virtual office environment offers interactive candidate experiences.
- **OneDay@BCG.** An expanded suite of job simulations includes GenAI financial analysis, providing realistic insights into the consultant role.
- **Career Resources.** We enhanced our online resources and assets to support candidates in their recruitment preparation.
- **Career Site.** Improved personalized experiences cater to individual interests and needs, with job matching, an AI chatbot, and more.

We also engage candidates through multiple channels and formats:

- Virtual, hybrid, and in-person events are designed to reach diverse talent pools.
- High-impact campaigns, including International Women’s Day (a 39% increase in year-on-year engagement and event attendance), Pride, and International Day of Persons with Disabilities, demonstrate our commitment to inclusivity.
- Interactive workshops and specialized programs such as “Military Insight” and “**BCG Unlock**.” Initiatives like these provide unique insights and pathways into consulting.
- Regional initiatives tailored to local markets and communities ensure that we connect with talent everywhere.

These initiatives strengthen our value proposition to candidates in several ways:

- They showcase authentic BCGer voices and experiences, providing a transparent view of our culture.
- They provide innovative ways to explore consulting careers, making the path accessible and engaging.
- They deliver consistent messaging about BCG growth opportunities, helping candidates understand their potential career trajectory options.
- They create multiple pathways to discover and connect with BCG, enabling individuals from all backgrounds to find what works for them at our firm.



# Fostering Inclusive Culture

At BCG, we foster a culture in which everyone can thrive, contribute, and grow. Our initiatives aim to enhance leadership development, well-being, and career support, ensuring that all employees have the resources needed to succeed. By leveraging diverse perspectives, we enhance motivation, retention, and innovation when solving complex challenges for clients. Beyond our internal programs, we also help to unlock the potential of people through our Social Impact practice area. (See [page 17](#).)

## 2024 HIGHLIGHTS

~275

Conducted ~275 coaching sessions to nurture inclusive leadership, with 96% of respondents gaining useful insights and actionable ideas to create a more inclusive workplace and unlock the potential of all BCGers.

30+

Published 30+ articles based on our proprietary research with actionable recommendations to drive improved business outcomes for ourselves, our clients, and the world at large; topics included psychological safety, burnout, and inclusive workforce strategies.



Collaborated with organizations to create meaningful, lasting social impact. Partners included Out in Business, DisabilityIN, Female Quotient, and The Conference Board.

## Management Approach

We believe that fostering inclusion begins with our CEO, Executive Committee members, and other senior leadership, who actively lead and engage on key inclusion priorities. Our goal is to establish a globally consistent yet locally adaptable framework for unlocking the potential of all BCG employees to deliver the innovative problem solving required to shed light on our client's most complex challenges.

Our global People Team and regional teams collaborate on every relevant function—including recruiting, learning and development, and career development—to ensure that our policies align with our values. We safeguard this objective through our speak-up culture and ombudschannel system, in addition to our whistleblower process for addressing reported instances of harassment or discrimination, which helps promote a workplace culture in which all employees feel valued and respected. (See [page 85](#).)

## Objectives

We **commit** to a high-performing, highly inclusive, performance-based culture that encourages all BCGers—regardless of background or experience—to excel. We do so because we believe that this approach drives innovation, enhances team cohesion, and positions us as leaders in enabling our clients to navigate and succeed in an increasingly complex world. Our **research** underscores the importance of workplace inclusion:

- Inclusive workplaces boost employee happiness by 31 percentage points and motivation by 25 percentage points.
- Prioritizing inclusion reduces attrition risk by 50%, highlighting the critical role that a sense of belonging plays in workforce stability and business advantage.



# Actions

## Building an Inclusive and Performance-Based Culture

BCG delivers a comprehensive program designed to build a culture where every BCGer—across geographies, business units, and cohorts—has access to the resources, accommodations, flexibility, and community they need to flourish at work.

The members of every global People Team work collaboratively on each function to ensure that our actions align with our commitments and values. Specific areas of focus include recruiting (see “Equal Opportunity Recruitment,” [page 67](#)); well-being (see, for example, our work with AccessAbility@BCG, [page 70](#)); learning and development (see “Strengthened Learning Experiences for Business Services Staff,” [page 78](#)); as well as ensuring we support the work-life balance of our workers (see “Employee Benefits and Flexibility,” [page 74](#)).

**Strategic Dialogue and Coaching with Senior Leadership.** Our BLISS research underscores the role of senior leaders in fostering inclusive team environments. In 2024, we introduced voluntary inclusion coaching, delivering approximately 275 individual sessions and 360-degree assessments for senior leaders. Following these activities, 96% of participants reported a deeper understanding of inclusive leadership and actionable strategies for improvement.

**Expanding Self-Identification with Our “Count Me In” Campaign.** We expanded this campaign to collect demographic information globally, consistent with our data privacy obligations as an employer. “Count Me In” encourages voluntary self-identification to help us better understand our workforce.

**Investing in Networks, Communities, and Mentorship.** Our networks, communities, and mentorship programs serve as the foundation of our affiliation efforts and are critical to workplace belonging and inclusion. Globally, we have Women@BCG, which celebrates its 25th anniversary in 2025; Pride@BCG, BCG’s global network for LGBTQIA+ colleagues and allies, which celebrated its 25th anniversary in 2023; and AccessAbility@BCG, which supports employees with disabilities, chronic illnesses, and neurodiversity, as well as caregivers and allies. Our regional and system-led groups support connection and awareness for specific communities focused on race, ethnicity, socioeconomic background, veteran status, faith, caregiving, and flexible working.

## Addressing Fair Pay

Ensuring fair pay for employees unlocks long-term business value. Our compensation function manages BCG’s global pay practices, using tools and frameworks to support pay equity and operate without bias or discrimination. We develop salary and incentive structures on the basis of local market pay data and of information about the role and skill set required. We review compensation regularly, taking into consideration factors such as an individual’s proficiency, experience, and level of performance, and the location of the role. Our pay levels are competitive across locations.

We comply with all applicable laws and regulations—for example, the Gender Pay Gap reporting requirements in Australia, France, and the UK, and pay transparency requirements in the US. Beyond meeting applicable legal requirements, we apply more rigorous standards. For example, we were the first top-tier management consultancy to acquire accreditation as a living wage employer in the UK.



## Engaging External Partners to Enhance the Dialogue About Inclusive Advantage

In 2024, we published dozens of thought leadership articles on inclusive advantage. We also continued to partner with leading organizations that contribute to diversity and inclusion discourse, including the following:

- **The Conference Board.** We sponsored The People 2030 conference to connect corporate leaders, discuss workplace challenges, and share best practices. At the event, we presented our research on the opportunity to grow a sustainable workforce by sourcing and developing new talent from nontraditional pools, such as justice-impacted individuals.
- **The Female Quotient.** We sponsored The FQ Lounge at Davos and Cannes Lyons, where our most senior leaders, including our Chief Executive, NAMR Regional Chair, and Chief Legal Counsel led sessions on the topics of women's leadership, AI, recruitment, health, and global crises, as well as offering insights into psychological safety as a driver of workplace inclusion.
- **Women's Forum for the Economy & Society.** As a sponsor and knowledge partner, we participated in the global conference in Paris and headlined a plenary session on opportunities to drive positive social impact by advancing global women's health.
- **UN Women.** We cohosted a gender diversity roundtable with UN Women in Denmark, presenting our joint thought leadership and assembling leaders to share experiences and best practices for advancing socioeconomic inclusion.
- **Open for Business, GiveOut OUTright International, and Partnership for Global LGBTQIA+ Equality.** BCG partnered with these organizations to support LGBTQIA+-inclusive business environments.
- **The Valuable 500, Business Disability Forum, and Disability:IN.** We partnered with these organizations to support disability inclusion. We presented our research on intersectionality within disability at the Disability:IN annual conference.





# Working at BCG

BCG is committed to creating an exceptional employee experience that enables individuals to thrive, grow, and make an impact. We foster an environment that values unique talents and perspectives, empowering our people through expansive learning programs, digital growth tools, and a global network of employees and alumni. By offering robust career development opportunities, we strive to be the best place for individuals to succeed and contribute meaningfully.

## 2024 HIGHLIGHTS

In 2024, we continued to address the evolving needs of our people by enhancing our offerings across the three pillars of our People Promise: meaning and impact, people and culture, and growth and development. Highlights include the following:

### 1K

We expanded our investments in GenAI to upskill colleagues and redefine how we collaborate with one another and with clients—including such initiatives as the GenAI Olympics, Amplify Impact Day, and fostering a network of over 1,000 GenAI Blackbelts to support global adoption.



We broadened our Teaming@BCG program to improve day-to-day team effectiveness and to support the adoption of GenAI tools firmwide. Our Enablement Network and Blackbelts provided coaching sessions on GenAI, career growth, inclusion, and personalized learning.

### 53K

We enhanced learning and development opportunities, embedding topics such as inclusion and sustainability and logging nearly 53,000 hours of GenAI-focused learning to our core training curriculum. Employees also benefited from individualized learning time, self-directed career development, and career master classes delivered globally.



We improved career development with upgraded self-assessment resources, targeted learning paths, and other tools to help employees map their roles, skills, and long-term growth.

### 100%

Of employees received an annual performance review and have access to personalized career development plan and opportunities.<sup>1</sup>

### 100%

Of our employees are entitled to take family-related leave.<sup>1</sup> Over the course of 2024, 6.5% of our employees took the leave, with an almost equal split between men and women.

1. Because some active employees depart from BCG, and some of them may not have completed the annual acknowledgment at the time of reporting, compliance is marginally under 100%.

# Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Employee benefits and flexibility	Offer a range of benefits and flexible working arrangements to support the varied needs of employees
Effective teaming	Enhance team effectiveness and collaboration through structured programs and initiatives, which then drive client relationship excellence
Employee engagement	Measure and improve employee engagement and job satisfaction

## Management Approach

BCG invests in comprehensive learning and development programs, cutting-edge digital tools, and structured career pathways to support employee growth. Members of our People Team continually enhance these offerings, integrating new technologies for upskilling, expanding collaboration initiatives, and providing personalized career development resources. We also ensure that employees have access to regular performance feedback and programs that promote work-life balance and well-being.

## Policy

BCG is committed to fostering an inclusive, high-performance workplace in which employees can thrive. Our people strategy prioritizes growth, fair treatment, and a supportive culture, ensuring fair access to career development, well-being resources, and family-friendly policies that enhance both personal and professional fulfillment.





# Actions

## Talent Learning and Development

At BCG, we are dedicated to maintaining a culture of ongoing learning: it aligns with our principle of growth by growing others, and contributes to our purpose of unlocking the potential of those who advance the world. We strive to equip every employee with the tools, resources, and support they need to thrive, unlocking their full potential and enabling them to innovate and solve our client’s most complex challenges. Through a wide array of learning and development offerings—including global and local live and virtual sessions on topics such as GenAI tools, career development, and inclusion—employees increase their ability to select individual learning opportunities. We encourage employees to set aside time for professional development, ensuring that learning remains a priority across every level of the organization. (See [page 77](#).)

We emphasize providing clarity, transparency, and guidance across every stage of our employees’ career journeys. This year, we updated core competencies for some cohorts to reflect the evolving needs of our business, ensuring that these competencies serve as a strong foundation for goal setting, feedback, and performance evaluations. Complementing this, we also updated our career framework to offer greater visibility into roles, skills, and pathways. Tools such as a dynamic job architecture, a comprehensive skills library, and self-assessment resources enable employees to identify development opportunities, explore vertical and lateral career moves, and confidently navigate their growth within BCG. All BCGers are evaluated through the same rigorous performance management process, reinforcing our commitment to equal opportunity.

## Effective Teaming

Maintaining our high-performance culture requires intentional effort, and ongoing, real-time feedback is at the heart of this process. At BCG, year-round performance management ensures that employees receive timely, actionable input to elevate their performance. This culminates in a robust, calibrated annual review.

Effective teaming is integral to BCG’s success, and Teaming@BCG strengthens collaboration through coaching, leadership activation, and impactful engagement strategies. With support from about 115 BCG teaming coaches, case and business services teams adopt best practices that promote leadership alignment, sustainable team rhythms, psychological safety, and a growth mindset. In 2024, coaches continued to provide tailored support, while team leaders drove adoption and improvement through tools such as the Starting Six—a toolbox of six practices to make team performance more effective. These efforts include integrating GenAI into learning journeys for all seniority levels and promoting impactful teaming behaviors. The results are powerful: BCGers have reported even greater levels of psychological safety, innovation, and performance, all of which help teams flourish.

## Employee Engagement

We foster open dialogue between employees and leadership through staff meetings, town halls, and local committees. Our annual People Survey elicits key insights into employee experiences, helping us track progress and act on feedback. Beyond work, we create meaningful connections through such events as holiday gatherings, retreats, and community service days, balancing in-person engagement with sustainability efforts to manage carbon emissions. (See [page 50](#).)

## Employee Benefits and Flexibility

Our support for flexibility and adaptability in the workplace enables our employees to respond effectively to the demands of our clients and business while managing elements of their lives. Our global Flex@BCG framework describes different ways to work flexibly across the firm and enables employees to navigate the options available to them. All employees can request time off for personal matters or for a particular passion, and all have a right to request part-time work. In addition, all employees who become parents are eligible for parental leave. Finally, to increase day-to-day flexibility, we continue to add new tools, enablers, and programs and pilot new technologies. We believe that emphasizing flexibility helps us enable a more inclusive, diverse, and resilient workforce, ultimately resulting in better impact and value for our clients.

To complement this, our Global Career Framework offers mobility opportunities to explore topics and practices in different locations worldwide. We advertise these opportunities via internal job boards and regular emails.

## Performance

TARGET	METRIC	STATUS
All employees receive an annual performance review and have access to a personalized career development plan and opportunities.	100% <sup>1</sup>	Achieved
All employees are entitled to take family-related leave.	100% <sup>2</sup>	Achieved

- 1. Because some active employees depart from BCG, and some of them may not have completed the annual acknowledgment at the time of reporting, compliance is marginally under 100%.
- 2. 6.5% of employees took family-related leave in 2024, with an almost equal split between men and women.

# Employee Well-Being

Wellbeing@BCG is BCG’s holistic global framework for providing accessible health and well-being solutions tailored to each locale. Acting on the belief that well-being encompasses physical, mental, social, and financial health, we support employees at every life and career stage. Through our global well-being microsite, benefits platform, learning resources, and employee assistance program, we

ensure that our people have the support they need to thrive and reach their full potential. To that end, we offer high-quality benefits and family support programs, flexibility in how and when they work, time off to recharge and pursue personal interests, health and medical insurance, paid time off, retirement benefits, and extensive opportunities for personal and professional development.

2024 HIGHLIGHTS

100%

Of employees have access to resources that support their physical and mental well-being, financial health, and connection to workplace and community.

5.1K

Employees participated in Wellbeing@BCG virtual learning sessions.

~140

Senior leaders have experienced the Energize to Thrive Accelerator program, a holistic approach to managing day-to-day energy levels and well-being, with rollout extending in 2025.

200+

BCGers completed our Everymind Champions course aimed at increasing peer-to-peer support to reduce the stigma associated with mental health issues and to normalize the mental health conversation.

40+

Countries are now served by the MyBenefits platform, which supports 23,000 employees and families. MyBenefits serves as a central hub for well-being resources, with expanded communication and engagement capabilities.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Employee well-being	Programs and initiatives focused on the physical and mental health of employees

## Management Approach

Our global well-being advisory function, part of our Global Benefits Center of Expertise, advises local HR teams on topics related to well-being, including creating, testing, implementing, and evaluating innovative solutions to improve the well-being of our employees.

## Policy

BCG is committed to fostering a workplace in which employees can thrive. This entails prioritizing well-being, flexibility, and holistic support. Our Wellbeing@BCG framework ensures that all employees have access to resources that promote health, fulfillment, and professional growth.





## Actions

BCG is committed to promoting mental health awareness and removing the stigma associated with mental health challenges. We aspire to be a workplace where mental health is valued, promoted, and protected just as physical health is. We want everyone to have an equal opportunity to enjoy mental health and to have access to the support they need.

On World Mental Health Day 2024, our global People Chair hosted two live virtual events featuring a panel of BCG colleagues sharing their mental health experience. These events were open to BCGers worldwide.

Across BCG's locations, we've launched locally tailored mental health and well-being initiatives that build on our global commitments. For instance, in Central Europe, 10% of the core workforce is now certified as Mental Health First Aiders, trained to recognize signs of distress and guide colleagues toward support. These efforts are reinforced through workshops on specialized topics, with training continuing into 2025. In the Middle East, we launched our first annual Mental Health Survey to baseline employee literacy, supported by focus groups across all AccessAbility@BCG pillars. The region also hosted panel discussions featuring lived experiences and expanded Mental Health First Aid training.

Across London, Amsterdam, and Brussels, 215 leaders completed a new mental fitness and leadership program developed with **Enmasse**, designed to foster resilience, early intervention, and inclusive high-performing teams. The program combines in-person training with peer learning through communities of practice, with more sessions scheduled for 2025. Meanwhile, BCG UK is improving access to care by integrating private medical, digital doctor, and employee assistance services through a new provider. Taken together, these initiatives have helped us unlock the potential of our own people, helping them flourish both personally and professionally.

## Performance

TARGET	METRIC	STATUS
All BCG employees have access to resources and services that span the range of our Wellbeing@BCG framework	100%	On track

# Learning and Development

Learning is core to BCG’s culture of intellectual rigor and continuous growth. We integrate learning into day-to-day work, offering multiple delivery channels (in-person, virtual, online, and team-based) to ensure easy access. This approach supports each employee’s growth—from onboarding through individual skills aspirations and career progression—with formal, just-in-time, and on-the-job resources. We help our people hone the skills they need to perform in their current roles and to unlock their full potential for future growth. This contributes to SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).

## 2024 HIGHLIGHTS

53K

BCGers have completed nearly 53,000 hours of GenAI-focused learning.

7.3K+

Over 7,300 employees participated in personalized learning journeys in 2024.

1.26M

BCG employees logged 1.26 million learning hours.

48

Client-facing employees averaged 48 hours of formal learning in 2024 (up 4 hours since 2023).

19

Business service team employees averaged 19 hours of formal learning in 2024 (up 2 hours since 2023).

100%

Of employees participated in regular performance and career development reviews.

100%

Of employees participated in learning experiences.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Talent learning and development	Providing opportunities for continuous learning, professional development, and career growth for employees

## Management Approach

To ensure that our learning and development offerings match our employees’ needs and the firm’s priorities, our Global Learning Council sets priorities and regularly reports to the Executive Committee and People Team leadership. The Global Learning Council guides the evolution of our learning and development approach in response to new business needs, BCG’s overall strategy, a varying and diverse skills base, and employee demand. Our approach centers on four core elements:

- **Personalized Career-Step Educational Programs.** These multifaceted learning journeys use various tools and techniques, including in-person, classroom-based learning and discussion; virtual live sessions; digital learning primers; and post-program individual or group coaching.



- **An Extensive Repository of Internally Developed Learning Resources and External Libraries.** We have over 6,500 modules for foundational skills and expert knowledge, as well as access to a wide array of external libraries—such as LinkedIn Learning and GetAbstract—that offer more technical skills.
- **Expertise-Building Accelerators.** We rapidly deployed targeted programs to develop skills across cohorts, blending digital primers and classroom learning and contributing to 1.26 million learning hours in 2024 (a 7% increase from 2023).
- **Dedicated Apprenticeship Model.** Rooted in a growth mindset, this model strengthens learning in two ways. New managers and case leaders refine their ability to provide timely, specific, and actionable feedback. Employees benefit from coaching and an extensive content library to deepen their expertise.

## Policy

BCG prioritizes continuous learning and development for all employees, ensuring that they have the skills to grow, contribute, and succeed—whether in client-facing roles or in internal functions. Our structured approach, which combines on-the-job experience, formal learning, and career coaching, delivers high-quality learning across all regions and office sizes. Employees engage in live and virtual programs, structured apprenticeships, and personalized end-to-end journeys, integrating development directly into their daily work. We track progress through key metrics such as participation rates and total learning hours. Regular performance and career development reviews enable all employees to track progress, receive structured feedback, and refine their learning path. Our learning investments aim to increase employee satisfaction, retention, and innovation, thereby driving long-term success.



## Actions

### Strengthening Learning Experiences for Business Services Staff

To enhance skills development across teams, BCG is integrating GenAI upskilling, enabling business services teams to focus on higher-value, engaging work while reducing the time they spend on repetitive tasks such as drafting communications, producing videos, and creating content. Through Teaming@BCG, we foster effective collaboration via learning series and coaching. Meanwhile, our continued investments in people managers support goal setting, coaching, and leadership development, reinforced by our onboarding program and advanced modules. New employees participate in values-based learning and “Living Our Values” sessions, where senior leaders discuss BCG’s principles. Senior leaders receive stipends for external learning; and to deepen expertise, we offer role-based curricula, masterclasses, and hackathons for rapid prototyping of new processes and products.

We continued to provide learnings on topics that mattered to our stakeholders. Our approach included comprehensive multimode journeys, from nudges for broad audiences to credentialed expertise-building programs. Two topics that we focused on in 2024 were GenAI and sustainability:

- **GenAI Upskilling for All Staff.** BCGers have completed nearly 53,000 hours of GenAI-focused learning, which has equipped employees with skills ranging from basic awareness to expert application. Through a multichannel approach—including a virtual spring series, “Learning Month,” office engagement days, “Amplify Impact” days, masterclasses, and the AI Academy—employees gain hands-on experience with cutting-edge AI tools. The AI Academy’s structured journey progresses from introductory learning to cohort-based experiences, culminating in the AI Accelerator, an intensive eight-week, 20-hour program led by a Harvard Business School professor. These initiatives have upskilled a majority of BCGers, driving widespread GenAI adoption and the development of CustomGPT models for workflow optimization. This helps us to lead in CustomGPT innovation and gain efficiency while integrating GenAI responsibly.
- **C&S Academy.** The goal of the C&S Academy is to upskill our staff on issues of climate and sustainability. Offerings include our nudge campaign, in which we share microlearning insights with all staff; cohort learning journeys, to understand the business imperative of climate and sustainability for BCG; our C&S Learning Hub, which provides on-demand resources to staff; our C&S Accelerator, a foundational learning program designed to educate the wider BCG population; and our 80-hour capstone stewardship programs, developed with top universities (Cambridge, Columbia, and Nanyang Tech) and taught by leading professors. In addition, we provide functional learning for internal professional groups, including finance and IT, to serve their unique skill sets.

# Expanded Continuous Learning Journeys for Client-Facing Staff

Building on the foundation we laid in 2023, we enhanced client-facing staff’s access to timely learning, with more than 7,300 employees participating in personalized learning journeys in 2024. This represents significant growth in engagement, taking advantage of a strong onboarding program followed by self-paced, self-directed upskilling experiences personalized to employees’ core needs. This year, we focused on relationship building for senior cohorts and deepening the technical capabilities of all our staff.

**Relationship Building for Our Senior Client-Facing Cohorts.** Effective relationship-building skills are vital for driving meaningful impact on our clients’ most complex issues, enhancing workforce satisfaction, and promoting organizational sustainability. To support this, we expanded our offerings for case leaders, introducing a dedicated masterclass series hosted across both traditional and specialty groups. These sessions focus on equipping middle management with advanced techniques to build and maintain effective relationships.

**Deepened Technical Capabilities.** BCG is committed to continuously developing and updating our staff’s technical and digital skills in line with the latest trends:

- **Topic Capabilities.** Like all other BCGers, our client-facing staff engaged in comprehensive and timely learning on topics such as GenAI and sustainability.
- **Chapter Journeys.** This new learning offering targets people at varying skill levels, from novices entering the world of technical and digital operations to employees mastering foundational skills to experts seeking certification in the latest technologies. Each of the eight self-paced chapter journeys includes a combination of cutting-edge curricula created by our in-house experts and externally sourced content. We categorize the content by level of capability and complexity. The external content comes from renowned platforms such as LinkedIn Learning, O’Reilly, Udemy, and Cloud Academy.
- **Credentials.** We also offer opportunities for learners to earn certification in various areas, such as architecture, cloud, CRM, cybersecurity, human-centered design, ERP/enterprise solutions, and data science. We partnered with Credly.com for internal recognition of expertise via credentials, resulting in the awarding of more than 2,400 credentials. We also offer external certifications through Alliance Partners, which more than 700 employees now showcase on their LinkedIn profiles.

- **Technology and Digital Advantage Global Academy.** Launched in September 2023, the Technology and Digital Advantage Global Academy has become a pivotal resource for enhancing technical and digital expertise at BCG, building on the foundational success of previous learning hubs and expanding access to cutting-edge content. A central hub for self-paced learning, it offers access to a range of top-quality content, including comprehensive overviews and in-depth explorations of topics such as technology platforms (including ERP), deep tech, digital transformation, and cyber and digital risk. We have seen a surge of interest in the Fundamental Tech Fluency credential, which is exclusive to BCG and establishes a solid foundation in digital and tech discussions, signifying the learner’s readiness to embark on digital- and tech-focused projects.

## Performance

TARGET	METRIC	STATUS
Deliver high-quality learning experiences to BCG employees	1.26 million learning hours logged	On track
All employees participate in learning experiences	<ul style="list-style-type: none"><li>• Men: 100% of employees</li><li>• Women: 100% of employees</li></ul>	On track
All employees participate in regular performance and career development reviews	100%	On track
Formal learning for client-facing employees	48 hours (four hours more than in 2023)	On track
Formal learning for business service team employees	19 hours (two hours more than in 2023)	On track
Formal learning for all employees	<ul style="list-style-type: none"><li>• Average: 38 hours</li><li>• Men: 40 hours of formal learning for all employees</li><li>• Women: 36 hours of formal learning for all employees</li></ul>	On track





# Promoting Responsible Business

As a UN Global Compact signatory, we champion principles such as respect for human rights across our operations and value chain, holding ourselves and our partners to high standards.

We foster a culture in which ethical decision making thrives, and we ensure that our employees and the people we work with feel empowered to speak up—supported by strong whistleblower protections. In the age of digital technology, we lead responsibly, whether in the form of embedding fairness, security, and transparency into AI-driven solutions, or of maintaining the highest standards of data privacy and cybersecurity. By setting rigorous standards in these critical areas, we aim not only to do the right thing inside our firm, but also to promote responsible business wherever we work.

# Corporate Culture

A commitment to responsible and ethical practices defines our approach to business and engagement. We consider this long-standing commitment critical to the success of our clients and our firm. We strive to transform business and society for the better, in collaboration with our clients and suppliers and in our own operations. However, we could not achieve this vision without a responsible and ethical culture, founded upon **BCG's values and purpose**.

2024 HIGHLIGHTS

100%

Of active full-time employees completed the annual acknowledgment of the Code of Conduct, confirming their understanding of and compliance with its terms.<sup>1</sup>

100%

Of BCGers have access to a confidential Ombudschannel where they can seek advice or report concerns.

1. Because new people routinely join and depart from BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Corporate culture	The purpose, values, and code of conduct that shape the working environment and practices within BCG

## Management Approach

At regular meetings, the Chief Risk Officer is accountable for decisions related to corporate culture. Although new issues may arise each year, common themes include anti-bribery and corruption, and taxation. To demonstrate our commitment to ethical business practices, we disclose information on these themes below, as well as voluntarily disclosing our approach to lobbying.

## Policy

BCG believes that all BCGers have a responsibility lead with integrity every day. We acknowledge that policies, codes of conduct, and robust processes are important tools to communicate, enable, and embed a culture of responsible business practice.

As a participant in the United Nations Global Compact (UNGC), BCG supports the Ten Principles on human rights, labor, environment, and anti-corruption. We also commit to respect UN Guiding Principles on Business and Human Rights. The values and principles of such frameworks inform BCG's policies related to corporate culture, including the Code of Conduct and the Code of Client Service. In turn, and in combination with other frameworks such as those of the Organisation for Economic Co-operation and Development, these policies inform our approach to business ethics.



# Actions

## Working with Integrity Inside BCG

Our **Code of Conduct** sets expectations for the behavior of all BCGers, complements the ethos underlying our UNGC commitment, and serves as a bridge connecting our firm's values, policies, and norms to the actions of individuals. The Code is designed to foster ethical decision making and promote behavior that meets the highest standards of professional conduct.

The Code covers topics such as our commitments to our clients, our employees, the firm, and society. It highlights the importance of ethically providing client services, protecting confidential information, managing actual and perceived conflicts, enabling information security, competing fairly, and maintaining a safe environment free of harassment and discrimination, together with a "speak up" culture that encourages stakeholders to raise concerns. It underscores our focus on achieving a positive and lasting impact on society. The Code also reaffirms our adherence to the laws and regulations of the countries in which we do business.

Every year, our Assurance & Advisory team periodically assesses the adherence of BCG's local offices to the Code, as well as to global and local policies, processes, and standards. Everyone at BCG confirms their adherence to the provisions of the Code as a condition of their employment and must reaffirm their compliance in a written acknowledgment each year.

## Delivering Client Work with Integrity

The BCG Code of Client Service (BCCS) provides a framework for global policies and processes to optimize the value we create for clients and society. We regularly remind BCGers that a commitment to our values and purpose entails considering not only the value of our work for clients and society, but also any associated risk for clients, society, and BCG. Our aspiration, grounded in our company's values and purpose, is to create a culture committed to accountability, transparency, honesty, humility, and continuous improvement. A key element of the Code of Conduct, the BCCS underlines our commitment to lead with integrity as we serve our clients, operate in our communities, and guide our teams.

The BCCS rests on our purpose and on six core principles that address different dimensions of our firm's work. (See **Exhibit 7**.) In practice, these help guide us to systematically identify and evaluate opportunities and risks—and mitigate those risks—throughout the case life cycle so that we live up to the aspirations of our founder. We recognize, however, that written policies can go only so far in mitigating risk and that our people, culture, and processes are critical to ensuring that we optimize our contributions to society.

### EXHIBIT 7

## Our Code of Client Service Defines Our Expectations and Guiding Principles Across Six Dimensions



The type of work we do and where in the world we do it



Who we work for and how we engage



The impact our work can have on other clients and stakeholders



How we work with third parties



How we manage and protect information



How we work together and treat one another

Source: BCG analysis.

BCG also recognizes that our people sometimes encounter gray zones, where the appropriate steps to take may be unclear. Although BCG empowers its case teams as its active first line of defense in risk management efforts, we also have robust resources and processes to support our teams in socializing risk mitigation across the firm. BCG’s values-first culture is supported by dedicated teams, managing directors and partners (MDPs), other senior leaders, BCG’s business functions, and regional and global governance bodies that aid in implementing the BCCS in relation to myriad client, supplier, and employee matters. Our people are dedicated to supporting one another when navigating complex questions and gray zones.

Nurturing BCG’s culture, supporting resources, and commitment to the firm’s purpose—to unlock the potential of those who advance the world—requires collective effort. In keeping with that purpose, BCG regularly declines client work or other relationships that do not align with our values. Continuous improvement in these areas requires strict alignment to adapt to the constantly changing world around us and to shape actions and choices that embody our commitment to responsible business practices.

“The most important value of all, for each professional, must be dedication to the task of optimizing client contribution to society.”



**BRUCE HENDERSON**  
Founder, BCG

## Anti-Bribery and Corruption

BCG backs its culture of integrity with a policy of zero tolerance for corruption. We consider this standard essential for performing our role in society, as well as for preserving our reputation as trusted advisors to our clients and as an employer of choice for the best talent. Our policies are consistent with the UN Convention Against Corruption.

The firm’s Anti-Bribery & Corruption policy is a key component of both the Code of Conduct and the BCCS, defining our commitment, expectations, and approach in this area. BCG has controls in place to identify, measure, and mitigate risks associated with the different functions of the firm. All BCGers are expected to abide by applicable laws, treaties, and regulations that prohibit bribery and other forms of corruption, including the US Foreign Corrupt Practices Act and the UK Bribery Act. Accordingly, BCGers must not—directly or indirectly through third parties—offer, attempt to offer, solicit, authorize, or promise any type of bribe or kickback to obtain business or an unfair advantage. This policy pertains to all members of the BCG community, including MDPs, officers, employees, contractors, and others with whom we conduct business. We also adhere to fair-competition regulations and all other laws in the countries where we do business.

BCG’s Anti-Bribery & Corruption policy provides guidelines for hospitality, gifts, and other forms of giving to external individuals. BCG’s compliance and legal teams maintain close and continuous engagement with the business, providing support to employees as needed and encouraging them to seek guidance through appropriate channels when faced with ambiguous situations.

In addition to completing our mandatory Code of Conduct training, all new BCGers must complete an interactive Anti-Bribery & Corruption learning module, which explains our values, clarifies the principles of the policy, and provides an overview of bribery and corruption risks and offenses, as well as offering guidance on interacting with government officials and on identifying and escalating potential red flags. The module also contains customized content that enables our leadership cohorts to focus on scenarios and risks that are most relevant to their roles. In addition, all BCGers periodically participate in mandatory refresher training and, at key promotion points, in live training sessions.

Our zero-tolerance approach to bribery and corruption extends beyond our own employees to our contractors and suppliers, as set out in a supplemental **Supplier Code of Conduct**. BCG expects all third parties to operate in full compliance with all applicable laws and regulations at all times.

INDICATOR	VALUE
Total number of incidents of corruption during the current year	0
Total number of fines for violation of anti-corruption and anti-bribery laws	0



Lobbying

BCG has a strong governance structure to ensure that BCG’s business strategy and indirect policy engagements are consistent with our values. For example, BCG participates in numerous global forums, such as the World Economic Forum, and local trade associations. These groups occasionally engage in activities, such as open letters, that have an indirect impact on environmental policy. When such opportunities arise, they move through BCG’s internal decision matrix, which considers whether the policy recommendation aligns with BCG’s values and commitment to global decarbonization efforts.

Taxation

Taxes are a key element of a corporation’s contribution to society. Consistent with that view, BCG’s worldwide tax strategy is a cornerstone of our pledge to operate responsibly and sustainably. Evidence of this commitment manifests in several core areas, such as ensuring that our tax practices are in harmony with the Organisation for Economic Co-operation and Development’s initiatives on international tax reform, particularly in combating base erosion and profit shifting.

Our aim is not only to fully comply with our tax-related obligations, but also to maintain transparency in our interactions with tax authorities and with our stakeholders. In alignment with this ethos, we have implemented a transfer pricing approach designed to help allocate our global earnings across all of the countries we serve. This methodology underscores our dedication to contributing a fair portion of taxes in every jurisdiction in which we operate.

Performance

In 2024, as in prior years, BCG conducted mandatory Code training in 2024. Such training is mandatory for all BCGers every two years, and we deliver and track it via our online learning platform. Employees who do not complete the training are denied access to their BCG computer system blocked until they do.

TARGET	METRIC	STATUS
All BCG employees understand and agree to comply with our Code of Conduct	100% <sup>1</sup>	Achieved

1. Because new people routinely join and depart from BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.



# Raising Concerns and Protecting Whistleblowers

At BCG, integrity is fundamental to our culture. We recognize that ethical dilemmas and challenges may arise, and we are committed to fostering an environment in which people can raise concerns without fear of retaliation. We uphold our values by providing secure access to our Speak-Up Line, Ombudschannel, and robust training programs not only for our own workforce but also for our external stakeholders—our clients, our suppliers, and the communities in which we work—for reporting potential risks and misconduct.

By proactively assessing and addressing risks, we strengthen our human rights impact assessment and reinforce our dedication to leading with integrity, accountability, and respect.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Protection of whistleblowers	Policies and mechanisms to protect individuals who report unethical or illegal activities; includes individuals employed by BCG

# Policy

We operate a robust framework for overseeing business conduct, anchored by a strict nonretaliation policy. Our commitment is guided by two key policies:

- The **Code of Conduct**, which promotes ethical behavior, honesty, and respect, and affirms that individuals who raise suspected issues via our designated channels will be protected from retaliation. It also outlines potential grounds for discrimination.
- The Global Sexual Harassment Policy, which provides specific guidance on harassment-related issues.

We take all reports of discrimination seriously, ensuring thorough investigations and appropriate action. To support prevention, we implement regular training and policy reinforcement:

- Mandatory Code of Conduct training for all employees upon joining the firm and every two years thereafter.
- Annual attestation, requiring employees to reaffirm their commitment to the BCG Code of Conduct.

To deter misconduct, BCG makes clear to all members of the firm that violations of discrimination or sexual harassment policies may result in sanctions.

Our whistleblower protections include offering training to employees on how to use reporting channels and ensuring confidentiality throughout the process. Staff that are designated to receive reports are specifically trained to handle sensitive matters with discretion. Our mechanisms for raising concerns include the confidential Ombudschannel and the Speak-Up Line, which permit anonymous reporting and comply with the EU Whistleblower Directive.





# Management Approach

Although BCG's culture is rooted in outstanding professional standards, we acknowledge that at times ethical dilemmas, difficult decisions, and behaviors inconsistent with our Code of Conduct or other policies may arise. BCG urges any individual to report concerns about actual or suspected misconduct that may be in breach of our firm's values, business ethics, policies, or the law. In addition, BCG recognizes its responsibility to cooperate in remediating negative impacts on the communities in which we work that may arise in its value chain. This information also helps us understand where negative impacts on human rights might emerge in our global operations, supports us to assess the severity and likelihood of these risks, and mitigates their chances of materializing in the first place.

We ask and encourage our people to adhere to the principle of "see something, say something" at all times. We support this principle through the following process, which accommodates both internal and external stakeholders, including suppliers and the communities in which we work:

- **Identify and understand.** Everyone at BCG is responsible for reporting any known or suspected violations of our Code of Conduct, our policies, our values, or any law or regulation. We follow a strict nonretaliation policy and do not tolerate reprisals—such as negative performance reviews, exclusion, or legal action—against any individual who raises a concern in good faith. Internally, reprisal is considered a serious act of misconduct, which, if proved, would result in serious sanction, up to and including dismissal. Where appropriate and feasible, we also seek to investigate third-party concerns, including reports of retaliation. Our global training includes reminders about the channels available for reporting concerns, and it emphasizes each BCGer's responsibility to uphold our values. The information gathered helps us assess and understand the potential negative impacts of our operations on human rights, evaluating the severity and likelihood of these risks as part of our ongoing risk assessment process.
- **Report and reflect.** We believe that offering multiple reporting channels provides the best opportunity to capture issues or concerns. This includes our confidential Ombudschannel program and our **Speak-Up Line**, also available on our website, which are designed to prevent and identify misconduct and support BCG's aim to lead with integrity. BCG's Speak-Up Line is a dedicated platform that allows BCGers and non-BCGers—whether clients, suppliers, members of the communities in which we work, or other third parties—to report concerns. The Speak-Up Line addresses elements of the EU Whistleblower Directive such as maintaining minimum standards for communication with the reporter, confidentiality and protection against reprisal, and anonymous reporting features, including an audio-based method of reporting. Where appropriate, we also assess the awareness and

accessibility of these channels in the communities in which we work to ensure that they can use them if required, and the channels are available in multiple languages. These channels identify issues post-hoc, but also enable our proactive approach to human rights risk assessment.

- **Assess and monitor.** Once someone raises a concern, regardless of the channel they use to submit it, we handle it with discretion and in confidence, subject to any overriding legal or regulatory requirements. We address all concerns appropriately and in accordance with our internal policies. Moreover, BCG promptly, independently, and objectively investigates business conduct incidents, including alleged corruption and bribery. To track and monitor the effectiveness of these grievance mechanisms, we assess key metrics such as the number and type of concerns raised. This process also allows us to continuously improve our human rights impact assessment, adapting our strategies on the basis of data reviewed.
- **Review and adapt.** We review the effectiveness of our reporting channels annually in several ways, including through BCG's annual People Survey—a critical input to understanding how effectively we are supporting our employees on our value proposition. The survey asks staff for their honest opinions on topics related to BCG's values, reporting channels, and safety to speak up. For external stakeholders, including the communities in which we work, we actively seek feedback on accessibility and trustworthiness when significant grievances are raised. Responses to the survey are analyzed and shared with BCG's Audit & Risk Committee (ARC) to identify areas of concern and make improvements. The ARC specifically reviews the escalation thresholds for comments related to harassment, and it takes targeted follow-up action in these areas. The ARC receives quarterly high-level reporting of concerns through BCG's Ombudschannel and Speak-Up Line. In addition to mitigating risk, these insights enable us to improve our human rights risk assessment processes over time.

## Actions

BCG has continued to enhance its Speak-Up Line and Ombudschannel to align with the EU Whistleblower Directive, reinforcing confidentiality, protecting against retaliation, and offering anonymous reporting options in multiple languages. These enhancements—which include an innovative audio-based reporting method—strengthen BCG's commitment to a transparent and secure reporting environment for employees and nonemployees alike.

The firm's annual People Survey continues to assess employee confidence in our reporting mechanisms, and the ARC reviews findings to drive continuous improvements. In addition, BCG provides quarterly reporting on concerns raised through its Ombudschannel and Speak-Up Line to the ARC, bolstering oversight and accountability across the organization.



## Safety and Security

BCG commits to providing a safe and secure work environment for our employees. Across the organization, our safety and security programs foster the adoption of best practices, helping safeguard employees' security and well-being.

## Material Impacts, Risks, and Opportunities

Although our double materiality assessment did not find safety and security material relative to other topics, one of our core values is integrity—and we care about our people. We therefore voluntarily provide this information.

## Management Approach

Our Global Security team of experienced professionals partners with our offices, employees, and business teams to protect our employees in pursuit of our target of zero serious workplace injuries. Besides protecting staff and BCG assets, the team strives to build organizational resilience through a comprehensive range of programs. The team reports to the Chief Risk Officer, and therefore regularly connects to the ARC.

## Policy

BCG commits to providing a safe and secure work environment for our employees. Every year, we strive to avoid serious work-related injuries, ensure that all new staff are equipped to travel safely, and perform a physical risk assessment for all new buildings.



# Actions

BCG's actions in the area of safety and security fall into three main categories: staying safe on the road, creating a safe and secure workplace, and building resilient operations.

## Staying Safe on the Road

Given the nature of our work, travel poses the greatest risk to our employees' health and safety. Our Global Security team monitors global trends and potential threats in all locations where BCG operates. We use a risk-based approach to ensure the safety of our staff members during their travels.

Equipping our employees with advanced, real-time digital tools that provide access to travel safety, security, and medical support and enable immediate one-touch connectivity to our 24-7 response center is a key security strategy. It allows employees to make informed decisions that safeguard their well-being when traveling. For destinations where elevated security threats exist, we have a rigorous pretravel evaluation, planning, and authorization process overseen by our Global Security Committee, which consists of BCG's chief risk officer, our general counsel, a regional risk leader, and the senior director for security. We partner with leading providers in the security industry to ensure that our employees have access to security and medical support, regardless of their location.

## Creating a Safe and Secure Workplace

BCG offices implement programs to ensure the health and safety of our employees and visitors, adhering to BCG's physical security standards. These standards set the benchmark for securing our buildings, offices, and operational processes. In 2024 we began a multiyear global program to roll out an enterprise-wide access control system.

Our offices maximize natural light and offer ergonomic workstations to enhance employee well-being and safety. Promoting awareness of health and safety procedures is integral to our approach, and a standard module in our new-hire induction process addresses those procedures. Employees visiting an office for the first time have access to specific local health and safety procedures.

Before establishing a new office, BCG conducts comprehensive assessments to minimize risks to our employees and to the firm. The Global Security team plays an essential role in that work, and our Assurance & Advisory team conducts regular reviews of all BCG offices, typically on a three- to four-year cycle, depending on the level of risk exposure. These reviews include assessments of office safety and security protocols and practices, reinforcing our commitment to creating safe and secure workplaces across our global network.

# Building Resilient Operations

Our global and local Incident Response Teams, led by experienced MDPs and supported by the Global Security team, are ready to respond to adverse events swiftly and effectively. They receive training and resources to reduce the impact of such events on our people, operations, and assets.

In 2024, we continued to enhance our business resilience, incident response capabilities, and disaster recovery processes with new training opportunities and tools. We conducted simulation exercises in every office, integrating insights from recent global events and leveraging and embedding digital dynamic response tools and processes that the firm has introduced in previous years.

The Global Security team intensified its efforts in horizon scanning and scenario planning to address the uncertain geopolitical climate. In collaboration with local leaders and industry experts, the team crafted scenarios, provided leadership briefings, and established cross-functional security working groups to ensure that BCG is thoroughly prepared for a wide range of contingencies. We continue to advance our resilience programs to protect our people and assets.

# Performance

TARGET	METRIC	STATUS
All new offices underwent a physical security risk assessment	100%	Achieved
All new consulting staff completed mandatory travel safety training	100% <sup>1</sup>	Achieved
Zero work-related fatalities or high-consequence injuries occurred	0	Achieved

1. Because new people routinely join and depart from BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.

# Human Rights


BCG is committed to upholding and advancing human rights across all aspects of our business, partnerships, and supply chain, striving to be a catalyst for meaningful change that goes beyond compliance. As a global leader in management consulting, we recognize our responsibility to

foster a culture of respect, dignity, and fairness across the industries and communities we serve. Our commitment includes a strong focus on fair employment practices and a zero-tolerance policy for child labor or forced labor within our value chain.

### 2024 HIGHLIGHTS



We published our inaugural **Human Rights Policy statement**, which, in support of Germany’s Supply Chain Due Diligence Act (LkSG), sets out BCG’s commitment and approach to human rights and the environment.



Consistent with our obligations under LkSG, we appointed a Human Rights Officer who is responsible for, among other things, ensuring the monitoring and execution of human rights due diligence and updating senior leadership on LkSG matters annually (within our German holding company and its subsidiaries).



We amended our global **Supplier Code of Conduct (SCOC)** to strengthen the language related to our human rights commitments. Our SCOC is included in all standard BCG contracts.



We did not receive any complaints relating to human rights via our publicly available **Speak-Up Line** which allows anyone to confidentially report misconduct concerns or complaints.



We maintained a perfect score in the Human Rights Campaign’s Corporate Equality Index.



EcoVadis awarded us a Platinum medal in 2024, which considers labor and human rights.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Human rights in our supply chain	Upholding human rights standards throughout BCG’s supply chain

Although our Double Materiality Assessment found that the topic of work-related rights was material for us, the location of potentially material impact, risks, and opportunities was limited to individuals performing work upstream in our value chain (such as suppliers engaging in discriminatory

behavior despite our policies). In addition, several human rights risks could arise in other material topic areas. To learn more, please refer to the following pages:

- Diversity and inclusion, including workplace harassment ([page 69](#))
- Data privacy and information security ([page 97](#))
- Working conditions ([page 73](#))
- Corporate culture ([page 81](#))
- Safety and security ([page 87](#))
- Protection of whistleblowers ([page 85](#))
- Procurement ([page 99](#))



Nevertheless, we voluntarily offer additional information on our operations below—to enhance comparability with previous reports and to our dedication to integrity as a critical value.

## Management Approach

BCG operates in over 100 cities across more than 50 countries. Effectively mitigating the risks of human rights issues across such a wide field requires cross-functional efforts. As described in the “Management Approach” subsection of the Procurement section on [page 99](#), the firm has strong governance in place to ensure that it adopts and maintains sustainable procurement practices. As part of our due diligence processes, we regularly assess our supply chain and own operations for potential risks, including human rights issues.

### BCG’s Five-Step Risk Management Approach to Due Diligence

- 1. Indicative Risk Analysis.** Regular uploads of supplier data to our sustainable supply chain risk management platform, from this we can see our risk areas based on industry and location. Annually, BCG subsidiaries' data is uploaded for internal risk identification.
- 2. Concrete Risk Analysis.** Higher-risk suppliers, identified through indicative analysis, undergo further assessment. Self-assessment questionnaires covering sustainability topics, including human rights, are collected, analyzed, and reviewed to determine appropriate next steps.
- 3. Impact Analysis.** Further prioritization of suppliers based on criteria such as ability to influence, severity, probability, and contribution to the cause of risk.
- 4. Preventive and Corrective Actions.** These include supplier screening, policy and framework development (e.g., the Supplier Code of Conduct), and proactive risk mitigation measures.
- 5. Documentation and Reporting.** Centralized documentation of the approach, assessments, and decisions for suppliers and BCG entities. Actions may include corrective action plans or, if necessary, termination of agreements.

Our supplier risk team is responsible for coordinating this approach, but it involves a much broader collective effort across the business. BCG procurement, legal, compliance, and sustainability teams are among those that contribute to the people, process, and technology that support this approach. We also work closely with our technology partners and vendors to ensure accurate identification and effective management of risks, including human rights issues. We recognize that the participation of many stakeholders, both internal and external to our business, is necessary if we are to maintain and make further progress on issues relating to human rights.

## Policy

BCG upholds internationally recognized human rights standards, committing to the principles of the UNGC, which are derived from the Universal Declaration of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work. We also commit to respect the UN Guiding Principles on Business and Human Rights. These commitments are reflected in our policies and business practices—including our [Supplier Code of Conduct](#). Our commitment to human rights extends to all employees, who are afforded legally required rights, including the ability to join labor unions, works councils, or collective bargaining organizations where applicable. Respect for the individual is a core value embedded in BCG’s history and [Code of Conduct](#).

Overall, the risk of labor rights abuse within the boundaries of our firm is low relative to other sectors. Nevertheless, we have zero tolerance for any use of child labor or forced labor practices. In all of our work, we uphold individual human rights without compromise. This includes rejection of human trafficking, discrimination, harassment, and retaliation. Though we are not required to set targets and measure performance for human rights in our own operations, our commitment to high standards remains resolute. For this reason, we continue to monitor and manage incidents reported inside our company in a way that serves our commitments, objectives, and policy.

The following statements provide further relevant information on human rights. Although some legal requirements may change over time, BCG will continue to strengthen our practices going forward.

- [Australia Modern Slavery Act Statement](#)
- [Rules of Procedure – German Supply Chain Due Diligence Act \(LkSG\)](#)
- [Norway Transparency Act Statement](#)
- [UK Modern Slavery Statement](#)
- [Human Rights Policy Statement](#) (in support of LkSG obligations)

# Actions

## Prevention and Mitigation

We have established a number of guidelines and taken a number of concrete actions to prevent or mitigate potential negative impacts to stakeholders in BCG's value chain:

- **BCG Code of Conduct.** This policy outlines the day-to-day behaviors expected of all members of BCG, including “upholding individual human rights without compromise.” We aim for 100% of BCG employees to complete Code of Conduct training every two years.
- **Supplier Code of Conduct.** This policy sets forth the minimum requirements that suppliers must meet to do business with BCG and the expectation that all suppliers share BCG's commitment to human rights and equal opportunity in the workplace. Regions such as Canada, India and parts of Europe have additional systems in place to enhance compliance to this code further, and we will roll these tools out to more regions in the near future.
- **Internal Risk and Compliance Programs.** BCG has strong internal risk and compliance programs in place to ensure that BCG rigorously and continuously improves its internal and external risk environment—a commitment that encompasses value chain workers.
- **Human Rights Statement.** Published in 2024 as part of our obligations under the German Supply Chain Act (LkSG), this statement clearly articulates BCG's commitment to upholding individual human rights without compromise.
- **Supplier Screening.** Our global supplier screening program checks suppliers for sanctions, bribery, corruption, politically exposed persons, and negative media, highlighting human rights and environmental issues as indications of each supplier's historical behavior. We review findings from the screening process and escalate them for further action as needed.
- **Contract Templates.** We amended our standard contract templates consistently with our updated Supplier Code of Conduct to reflect questions on human rights and the environment.
- **Training.** We are working on delivering further training on issues, including modern slavery and human rights, to both our internal stakeholders and our suppliers.





## Remediation

Although we aim to prevent or mitigate issues before they occur, we also have processes in place to ensure proper remediation of any negative impact suffered by value chain stakeholders:

- **Speak-Up Line.** One mechanism that encourages engagement by BCG and BCG value chain stakeholders is our Speak-Up Line. The Speak-Up Line allows stakeholders to anonymously and directly communicate any concerns they have with a dedicated BCG team that will follow clearly defined processes to manage the issue confidentially to resolution.

- **Ombudschannel.** The Ombudschannel is available if individuals at BCG have concerns about ethical behavior or issues counter to our values. Our Code of Conduct makes clear that no one will be subject to any form of retaliation for raising concerns in good faith or for participating in an investigation.
- **Complaints Procedure.** We have established a formal Complaints Procedure outlining the approach that the firm will take when it receives a complaint. (See **Exhibit 8**.)

### EXHIBIT 8

## Complaints Procedure



Source: BCG analysis.

We continued to embed and reinforce our commitment to human rights in 2024, thereby reducing the likelihood that related issues might arise. For example, we provided fair base pay and awarded bonuses on the basis of performance and behavior, both of which we monitor worldwide. Moreover, we have fostered and will continue to strengthen awareness and competency in human rights through training. We have also improved our process for managing risks including prevention of human rights violations within our firm. (See “Raising Concerns and Protecting Whistleblowers” on **page 85**. For an example of how we have responded to a salient human rights risk in 2024, see **page 102**.)

## Collective Bargaining

BCG acknowledges the important role that collective bargaining plays in safeguarding many important issues, including human rights. However, owing to the nature of our industry and our private partnership model, trade unions, works councils, and collective bargaining agreements (CBAs) are not commonplace. In regions where CBAs are applicable, BCG remains compliant and, in some cases, these CBAs may contain more favorable conditions than the minimum legal requirement.

# Responsible Artificial Intelligence

In 2024, generative AI (GenAI) unlocked new ways of creating text, images, and video; retrieving and analyzing information; and interacting with chatbots in more fluid conversation. At the same time, because of the rapid and widespread adoption of GenAI tools, the public became aware of the many risks posed by AI and GenAI, such as biased, toxic, and erroneous content. Government officials responded by approving new legislation—such as the EU AI Act, which entered into force in August 2024—with sweeping implications for the commercial deployment of AI and GenAI technology. In this context, responsible design and implementation of AI matter more than ever.

Our clients trust us to help them deliver transformative business impact without inadvertently harming people, communities, or the environment. We must also deliver AI in a way that does not compromise BCG's values. This is why our responsible AI (RAI) program is crucial to our work and fundamental to our client engagements. By unlocking our clients' potential to harness AI responsibly, we help build resilient digital infrastructure, promote inclusive and sustainable digitization, and enable innovation to flourish.

## 2024 HIGHLIGHTS



We formed the GenAI Focus Group, a multidisciplinary collective, to explore GenAI applications throughout BCG's global operations. This group is committed to evaluating cutting-edge use cases in accordance with the latest industry standards for RAI, keeping abreast of regulatory changes, and advising BCG leadership about necessary updates to policies and procedures.



We refined BCG's RAI Policy to encompass the novel risks associated with using GenAI tools. This process included unifying our AI software review and development frameworks across the RAI Team, the Risk and Compliance team, and the AI quality assurance team.



BCG enhanced its AI literacy by conducting GenAI training sessions for both technical and nontechnical staff, including top executives and managing directors and partners. These sessions gave attendees the knowledge they needed to incorporate BCG's RAI principles into the development and implementation of GenAI projects, while also identifying new and heightened risks associated with these tools.



We reviewed all GenAI tool access requests and established stringent guidelines for approved applications, particularly for high-risk cases, in line with BCG's RAI Policy.



We increased the RAI Team's headcount threefold, underscoring our commitment to scaling our AI capabilities sustainably and ethically.



## Further Reading

GenAI Will Fail. Prepare for It.

Putting AI Standards  
into Action

To Capture the Value of  
GenAI, Companies Need  
Scalable Testing

From Potential to Profit  
with GenAI

Organizations Face Challenges  
in Timely Compliance with the  
EU AI Act

Responsible AI Playbook  
for Investors

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
<b>Responsible AI</b>	Developing and implementing AI solutions responsibly within BCG

## Management Approach

BCG's RAI program is overseen by the firm's Chief AI Ethics Officer, Steven Mills. As part of his responsibilities, he escalates RAI-related risks and opportunities to the ARC when necessary. In addition, he leads the execution of BCG's global RAI initiatives, ensuring alignment with the firm's values and risk management frameworks. The RAI Team plays a critical role in embedding responsible AI principles into BCG's AI development processes, working closely with the Responsible AI Council (RAIC)—a global, cross-functional body of senior BCG leaders and experts—to provide ongoing guidance and feedback, proactively identifying risks and defining mitigation strategies before projects begin. The RAIC also monitors the progress of AI-related projects to ensure that safeguards remain effective and responsive to emerging risks.

## Policy

BCG's Responsible AI Policy establishes the firm's guiding principles and procedural requirements for managing AI-related risks. A key component of BCG's Code of Client Service, this policy ensures that AI solutions align with BCG's core values and commitment to responsible AI deployment. The policy highlights specific high-risk areas—such as AI applications with significant societal implications—that require additional scrutiny and approval. Projects that fall into these high-risk categories undergo rigorous evaluation by the RAI Team, with input from the RAIC. The **AI Code of Conduct** further formalizes BCG's dedication to responsible AI by setting clear ethical standards for AI system design, development, and deployment, both within BCG and for client engagements.

## Actions

As a firm, we face increasingly complex challenges when developing and using AI systems, including the rapid pace of technological advances and the lack of mature approaches to evaluating GenAI systems, commonly referred to as “red teaming.” Recognizing these challenges, BCG conducted an EU AI Act health check to identify opportunities to strengthen our RAI program. We also convened a Red Team Summit in March 2024, bringing together senior RAI leaders from Salesforce, Amazon Web Services, Microsoft, and OpenAI to share experiences and best practices. Valuable insights emerged, including the need to establish a dedicated RAI red team at BCG, the need to build advanced tools and processes to support scalable GenAI T&E, and the need to invest in additional upskilling for BCGers to ensure that staff across functions can responsibly use GenAI solutions. We also identified a significant opportunity to simplify our digital risk processes into a single streamlined function.

### Expanding GenAI T&E to Reduce Product Risk and Increase Proficiency.

Since its inception in June 2024, BCG's RAI Red Team has played a pivotal role in advancing this mission. By providing expertise through manual and automated T&E of GenAI systems, the team has consistently enhanced the quality and proficiency of GenAI products while deepening case team understanding of the associated risks. This collaboration promotes the development of GenAI products that align with our Responsible AI Policy and relevant regulations, fostering a culture of responsible innovation.

To complement our expertise, we developed and open-sourced ARTKIT, a framework for scalable GenAI T&E. We also developed comprehensive methodologies and processes to enable testing and evaluation of GenAI systems. By designing a repeatable, scalable process, we have facilitated comprehensive testing of all high-risk GenAI product builds for internal use and client use at BCG, addressing critical gaps that would otherwise hinder product performance.

### Consolidated Digital Risk Process for MDPs and Case Teams.

BCG's risk management processes have been crucial to ensuring that AI and GenAI risks are appropriately identified and addressed. In 2024, the RAI Team supported the launch of a streamlined process that included every functional team with a role in digital risk management (including RAI, data privacy, legal, risk, and compliance). This collaborative effort led to the creation of the Digital Excellence (DEX) process and function. DEX serves as a single point of contact for navigating all types of digital risks across BCG, while ensuring a harmonized process for the teams supporting our internal and client-facing digital offerings. DEX also maintains a comprehensive AI inventory, including risk assessment, allowing BCG to meet obligations under the EU AI Act and other regulations. This standardized approach for capturing all AI systems, both internally and externally, not only positions BCG to meet current and future regulatory standards, but ensures responsible innovation in an evolving AI landscape.





**New Standards and Templates for Compliance with Global Regulation.** The RAI Team played a crucial role in facilitating compliance with global regulations by developing and implementing robust standards and templates. It created standard questionnaires to assist with EU AI Act requirements as well as templates for key artifacts, including AI system cards, risk landscape assessment, and T&E reports. Collaborating closely with our legal and technical teams, the RAI Team digitized these templates in an updated risk assessment tool, called Blueprint. This innovative tool streamlines the compliance process for case teams—especially those working in high-risk areas—by guiding them through a standardized EU AI Act Impact Assessment. Working with Blueprint simplifies the compliance workflow and facilitates consistency and accuracy across all high-risk cases.

**Accelerating AI Literacy for Responsible Adoption of GenAI Tech.** In 2024, the RAI Team also focused on accelerating AI literacy and encouraging responsible innovation. Our tailored cohort-based training consisted of four elements:

- Distributing a mandatory training program to all staff to increase their basic AI literacy, including integrating AI literacy into the onboarding process for new hires
- Launching the Amplify Impact program, a series of in-depth training sessions to help ensure alignment of staff AI use with our RAI policy and principles, and organizational objectives
- Engaging with BCG’s GenAI Enablement Network, a group of expertly skilled staff who mentor others on the use of GenAI technologies, to scale awareness of RAI considerations and best practices for GenAI capabilities and ensure that all members are informed and equipped to integrate AI effectively into their workflows
- Cohort-specific workshop training to upskill technical teams on critical aspects of RAI (such as GenAI T&E approaches), conducted across all regions, resulting in positive engagement and demonstrating the effectiveness of targeted training in enhancing AI competencies

These structured training efforts facilitate compliance with evolving regulatory requirements and cultivate a culture of responsible innovation, empowering our workforce to leverage GenAI technology safely and efficiently.

## Collaborating on Responsible AI

- **Global AI Action Alliance of the World Economic Forum.** The alliance is a multistakeholder collaboration platform and project incubator designed to accelerate the adoption of inclusive, trustworthy, and transparent AI globally and across industry sectors. It brings together more than 100 leading companies, governments, international organizations, nonprofits, and academics united in their commitment to maximizing the societal benefits of AI. With other members of this alliance, we co-wrote “Responsible AI Playbook for Investors,” published in June 2024.
- **AI Verify Foundation.** The foundation aims to develop AI testing and evaluation (T&E) tools that enable responsible AI—and to promote best practices and standards for AI use more generally—by creating an open platform for collaboration on AI testing frameworks and by forming a network of RAI advocates that drive broad adoption of AI testing through education, outreach, and marketing.
- **Responsible AI Institute.** The institute focuses on providing tools for organizations and AI practitioners to use in building, buying, and supplying safe, trustworthy AI systems. BCG provided input and feedback on the institute’s RAI Organizational Maturity Assessment framework, its Conformity Assessment framework, and its Accredited Certification Program. Together, we published “Putting AI Standards into Action.”
- **MIT Sloan Management Review.** This publication explores how leadership and management are transforming themselves in a disruptive world. It also helps thoughtful leaders capture exciting opportunities and address challenges that emerge as technological, societal, and environmental forces reshape how organizations operate, compete, and create value. BCG worked with MIT Sloan Management Review (MIT SMR) to conduct innovative original research on RAI issues through global surveys and in-depth interviews with leaders working at a range of companies, deepening our understanding of RAI challenges and opportunities. Links to the four articles that we co-published in 2024 are available on the MIT SMR + BCG [landing page](#).

## Performance

TARGET	METRIC	STATUS
All GenAI projects reviewed by the RAI Team	100%	Achieved
All high-risk cases given guardrails	100%	Achieved
All high-risk GenAI product builds evaluated by the RAI Red Team	0	Achieved

# Information Security and Data Protections

In an increasingly digital world, safeguarding data is critical to trust, resilience, and long-term success. BCG upholds the highest data security standards, ensuring the responsible handling of confidential and personal information to protect clients from financial, operational, and reputational risks. At the same time, information security and risk management are essential for maintaining stability, mitigating threats, and ensuring business continuity. By integrating both disciplines, BCG reinforces its commitment to privacy, regulatory compliance, and ethical data management—strengthening client relationships, elevating industry standards, and fostering a secure, interconnected digital ecosystem.

## 2024 HIGHLIGHTS

100%

Of employees completed mandatory privacy and security training.<sup>1</sup>

ISO 2701

Certification for our global Information Security Management System and for all of our offices around the world.

1. Because new people routinely join and depart from BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Data privacy and information security	Ensuring the protection of personal and sensitive data, and maintaining robust information security practices

## Management Approach

To ensure robust oversight, BCG has a designated Chief Information Security Officer, who reports directly to both the Chief Risk Officer (CRO) and the Chief Information Officer. The Cyber Security Incident Response Team (CSIRT) plays a key role in monitoring and responding to security threats, collaborating closely with the Data Protection Office (DPO) to evaluate and address personal data incidents. This role includes ongoing attention to protecting and securing our clients’ data.

BCG’s DPO oversees our global privacy and data protection program and reports to the firm’s CRO and General Counsel. The DPO serves as the contact point for data protection authorities, handles internal and external data privacy requests, provides advice on adherence to data privacy regulations, monitors compliance, and manages the network of local data protection contacts. As part of BCG’s Global Risk Management team, the DPO also administers BCG’s data privacy training and awareness program.

BCG requires third-party data processors to report any suspected personal data breach, reinforcing accountability over external data handling. In addition, BCG’s data privacy training and awareness program ensures that employees and key personnel receive regular education on security best practices, risk mitigation, and regulatory obligations.



# Policy

Globally, we adhere to all local laws and regulations that pertain to the protection of personal information and the rights and freedoms of individuals. Protecting privacy and data is essential to preserving the trust of our clients and employees.

BCG’s policies governing the use and protection of personal information and confidential data cover global data protection, privacy, personal data classification, data retention, personal data breach notification, and employee privacy policies, among other topics. To help staff interpret these policies, we provide guidelines that are binding on every BCG employee and facilitate compliance across our operations in all markets.

BCG’s Global Personal Data Breach Notification Policy outlines our approach to detecting, containing, and managing personal data breaches—including those of clients and partners—in compliance with applicable laws, such as the EU General Data Protection Regulation, the California Consumer Privacy Act, and the US Health Insurance Portability and Accountability Act. When a personal data breach is detected, BCG staff must immediately report the incident to their leader or IT Helpline, which then escalates it to the CSIRT. The CSIRT assesses the breach and notifies the DPO. Third parties and customers contact the DPO directly via the email, although they may also report via their BCG counterparts. The DPO evaluates the risk to individuals and determines whether regulatory authorities or affected individuals must be notified, in line with the procedures outlined in our Cybersecurity Incident Response Plan. We encourage anyone to raise suspected issues, and we protect anyone who does from retaliation to safeguard the integrity of this process.

## Actions

### Data Protection

Specific BCG procedures, including these, promote compliance with global regulations:

- Engagement with staff to identify and manage data protection risk
- Comprehensive records of how BCG processes personal data
- Data protection impact assessments to determine whether high-risk information systems have proper controls in place to mitigate risks to individuals
- Data-processing agreements with vendors, outlining security and privacy responsibilities
- Controls to reinforce the lawful transfer of data within BCG and with BCG’s data processors

- Methods to guarantee that BCG’s employees manage personal data appropriately
- Processes to escalate issues and notify our clients and appropriate authorities in the event of a personal data breach
- Dedicated staff to handle data access, correction, and deletion requests

In 2024, all employees completed mandatory privacy and security training. In developing these training modules, we expended considerable effort to make them an engaging learning experience.

## Information Security

BCG’s Information Security Risk Management (ISRM) program safeguards BCG’s brand and intellectual property, as well as employee and client information, from misuse, damage, and unauthorized access. We adhere to a multilayer, proactive approach to reinforce the confidentiality, integrity, and availability of information, while maintaining cost-effective security that protects the firm, our people, and our clients.

We comply with all contractual requirements, laws, and regulations related to information security in the countries in which we operate.

All of our information security policies and practices are risk sensitized and follow the code of practices established by the International Standard ISO/IEC 27002. We have received ISO 27001 certification for our global ISRM system and for all of our offices around the world. We also ensure that we have necessary certifications in local markets, such as Cyber Essentials Basic and Plus certification for our locations in the UK and TISAX certification for offices in Germany, India, and the US. We employ best practices for optimal management of business risks, while also focusing on people, processes, and technologies.

## Performance

TARGET	METRIC	STATUS
All employees completed mandatory privacy and security training <sup>1</sup>	100%	Achieved
All reported incidents analyzed and assessed	Yes	Achieved across all locations
Certifications for information security or data protection renewed	Yes	Achieved across all locations

1. Because new people routinely join and depart from BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.

# Procurement

BCG’s commitment to responsible and ethical practices defines its approach to business and engagement. This commitment extends beyond the boundaries of our firm to include our global network of suppliers, reflecting our belief that the success of our clients, our firm, and society are deeply interconnected.

### 2024 HIGHLIGHTS

100%

Of supplier contract templates include adherence to the Supplier Code of Conduct.<sup>1</sup>

100%

Of supplier request-for-proposal templates include a supplier sustainability questionnaire.

100%

Of suppliers are monitored for sanctions.



We received an EcoVadis Platinum Rating—a designation based, in part, on our attention to sustainable procurement.

1. Because new people routinely join and depart from BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.

## Material Impacts, Risks, and Opportunities

MATERIAL TOPIC	DESCRIPTION
Human rights in our supply chain	Upholding human rights standards throughout BCG’s supply chain
Sustainable procurement	Promoting environmentally and socially responsible purchasing through procurement policy and practices

## Management Approach

BCG has strong governance in place to ensure that we adopt and maintain sustainable procurement practices. Our supplier risk management framework ensures effective oversight at multiple levels.

The Executive Supplier Governance Forum provides top-level governance and supervises the implementation of risk frameworks, including those related to procurement. Our Supplier Governance Forum facilitates regular discussions among our procurement, legal, and compliance teams to address supplier issues and share best practices. Control groups support go/no-go decisions, and supplier relationship owners play a key role in identifying and mitigating risks at the operational level. The ARC, composed of senior management, oversees critical supplier risks and acts as an escalation channel for identified issues.

Our holistic approach to managing procurement aims to embed a number of sustainability principles in everyday culture and drive value for BCG and its stakeholders:

- Prioritize environmental protection, and advance toward net zero climate impact.
- Support social responsibility, diversity, and inclusion.
- Safeguard human rights.
- Foster economic growth through innovation and financial inclusion.

To achieve these objectives, we implement risk identification and mitigation processes, including supplier due diligence and monitoring. This implementation ensures compliance with evolving regulatory requirements while managing adverse impacts on BCG, the planet, and society.

Overall, our sustainable procurement strategy incorporates four key workstreams:

- **Establish robust governance.** We create comprehensive frameworks and policies and a detailed supplier code of conduct to ensure strong governance, integrating sustainability considerations and regulatory compliance. This includes human rights in our supply chain. (See [page 90](#).)
- **Ensure regulatory compliance.** We implement processes to comply with evolving regulations, such as Germany's Supply Chain Due Diligence Act, supported by ongoing monitoring and risk management.
- **Track and report supplier emissions.** By gathering supplier-specific emissions data, we enhance the accuracy and management of supply chain impacts.
- **Expand the scope of reporting.** We continually evolve our reporting practices, covering carbon emissions, EcoVadis metrics, sustainability risks, and due diligence for new regulations. For instance, we use EcoVadis metrics as one way to monitor and manage our supply chain's sustainability and adherence to human rights.

## Policy

BCG commits to respect the UN Guiding Principles on Business and Human Rights and participates in the UNGC.

BCG's **Supplier Code of Conduct** applies to all suppliers globally, outlining minimum requirements for business ethics, labor practices, environmental protection, and data security. It emphasizes shared values in human rights and sustainable procurement and includes mechanisms, such as BCG's Speak-Up Line, for timely reporting of compliance issues. We evaluate suppliers to identify noncompliance, and we collaborate with them to remediate issues within a reasonable time frame.

Our **Environmental Responsibility Statement**, updated annually, affirms our environmental commitments. Its principles also guide our client engagements to build a more sustainable world.

In 2024, we developed a **Policy Statement on Human Rights and the Environment**. Although composed specifically in support of the German Act on Corporate Due Diligence Obligations in Supply Chains, it aligns with global values and principles as well. This policy sets high standards for managing human rights and environmental topics in our supply chain. Although some legal requirements may change over time, BCG will continue to strengthen our sustainability and responsible sourcing practices going forward.





# Actions

BCG actions in this area include supplier risk management and monitoring, driving decarbonization, and advancing supplier diversity.

## Supplier Risk Management and Monitoring

In 2024, BCG enhanced its supplier risk management program with systems for screening, evaluation, escalation, risk assessment, and continuous monitoring. Annual and ad-hoc assessments address high-risk suppliers, with corrective actions tailored to risk severity and BCG’s influence. Our continued rollout of a global third-party management platform is helping us deliver preengagement sanctions screening, media and financial screening where applicable, and periodic supplier evaluations that assess human rights, environmental, and other sustainability-related risks. The case study “**Monitoring Supply Chain Risks, Including Human Rights**” illustrates our integrated approach to human rights risks and how we have applied lessons from prior years.

## Driving Decarbonization

BCG has committed to reducing its negative impact across many environmental topics, but climate change remains the most material. See our discussion of Scope 3 emissions on [page 60](#) to learn more.

In line with our commitment to achieve net zero, we assess our supply chain emissions and report these under our Scope 3 purchased goods, services, and capital goods categories. Assessing our supply chain emissions enables us to make more informed procurement decisions and implement strategies to reduce emissions in key supplier categories.

In 2024, we advanced our approach by transitioning from a spending-based methodology to an activity-based approach for IT hardware emissions calculations, assessing the specific product carbon footprint of the IT hardware we procure. To further strengthen our efforts, we conducted a carbon survey of our top 100 suppliers (by spending) to collect supplier-specific emissions data and gain deeper insights into their decarbonization plans. These efforts have enabled us to identify impactful decarbonization levers and create actionable, prioritized strategies to reduce emissions across our supply chain.

## Advancing Supplier Diversity

BCG’s Supplier Diversity Program supports businesses owned by minorities, women, veterans, LGBTQIA+ individuals, and small enterprises. This aligns with our value of social impact.

# Performance

TARGET	METRIC	STATUS
All supplier contract templates include adherence to the Supplier Code of Conduct	100%	Achieved
All supplier request-for-proposal templates include a supplier sustainability questionnaire	100%	Achieved
All suppliers are monitored for sanctions	100%	Achieved
Achieve at least a Gold Rating on EcoVadis	Platinum	Achieved Platinum overall, higher than Gold



## CASE STUDY

# Monitoring Supply Chain Risks, Including Human Rights

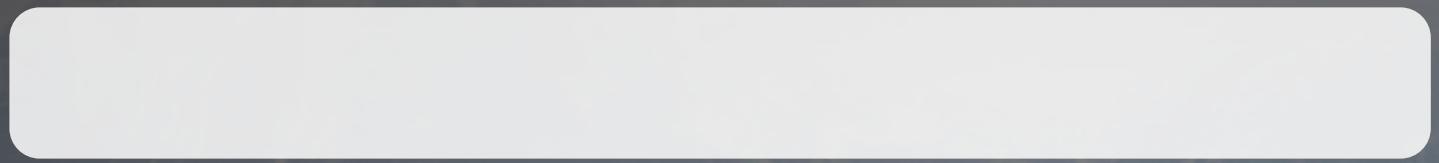


We expect our suppliers to share our commitment to human rights, labor law, and environmental action. We will not knowingly do business with any partner or supplier that violates our policies. Nevertheless, as with many professional service firms, working with suppliers that do not adhere to our policies poses a significant risk. To overcome this challenge, BCG took several key steps in 2024:

- **Enhanced Supplier Standards.** Building on our Supplier Code of Conduct, we introduced a policy statement outlining due diligence and reporting processes for ethical concerns.
- **Technology-Driven Risk Management.** We partnered with a supplier risk management platform to proactively assess supplier compliance. A structured monthly process now integrates supplier data, prioritizing suppliers requiring further due diligence, including human rights assessments.
- **Legal Compliance and Transparency.** We strengthened our supplier screening program to monitor sanctions, bribery, corruption, and reputational risks. In addition, our UK and Australia Modern Slavery Act reports and Norwegian Transparency Act Statements reaffirm our commitment to combating forced labor.

The improvements in supplier monitoring enhanced our strategic oversight, proactive auditing increased our regulatory readiness, and robust reporting mechanisms boosted supplier accountability and compliance. Moreover, our monitoring of action effectiveness confirmed that ongoing improvement is key: horizon scanning and internal auditing helped identify new regulatory requirements, form responses, and embed these into our human rights risk management process. To see how we identify, assess, act upon, and monitor risks, see the “Human Rights” ([page 89](#)) and “Raising Concerns and Protecting Whistleblowers” ([page 85](#)) sections of this report.





# Appendix



# Greenhouse Gas Reporting Methodology

BCG creates a greenhouse gas (GHG) inventory annually. We take an operational control approach to defining our reporting boundary and compile our inventory in line with the requirements of the GHG Protocol Corporate Standard, covering all material Scope 1, Scope 2, and Scope 3 GHG emissions sources. Our GHG emissions inventory, consumption, and progress against science-based targets are independently assured in accordance with ISAE 3000 and ISAE 3410. The precise methodology and assumptions are set out in the sections below.

The independent assurance includes progress toward BCG's two near-term targets (see [pages 59–61](#)), which have been validated by the Science-Based Targets initiative:

- Reduce absolute Scope 1 and Scope 2 GHG emissions 85% by 2025 from a 2018 base year.
- Reduce Scope 3 GHG emissions from business travel 48.5% per FTE by 2025 from a 2018 base year.

In alignment with the latest SBTi Net-Zero Standard, we have established 5% significance as a threshold for rebaselining. Any changes to BCG's reporting boundary or carbon accounting methodology that exceed this threshold will trigger a rebaselining of our emissions. Since our last report, no significant changes have occurred that would require this. However, we have made minor methodological improvements to enhance the accuracy of our emissions calculations, as detailed below.

## Scope 1 and Scope 2 Emissions

Scope 1 and Scope 2 emissions include natural gas, fuel consumed in leased cars, purchased electricity, and district heating. We gather office energy (gas, electricity, district heating) consumption data, along with renewable energy evidence from our offices via a detailed energy survey. We conduct quality checks and collect supporting evidence to improve data quality and accuracy. If data is missing, we extrapolate data for the missing months based on the data provided. When we cannot obtain data from a site, we use site-specific or regional average intensities (kWh/ft<sup>2</sup>) from the sites that we do have data for to estimate energy consumption based on occupied floor space. We apply both location-based and market-based methods to calculate Scope 2 GHG emissions, and we provide information on the share and types of contractual instruments on [page 110](#).

For leased cars, we gather reports from our leased car providers that contain the vehicle make and model, lease start and end date, annual mileage, and car emissions intensity (gCO<sub>2</sub>e/km). If mileage is unavailable, we estimate 10,000 miles per year pro-rated for the active months.

When leased car emissions factors are unavailable, we use the average car emissions factors per fuel type issued by the UK government. For electric vehicles and plug-in hybrids, we account for electricity consumption within Scope 2. To report total energy consumption in Scope 1, we convert distance traveled per fuel type to kilowatt-hours, using conversion factors supplied by the UK government.

## Scope 3 Emissions

BCG divides its Scope 3 emissions into business travel emissions and other Scope 3 emissions. The emphasis on the former is due to the high proportion of emissions coming from this source.

### Scope 3 Business Travel Emissions

Business travel is our most material emissions source and makes up the majority of our GHG inventory. Our business travel emissions include flights, hotel nights, rail, rental cars, and taxis. To calculate those emissions, we use the distances traveled per mode and class of transport and the number of hotel nights, as provided by our global travel agent, and multiply the travel activity by the **conversion factors** produced by the UK government. To account for travel booked by individuals outside our travel agent system, we calculate and apply a small uplift factor to flight, rail, and hotel emissions. If rail mileage is missing, we base our estimates of the mileage not reported on the average rail distance for the trips taken during the year. We do not have a record of the fuel type for rental cars; to be conservative, we assume that an average internal combustion engine car is rented in each case. For taxi emissions, since we do not have a global record of all taxi journey mileage, we convert expense data into mileage data, using an external benchmark dollars-per-mile conversion rate to estimate the total distance traveled. We then look at the average emissions intensity per region (gCO<sub>2</sub>/km), using a report from our largest taxi service provider, and multiply that figure by distance to calculate emissions.

We used the latest available **conversion factors** provided by the UK government to calculate all other emission sources, but we used the 2022 factors to calculate our 2024 air travel emissions. Although it is most common to use the factors that align with the reporting year, the use of factors from other years is permissible with reasonable justification. The reason we did so is that the 2023 and 2024 conversion factors rely on load factor data from 2021, when the pandemic was severely impacting the global aviation industry, meaning that the calculated carbon intensity of every passenger was far greater than usual. In comparison, the 2022 conversion factors were generated using 2019 data from before the pandemic, which more accurately reflects 2024's post-pandemic travel patterns.

For air travel emissions calculations, we consider four key components within our reporting:

- Direct GHG emissions resulting from the combustion of fuel to power the aircraft, known as tank-to-wake (TTW) emissions
- Indirect GHG emissions generated in the upstream production and transportation of aircraft fuel, known as *well-to-tank* (WTT) emissions; the sum of WTT and TTW emissions is referred to as *well-to-wake* or *life cycle emissions*
- Non-GHG emissions generated during the flight, such as nitrogen oxides, sulfur oxides, and particulate matter, as well as the formation of contrails that contribute to effective radiative forcing
- Emissions reductions from the purchase of sustainable aviation fuel (SAF)

We have adopted the following recommendations from the **SBTi Aviation Sector Guidance**:

- In reporting progress toward our science-based target (**page 108**), we include both direct (TTW) and indirect (WTT) emissions and exclude non-GHG emissions.
- In reporting our full GHG inventory, we include direct (TTW) GHG and non-GHG emissions but exclude indirect (WTT) GHG emissions. The conversion factors that we use apply an uplift of 1.9 to the CO<sub>2</sub> emissions to account for the warming impact of non-GHG emissions.

In 2024, no SAF was retired for BCG flights. When SAF is retired, we report our emissions with and without the application of SAF reductions in accordance with emerging best practices and **guidance**.

## Other Scope 3 Emissions

To calculate purchased goods and services (3.1) and capital goods (3.2), we collect data on the economic value of purchased goods and services and capital goods. For goods, we multiply spending per spending category by a correlating emissions coefficient (tCO<sub>2</sub>e/\$ of spending) to estimate full life-cycle emissions. In 2024, we evolved our methodology for IT hardware, multiplying the number of units purchased during the year by the specific product carbon footprints of those products. This change in methodology did not trigger a rebaselining.

For purchased services, we multiply spending per vendor by a supplier-specific emissions intensity coefficient (tCO<sub>2</sub>e/\$), using reported Scope 1 and Scope 2 emissions and revenue to create the coefficient. We gather this supplier information from databases such as CDP and Refinitiv, as well as through an annual carbon survey of our top 100 vendors by spending. In instances where supplier-specific information is unavailable, we use industry and sector CDP benchmarks

to estimate emissions for the remaining service suppliers. We apply an inflation adjustment to account for currency inflation between the year the emissions factor was generated and the reporting year.

For employee commuting and homeworking, we conduct an annual survey to understand the commuting habits (distance, mode, and frequency) of our people. We then use a global office attendance report to determine the number of employees commuting to the office on average per month. We extrapolate the survey results to estimate the total commuting-related emissions for all BCG employees. Given the rise in homeworking, we also estimate the additional heating, cooling, and power consumption of such work, using a **whitepaper** published in 2020. We consider the average number of homework days per week, the climatic conditions, and the percentage of employees using renewable electricity in their homes to determine the additional power consumption and correlated emissions.

To calculate fuel- and energy-related activities that are not included in Scope 1 or Scope 2—such as WTT emissions and transmission and distribution (T&D) losses—we measure our electricity and direct fuel consumption and apply the relevant emissions factors. We fully estimate waste emissions based on office attendance and an office waste benchmark provided by the World Bank.

## GHG Reporting Statements

- No baseline change occurred this year that affects our target, its achievement, or progress toward it.
- No significant restatements for historical emissions have been identified.
- No significant events or changes in circumstances occurred between the reporting dates of the entities in BCG's value chain and the date of our general-purpose financial statements.



## Independent Limited Assurance Report to Boston Consulting Group Inc.

Grant Thornton UK LLP (“Grant Thornton” or “we”) were engaged by The Boston Consulting Group UK LLP to provide limited assurance to The Boston Consulting Group, Inc. (“BCG”) over the Subject Matter Information described below.

### Limited Assurance Conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of this report.

### Subject Matter Information

The scope of our work was limited to assurance over selected aspects of the Sustainability Report (“the Report”) for the year ended 31 December 2024, these are denoted with a ^ symbol (“the Subject Matter Information”) in tables 1, 3, and 4 within the Report.

Our assurance does not extend to any other information that may be included in the Report for the current year or for previous periods unless otherwise indicated.

### Reporting Criteria

The Reporting Criteria used for the measurement or evaluation of the Subject Matter Information and to form our judgements are BCG’s methodology as set out in the Greenhouse Gas Reporting Methodology section of the Report (“the Reporting Criteria”).

### Inherent Limitations

The absence of a significant body of established practice on which to draw to measure or evaluate the Subject Matter Information allows for different, but acceptable, measurement or evaluation techniques and can affect comparability between entities and over time. In particular we draw attention to the methodological and assumption based limitations BCG have disclosed in the Reporting Criteria.

### BCG’s Responsibilities

The Managing Directors and Partners of BCG are responsible for:

- the design, implementation and maintenance of internal control relevant to the preparation and presentation of Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or establishing suitable Reporting Criteria;
- measuring or evaluating and presenting the Subject Matter Information in accordance with the Reporting Criteria; and
- the preparation of the Report and the Reporting Criteria and their contents.

### Our Responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information has been prepared in accordance with the Reporting Criteria;
- forming an independent limited assurance conclusion, based on the work we have performed and the evidence we have obtained; and
- reporting our limited assurance conclusion to BCG.

### Our Independence, Professional Standards, and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Management (ISQM) 1, “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” and accordingly we maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Assurance Standards and Level of Assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits and Reviews of Historical Financial Information” (“ISAE 3000 (Revised)”), and in respect of the greenhouse gas emissions information included within the Subject Matter Information, in accordance with International Standard on Assurance Engagements 3410 – “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”), issued by the International Auditing and Assurance Standards Board (IAASB). These standards require that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks which vary in nature from, and are less in extent than for, a reasonable assurance engagement.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not report a reasonable assurance conclusion.

## Work Performed

Considering the circumstances of the engagement our work included, but was not restricted to:

- assessing the suitability of the Reporting Criteria as the basis of preparation for the Subject Matter Information;
- assessing the risk of material misstatement of the Subject Matter Information, whether due to fraud or error, and responding to the assessed risk as necessary in the circumstances;
- conducting interviews with relevant BCG management and examining selected documents to obtain an understanding of the processes, systems and controls in use for measuring or evaluating, recording, managing, collating and reporting the Subject Matter Information;
- performing selected limited substantive testing including agreeing a selection of the Subject Matter Information to corresponding supporting information;
- considering the appropriateness of a selection of selected carbon conversion factor calculations, other unit conversion factor calculations, and other calculations used by BCG to prepare the Subject Matter Information including by reference to widely recognised and established conversion factors;

- evaluating the overall presentation of the Subject Matter Information; and
- reading the Report and narrative accompanying the Subject Matter Information in the Report with regard to the Reporting Criteria, and for consistency with our findings.

## Intended Use of This Report

This limited assurance report, including our conclusion, is made solely to BCG in accordance with the terms of the agreement between us. Our work has been undertaken so that we might state to BCG those matters we are required to state to them in an independent limited assurance report and for no other purpose. We have not considered the interest of any other party in the Subject Matter Information.

To the fullest extent permitted by law, we do not accept or assume responsibility and deny any liability to any party other than BCG for our work or this report, including our conclusion.

**Grant Thornton UK LLP**

Grant Thornton UK LLP  
Chartered Accountants  
London  
Date: 12 May 2025

*The maintenance and integrity of BCG’s website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information, the Report or the Reporting Criteria presented on BCG’s website since the date of our limited assurance report.*



TABLE 1

## GHG Emissions Inventory

INVENTORY CATEGORY (IN KtCO <sub>2</sub> e, UNLESS STATED OTHERWISE)	BASE	2023	2024	Δ% 2018–2024
<b>Scope 1 GHG emissions</b>				
Gross Scope 1 GHG emissions	5.6	2.7	2.0 <sup>^</sup>	–64%
<b>Scope 2 GHG emissions</b>				
Gross location-based Scope 2 GHG emissions	28.6	18.2	16.7 <sup>^</sup>	–41%
Gross market-based Scope 2 GHG emissions	25.0	0.0	0.5 <sup>^</sup>	–98%
<b>Scope 3 GHG emissions</b>				
Gross Scope 3 GHG emissions	553.4	422.1	433.3 <sup>^</sup>	–22%
<i>Business travel</i>	447.8	302.3	332.2 <sup>^</sup>	–26%
<i>Business travel emissions included in Scope 3 SBTi target boundary<sup>1</sup></i>	301.3	204.0	226.0 <sup>^</sup>	–25%
<i>Other Scope 3<sup>2</sup></i>	105.6	119.8	101.1 <sup>^</sup>	–4%
<b>Total GHG emissions</b>				
<b>Total location-based GHG emissions</b>	587.6	443.0	452.0 <sup>^</sup>	–23%
<b>Total market-based GHG emissions</b>	584.1	424.8	435.8 <sup>^</sup>	–25%

## GHG emissions intensity

## Total GHG emissions intensity per net revenue

Total location-based GHG emissions intensity per net revenue (tCO <sub>2</sub> e/\$million)	78.3	36.0	33.5	–57%
Total market-based GHG emissions intensity per net revenue (tCO <sub>2</sub> e/\$million)	77.9	34.5	32.3	–59%

## Total GHG emissions intensity per FTE

Total location-based GHG emissions intensity per FTE (tCO <sub>2</sub> e/FTE)	33.4	14.4	14.6	–57%
Total market-based GHG emissions intensity per FTE (tCO <sub>2</sub> e/FTE)	33.6	13.8	14.1	–58%

**Note:** The symbol <sup>^</sup> indicates all KPIs independently assured.

1. Our SBTi-validated Scope 3 target boundary includes tank-to-wake and well-to-tank emissions for air travel, as well as hotel, rail, taxi, and rental cars emissions. Following SBTi's aviation sector guidance, we exclude non-GHG emissions from the formation of contrails from our target boundary; however, we report these in our total GHG emissions.
2. Purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste, and employee commuting.

TABLE 2

## Detailed Scope 3 Breakdown

INVENTORY CATEGORY (IN KtCO <sub>2</sub> e, UNLESS STATED OTHERWISE)	BASE	2023	2024	Δ% 2018–2024
3.1 Purchased goods and services <sup>1</sup>	15.0	45.9	47.2	+214%
3.2 Capital goods	64.9	41.2	29.0	–55%
3.3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	14.1	8.4	5.6	–61%
3.4 Upstream transportation and distribution	0.5	0.01	0.0 <sup>2</sup>	n/a
3.5 Waste generated in operations	0.5	4.4	1.0	+91%
3.6 Business travel	447.8	302.3	332.2	–26%
3.7 Employee commuting <sup>3</sup>	10.6	19.7	18.3	73%
3.8 Upstream leased assets	n/a	n/a	n/a	n/a
3.9 Downstream transportation	n/a	n/a	n/a	n/a
3.10 Processing of sold products	n/a	n/a	n/a	n/a
3.11 Use of sold products	n/a	n/a	n/a	n/a
3.12 End-of-life treatment of sold products	n/a	n/a	n/a	n/a
3.13 Downstream leased assets	n/a	n/a	n/a	n/a
3.13 Franchises	n/a	n/a	n/a	n/a
3.14 Investments	n/a	n/a	n/a	n/a

**Note:** The symbol ^ indicates all KPIs independently assured.

1. In 2021, BCG recategorized some capital goods emissions into the purchased goods and services to align with BCG's financial opex and capex definition. This explains the large reduction in capital goods and the large increase in purchased goods and services.
2. In 2024, we started reporting upstream transportation and distribution emissions within purchased goods and services.
3. The increase in employee commuting emissions is driven by the inclusion of homeworking emissions, which we introduced in 2021 to account for the rapid increase in homeworking emissions during the COVID-19 pandemic.

TABLE 3

## Target Progress

SCIENCE BASED TARGETS	Δ% 2023 (2018–2023)	Δ% 2024 (2018–2024)
Reduce absolute Scope 1 and Scope 2 GHG emissions 85% by 2025 from a 2018 base year	–91%	–92%^
Reduce Scope 3 GHG emissions from business travel 48.5% per FTE by 2025 from a 2018 base year	–62%	–58%^

**Note:** The symbol ^ indicates all KPIs independently assured.



TABLE 4

## Energy Consumption and Mix

ENERGY CONSUMPTION AND MIX	2023 (MWH)	2024 (MWH)
<i>Fuel consumption from coal and coal products</i>	<i>n/a</i>	<i>n/a</i>
Fuel consumption from crude oil and petroleum products	8,417	6,834 <sup>^</sup>
Fuel consumption from natural gas	3,002	4,130 <sup>^</sup>
<i>Fuel consumption from other fossil sources</i>	<i>n/a</i>	<i>n/a</i>
Consumption of purchased/acquired electricity, heat, steam, and cooling from fossil sources	0	2,596 <sup>^</sup>
<b>Total fossil energy consumption (MWh)</b>	<b>11,419</b>	<b>13,560<sup>^</sup></b>
Share of fossil sources in total energy consumption (%)	19%	23%
<i>Consumption from nuclear sources</i>	<i>n/a</i>	<i>n/a</i>
<i>Share of consumption from nuclear sources in total energy consumption (%)</i>	<i>n/a</i>	<i>n/a</i>
<i>Fuel consumption from renewable sources (biomass, biogas, renewable hydrogen, etc.)</i>	<i>n/a</i>	<i>n/a</i>
Consumption of purchased/acquired electricity, heat, steam, and cooling from renewable sources	49,077	45,868 <sup>^</sup>
<i>Consumption of self-generated nonfuel renewable energy</i>	<i>n/a</i>	<i>n/a</i>
<b>Total renewable energy consumption (MWh)</b>	<b>49,077</b>	<b>45,868<sup>^</sup></b>
<b>Share of renewable sources in total energy consumption (%)</b>	<b>81%</b>	<b>77%<sup>^</sup></b>
<b>Total energy consumption (MWh)</b>	<b>60,496</b>	<b>59,428<sup>^</sup></b>

**Note:** The symbol ^ indicates all KPIs independently assured.

# GHG Removals and Mitigation Projects Financed Through Carbon Credits

We compensate for 100% of the emissions that we cannot abate each year by purchasing and retiring carbon credits. While we have no GHG removal and storage projects in our own operations or value chain, we finance climate change mitigation projects outside our value chain by purchasing third-party verified carbon credits.

**TABLE 5**

## Carbon Credit Portfolio

CREDIT TYPE	TECHNOLOGY	LOCATION	PROJECT NAME IN REGISTRY	STANDARD	ID	VINTAGE	VOLUME (TCO <sub>2e</sub> )	PORTFOLIO (%)
Removal	Biochar	Brazil	NetZero 002 Lajinha	Puro	141608	2023–2024	1,246	0.3%
Removal	Biochar	Bolivia	Exomad Green - Riberalta	Puro	292788	2024	1,000	0.2%
Removal	Biochar	Bolivia	Exomad Green - Conception	Puro	432524	2024–2025	6,200	1.4%
Removal	Biochar	Spain	Euthenia Energy Center	Puro	272454	2024	2,198	0.5%
Removal	Mineralization	UK	O.C.O Leeds Production Facility	Puro	625222	2023–2024	2,000	0.5%
Removal	Carbon casting	US	Graphyte Loblolly Project	Isometric	ISM V093	2024–2025	1,250	0.3%
Removal	Soil carbon sequestration	US	Indigo US Project No. 1	CAR	CAR 1459	2021–2022	27,000	6.2%
Removal	Mangroves	Pakistan	Delta Blue Carbon	VCS	VCS 2250	2021	30,000	6.9%
Removal	ARR	India	TIST Program in India	VCS	VCS 994	2017–2021	12,000	2.8%
Removal	ARR	India	Community-based reforestation in Uttar Pradesh	VCS	VCS 1015	2015–2022	38,729	8.9%
Removal	IFM	Malaysia	Kuamut Rainforest Conservation Project	VCS	VCS 2609	2019	70,000	16.1%
Removal	IFM	US	ILTF/NICC and Mississippi Band of Choctaw Indians Forest Carbon Project	ACR	ACR 716	2021–2022	34,797	8.0%
Removal	ARR	Ethiopia	EthioTrees	Plan Vivo	<sup>1</sup>	2018–2023	18,494	4.2%
Avoidance	REDD+	Cambodia	REDD in Keo Seima Wildlife Sanctuary	VCS	VCS 1650	2019	21,737	5.0%
Avoidance	REDD+	Indonesia	Katingan Peatland Restoration and Conservation Project	VCS	VCS 1477	2018–2020	169,139	38.8%
							<b>435,790</b>	<b>100.00%</b>

**Note:** Volumes are expressed in kilometric tons of CO<sub>2e</sub>. We do not have carbon mitigation projects inside our own value chain. No reversals, whereby stored GHG reenters the atmosphere, are applicable in EOY 2024. ARR = afforestation, reforestation, and revegetation; CAR = Climate Action Reserve; CCB = Climate, Community, and Biodiversity; REDD = reducing emissions from deforestation and forest degradation; VCS = Verified Carbon Standard.

**1.** PV-104000000014099.

# Task Force on Climate-Related Financial Disclosures (TCFD) Index

## Governance

RECOMMENDED DISCLOSURE	2024 CDP REFERENCE	YOUR COMPANY'S RESPONSE
a) Describe the board's oversight of climate-related risks and opportunities.	C1.1a, C1.1b	See <a href="#">Management Approach</a>
b) Describe management's role in assessing and managing climate-related risks and opportunities.	C1.2, C1.3	See <a href="#">Management Approach</a>

## Strategy

RECOMMENDED DISCLOSURE	2024 CDP REFERENCE	YOUR COMPANY'S RESPONSE
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	C2.1a, C2.2	<p>Climate-related risks and opportunities are systematically assessed through the Climate Change Risk and Opportunity Assessment, which feeds into the broader Enterprise Risk Management system. We consider both physical risks and transitional risks across the entire value chain, over the short term (0–1 years), medium term (1–5 years) and long term (5+ years) and under a 1.5°C (IEA NZE 2050) and a 2°C-to-3°C warming scenario (RCP4.5). These timeframes are linked to the expected lifetime of its assets, strategic planning horizons, and capital allocation plans.</p> <p>The risk and opportunity assessment considers both quantitative inputs (such as the ND Gains Climate Vulnerability index used to assess exposure of BCG operations to acute and chronic physical climate risks) and qualitative inputs (such as monitoring emerging climate regulations or market trends posing transitional risks to BCG and its clients). It also considers the duration of the hazard.</p> <p>During this assessment, we identified and considered climate-related physical hazards such as extreme weather events causing disruption to operations. Our assessment was also informed by considering transition events such as enhanced emissions reporting obligations, changing customer behavior, substitution of existing products and services with lower-emission options, and negative stakeholder feedback.</p>



## Strategy (continued)

RECOMMENDED DISCLOSURE	2024 CDP REFERENCE	YOUR COMPANY'S RESPONSE
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	C2.1a, C2.2	<p><b>Business strategy</b></p> <p><b>Products and services</b></p> <p>We have identified increased revenues from Climate and Sustainability (C&amp;S) client services as a key opportunity. We anticipate that C&amp;S services will generate over \$10 billion in revenue over the course of this decade. To realize this opportunity, we established C&amp;S as its own Practice Area and as one of the top strategic priorities within the firm. We also continue to invest heavily in BCG's capabilities, with a commitment to invest over \$2 billion in climate action this decade.</p> <p><b>Supply chain</b></p> <p>Air travel emissions, representing approximately 80% of BCG's baseline emissions, are a critical focus area. BCG actively engages with airline partners advancing low-carbon solutions, including Sustainable Aviation Fuel (SAF). By 2030, we have set a target that 5% of flights taken by BCGers will use SAF, and we are engaging with airlines, SAF developers, and coalition groups to meet this goal. We also engage with other supply chain partners on their climate programs, focusing on spending categories such as IT Hardware that represent the largest share of emissions after business travel. In 2024, we engaged with our five largest IT hardware vendors to gather product carbon data of our purchased hardware.</p> <p><b>Investment in R&amp;D</b></p> <p>BCG's investment in climate thought leadership, partnerships, and capacity building since 2020 exceeds \$980 million. Collaborations with the World Economic Forum, WWF, and other organizations focus on tackling complex climate issues. Strategic growth in climate research aims for long-term innovation to meet net zero targets by 2050, supporting both immediate mitigation and long-term adaptation.</p> <p><b>Operations</b></p> <p>BCG has committed to a 48.5% reduction in business travel emissions per full-time employee (FTE) by 2025. Operational changes, such as new teaming and colocation models, are key to meeting this target. BCG's Chief Sustainability Officer (CSO) is responsible for driving progress toward this goal, with the support of Regional Net Zero Leads who are responsible for developing reduction initiatives tailored to their geographic and business context.</p> <p><b>Financial planning</b></p> <p><b>Revenue</b></p> <p>The increased demand for climate and sustainability consulting represents a significant growth opportunity. BCG projects over \$10 billion in revenue this decade, and we have integrated these growth expectations into long-term financial plans. The rise of climate-related services across industries reflects the urgency of climate change, driving this revenue stream.</p> <p><b>Indirect costs</b></p> <p>We anticipate that achieving our target of reducing business travel emissions by 48.5% per FTE by 2025 (compared to 2018 levels) will result in an indirect cost avoidance of approximately 30% per FTE, given that not all levers to reduce emissions will result in an equivalent cost reduction. This cost avoidance is factored into the long-term financial planning and is used in part to invest in the capital expenditures below.</p>

## Strategy (continued)

RECOMMENDED DISCLOSURE	2024 CDP REFERENCE	YOUR COMPANY'S RESPONSE
		<p><b>Capital expenditures</b></p> <p>BCG's investments in low-carbon technologies, such as SAF, and carbon credits are integral to achieving its decarbonization target. We have quantified and publicly communicated the price we expect to pay to reduce, avoid, and remove emissions: \$35 per metric ton in 2025, rising to approximately \$80 per metric ton by 2030. These costs are included in short- and medium-term capital expenditure plans, reflecting the firm's commitment to financing and delivering its climate commitments.</p> <p><b>Acquisitions and divestments</b></p> <p>To enhance climate consultancy capabilities, BCG acquired Quantis in 2022, a sustainability consultancy with over 250 experts. Acquisitions like this are integrated into the firm's long-term financial planning to address the growing demand</p>
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	C3.2a, C3.2b	<p>As explained in 2a, we use frameworks such as the SBTi net zero standard (based on IEA NZE 2050) and ND GAIN's Climate Vulnerability Index (based on RCP4.5) to assess climate-related risks and opportunities under a 1.5°C and 2°C-to-3°C warming scenario. We consider both physical risks and transitional risks across the entire value chain, over the short (0–1 years), medium (1–5 years) and long-term (5+ years). This analysis feeds into the broader Enterprise Risk Management (ERM) program and informs operational, business continuity, and financial planning.</p> <p>As explained in 2a, we have not identified any risks with the potential to have a substantive financial or strategic impact. The analysis suggests that BCG is highly resilient to climate change given our diversified revenue streams, high levels of mobility, and relatively low carbon intensity as outlined above.</p> <p>We use the scenario analysis to inform business continuity and resilience planning in regions identified as more vulnerable to physical climate risk, such as India and sub-Saharan Africa, and we have developed enhanced business continuity plans to mitigate risks from disruptions driven by acute physical climate events.</p> <p>Furthermore, we use the IEA NZE 2050 scenario to carefully consider the decarbonization required across our value chain to align with a 1.5°C world. The analyses include assessments of policy, market, and technology shifts under a 1.5°C trajectory, driving investments in emissions reduction levers across our supply chain (e.g., use of SAF) as well as access to renewable energy. The analysis resulted in BCG's decision to set a new 2050 net zero target validated by the SBTi as aligned with the goal of limiting warming to 1.5°C.</p>

# Risk Management

RECOMMENDED DISCLOSURE	2024 CDP REFERENCE	YOUR COMPANY'S RESPONSE
a) Describe the organization's processes for identifying and assessing climate-related risks.	C2.2, C2.2a	<p>BCG, has defined three processes to assess climate-related risks, opportunities, impacts and dependencies, which has been fully integrated into the firm's Enterprise Risk Management (ERM) framework:</p> <ol style="list-style-type: none"> <li>1. We conduct a Climate Change Risk and Opportunity Assessment (CCROA), which looks at physical and transitional climate-related risks and opportunities across BCG's value chain linked to our climate impacts and dependencies. We consider key stakeholder groups, including employees, clients, suppliers, NGOs, and Regulators in this assessment. We assess the likelihood, impact, management approach, and effectiveness of each risk and opportunity across short-, medium-, and long-term time horizons and under 1.5°C and 2°C-to-3°C warming scenarios. We update the CCROA twice per year, or as new global climate risks and opportunities arise, and BCG's Sustainability Strat Co reviews the output annually.</li> <li>2. We review the output from the CCROA and integrate it into the global Enterprise Risk Management (ERM) framework to ensure that any substantive climate-related risks are documented in the central risk register. As explained in section 2a, we have not identified any risks with the potential to have a substantive financial or strategic impact. The Global Internal Sustainability Team meets with the Audit and Risk Committee (ARC) annually to review the output from the CCROA and discuss risks assessment and management. The ARC communicates relevant risks to the broader MDP group annually through the Annual Risk Report.</li> <li>3. The Global Safety and Security team is responsible for managing physical risks to BCG offices, including chronic and acute climate-related physical risks. In developing and maintaining BCG's business continuity and resiliency plan, the Safety and Security team identifies relevant site-specific risks and develops mitigation and resilience plans at the local level.</li> </ol>
b) Describe the organization's processes for managing climate-related risks.	C2.1b, C2.3b	<p>BCG's CSO and Strat Co oversee the management of climate-related risks. Numerous teams within BCG are responsible for developing and delivering targeted initiatives to manage climate-related risks, and the management approach is proportionate to the size of the risk. For example, larger risks such as failure to meet our net zero target, or failure to meet client expectations regarding climate action, is monitored closely through monthly leadership emissions reports developed by BCG's internal sustainability team to ensure we remain on track to deliver our near and long-term targets. While physical climate risks are low, we treat them as high priorities, given the risk they pose to employee well-being. BCG's Safety and Security Team oversees the development of local business continuity and resiliency plans to mitigate localized risks in countries most exposed to climate.</p>
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	C2.2b	<p>As explained in 3a) the output from BCG's CCROA is integrated into BCG's broader ERM framework. The ERM requires each identified risk to have a mitigation plan and owner and applies a risk appetite methodology, ensuring that all identified risks are maintained within acceptable thresholds. The Executive Committee reviews the ERM biannually, and an Annual Risk Survey is shared with all MDPs annually, ensuring alignment with broader operational risks and integration into strategic decision making.</p>



# Metrics and Targets

RECOMMENDED DISCLOSURE	2024 CDP REFERENCE	YOUR COMPANY'S RESPONSE
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	C4.1, C4.3	<p>Beyond disclosure of BCG's annual GHG emissions and progress toward targets (see 4c below) we also report a number of other metrics that we use to assess climate-related risk and opportunities. These include:</p> <ul style="list-style-type: none"> <li>• The number of Climate &amp; Sustainability consulting cases delivered, which is representative of the client service opportunity</li> <li>• BCG's financial investment in climate and sustainability initiatives to realize the client service opportunity</li> <li>• The proportion of BCG employees with access to training on climate and sustainability topics</li> </ul>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	C6.1, C6.5	<p>BCG's GHG emissions have been independently verified by a third party. For a more detailed breakdown and summary of our methodology, see <a href="#">page 104</a>.</p>
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	C4.2a, C4.2c	<p>BCG has set several commitments that are identified in the <a href="#">Environmental Responsibility Statement</a>, including investing \$2 billion in climate and sustainability initiatives by 2030, including consulting support, external secondments, net zero partnership costs, and marketing initiatives. For information on our internal environmental targets and our progress toward them, see the table on <a href="#">page 64</a>.</p>

# Sustainability Performance Data Tables

## Unlocking Potential for Society

MEASURE	TARGET	YEAR	2019	2020	2021	2022	2023	2024
Number of societal impact client cases	–	–	–	904	1,380	1,821	2,718	3,229
Number of clients with a societal impact case	–	–	–	509	707	876	1,143	1,287
Percentage of largest clients with a societal impact case <sup>1</sup>	50%	Annually	–	52%	68%	72%	72%	72%
Total investment in societal impact initiatives (\$millions) <sup>2</sup>	–	–	–	309	339	495	583	620
Total investment in climate and sustainability initiatives only (\$millions) <sup>3</sup>	\$2 billion	2030	–	52	122	246	280	283

**Note:** A dash in place of a data point in any cell of this table indicates either that no target or target year has been set or that data was not available to report. BCG defines societal impact as any initiative that delivers positive social or planetary impact. To avoid double-counting, if one single project delivers both social and planetary impact, we count it as only one societal impact project overall. This explains perceived discrepancies between total number of social impact, climate and sustainability, and societal impact cases. The same is true of clients.

1. Largest clients refers to top 25 BCG clients.

2. Includes pro bono and partially paid cases, investments in local social impact projects, global social impact partnership, and climate and sustainability investment

3. Includes pro bono and low bono cases, investments from local systems for commercial climate initiatives

## Managing Our Environmental Impact

MEASURE	TARGET	YEAR	2019	2020	2021	2022	2023	2024
Share of BCG's operations covered by PAS 2060 carbon neutral certification	100%	Annually	100%	100%	100%	100%	100%	100%
Reduction in Scope 1 and Scope 2 emissions (vs 2018 baseline)	92%	2025	83%	86%	90%	91%	91%	92%
Reduction in business travel emissions per full-time equivalent (vs 2018 baseline)	48.5%	2025	–9%	82%	87%	60%	62%	58%
Electricity consumption from renewable energy sources	100%	Annually	100%	100%	100%	100%	100%	100%
Proportion of CO <sub>2</sub> removal projects in offset portfolio	100%	2030	30%	40%	44%	48%	52%	56%
Employees receiving climate training materials and communications	100%	Annually	100%	100%	100%	100%	100%	100%

# Empowering Our People

MEASURE	ASPIRATION	YEAR	2019	2020	2021	2022	2023	2024
<b>Employment</b>								
Global headcount <sup>1</sup>	—	—	21,000	22,000	25,000	30,000	32,000	33,000
Global new hires <sup>2</sup>	—	—	—	—	7,000	10,000	6,000	6,000
<b>Gender</b>								
Global female representation	40%	Annually	43%	44%	45%	46%	47%	48%
Female representation on Executive Committee	—	—	35%	35%	35%	33%	39%	39%
Female representation among leadership <sup>3</sup>	—	—	23%	23%	24%	24%	24%	25%
Female representation among global new hires				44%	48%	47%	51%	51%
Female representation among entry-level new hires to the Consulting Team	40%	Annually	36%	42%	41%	41%	46%	46%
<b>Working at BCG</b>								
Average number of training hours per client-facing employee <sup>4</sup>	—	—	1 week	1 week	1 week	1 week	44 hours	48 hours
Average number of training hours per business service team employee	—	—	—	—	—	—	17 hours	19 hours
Attendance at learning experiences <sup>5</sup>	—	—	89%	91%	92%	91%	88%	100%
Percentage of employees with access to health and well-being support services <sup>6</sup>	100%	Annually	100%	100%	100%	100%	100%	100%
Percentage of employees receiving annual performance reviews <sup>7</sup>	100%	Annually	—	—	100%	100%	100%	100%
Percentage of employees with access to personalized career plan	100%	Annually	100%	100%	100%	100%	100%	100%

**Note:** A dash in place of a data point in any cell of this table indicates either that no target or target year has been set or that data was not available to report.

1. Headcount includes permanent and temporary workers on BCG's payroll but excludes contingency workers.

2. Permanent new hires only, not including temporary or contingency workers.

3. Includes MDPs and other senior leadership roles across BCG.

4. Before 2023, learning was measured in weeks. From 2023, methodological refinements enabled reporting in hours.

5. Before 2023, percentage reflects attendance at career step training. In 2024, learning experience used as best reflection of staff learning and development for general report audience.

6. BCG is able to report against this metric only since the launch of a new global performance review process in 2021.

7. BCG is able to report against this metric only since the launch of a new global performance review process in 2021.



# Promoting Responsible Business

MEASURE	TARGET	YEAR	2019	2020	2021	2022	2023	2024
Revenue (\$billions)	—	—	8.5	8.6	11	11.7	12.3	13.5
Employees who completed our Code of Conduct and Anti-Bribery & Corruption online training <sup>1</sup>	100%	Ongoing	100%	100%	100%	100%	100%	100%
Employees who completed annual acknowledgment of Code of Conduct and Anti-Bribery & Corruption policies <sup>2</sup>	100%	Annually	100%	100%	100%	100%	100%	100%
Percentage of offices undergoing a periodic internal risk review	100%	Ongoing	100%	100%	100%	100%	100%	100%
Employees who completed our data privacy and information security online training <sup>3</sup>	100%	Ongoing	100%	100%	100%	100%	100%	100%
Employees who completed annual acknowledgment of data privacy and information security policies <sup>4</sup>	100%	Annually	100%	100%	100%	100%	100%	100%
<b>Sustainable procurement metrics</b>								
Sourcing managers trained in sustainable procurement topics	100%	Annually	100%	100%	100%	100%	100%	100%
Supplier contract templates that include a clause on adherence to the supplier code of conduct	100%	Annually	100%	100%	100%	100%	100%	100%
Supplier questionnaire templates that include sustainability questions	100%	Annually	100%	100%	100%	100%	100%	100%
<b>Safety and security metrics</b>								
New offices conducting a travel safety risk assessment	100%	Annually	100%	100%	100%	100%	100%	100%
New consultants completing our travel safety e-learning <sup>5</sup>	100%	Annually	—	100%	100%	100%	100%	100%

**Note:** A dash in place of a data point in any cell of this table indicates either that no target or target year has been set or that data was not available to report.

1. All BCG staff are required to take this training. All staff completed the training when it was released, and all new hires are required to complete it as part of their onboarding. Because new people routinely join BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.
2. Because some active employees depart BCG, and some of them may not have completed the annual acknowledgment at the time of reporting, compliance is marginally under 100%.
3. All BCG staff are required to take this training. All staff completed the training when it was released, and all new hires are required to complete it as part of their onboarding. Because new people routinely join BCG, and some of them may not have completed the training at the time of reporting, compliance is marginally under 100%.
4. Because some active employees depart BCG, and some of them may not have completed the annual acknowledgment at the time of reporting, compliance is marginally under 100%.
5. The mandatory training was launched in 2020.

# WEF Stakeholder Capitalism Metrics Index

BCG is a signatory of the **World Economic Forum's Stakeholder Capitalism Metrics**. We actively encourage our stakeholders and business partners to consider adopting the WEF metrics for their own reporting. As not

all metrics are material for BCG, explanations have been provided where necessary. In each case, we provide a link to the relevant section of this report where you can read more about the topic.

NO.	CORE METRIC	PAGE REFERENCE
<b>Pillar 1: Governance</b>		
1	Setting purpose	Values and purpose ( <a href="#">page 7</a> )
2	Governance body composition	Governance ( <a href="#">page 8</a> ) Data tables ( <a href="#">page 118</a> )
3	Material issues with an impact on stakeholders	Materiality ( <a href="#">page 13</a> ) Stakeholder engagement ( <a href="#">page 10</a> )
4	Anti-corruption	Anti-bribery and corruption ( <a href="#">page 83</a> ) Data tables ( <a href="#">page 119</a> )
5	Protected ethics advice and reporting mechanisms	Raising concerns ( <a href="#">page 85</a> )
6	Integrating risk and opportunity into business process	Risk management ( <a href="#">page 11</a> )
<b>Pillar 2: Planet</b>		
7	Greenhouse gas emissions	Measuring our impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
8	TCFD implementation	TCFD index ( <a href="#">page 112</a> ) Data tables ( <a href="#">page 117</a> )
9	Land use and ecological sensitivity	Not applicable <sup>1</sup>
10	Water consumption and withdrawal in water-stressed areas	Not applicable <sup>2</sup>
<b>Pillar 3: People</b>		
11	Diversity and inclusion	Inclusive culture ( <a href="#">page 69</a> )
12	Pay equity	Fair pay ( <a href="#">page 70</a> ) Inclusive culture ( <a href="#">page 69</a> ) <b>BCG UK Gender Pay Gap Report</b>
13	Wage level	Fair pay ( <a href="#">page 70</a> )
14	Risk for incidents of child, forced, or compulsory labor	Human rights ( <a href="#">page 89</a> ) <b>BCG Supplier Code of Conduct</b>
15	Health and safety	Employee well-being ( <a href="#">page 75</a> ) Safety and security ( <a href="#">page 87</a> )
16	Training provided	Learning and development ( <a href="#">page 74</a> ) Data tables ( <a href="#">page 118</a> )
<b>Pillar 4: Prosperity</b>		
17	Absolute number and rate of employment	Data tables ( <a href="#">page 118</a> )
18	Economic contribution	Data tables ( <a href="#">page 119</a> ) About BCG ( <a href="#">page 7</a> )
19	Financial investment contribution	Not applicable <sup>3</sup>
20	Total R&D expenses	Not applicable <sup>3</sup>
21	Total tax paid	Taxation ( <a href="#">page 84</a> )

1. BCG uses a sector-level materiality screening tool to identify the most material impacts and dependencies on nature for our sector and sub-industry. BCG does not own real estate and only leases offices in urban centers. That's why our economic activities, such as infrastructure holding processes, were not found to have a medium, high or very high dependency on ecosystem services or natural capital. For the same reason, we do not apply medium, high or very high pressure on ecosystem services or natural capital either. Our double materiality assessment corroborates these findings. Nevertheless, BCG commits to supporting programs that protect and nurture nature and biodiversity, as found in the "Embedding Sustainability into Our Office Operations" section ([page 64](#)). Here, we commit to annually reporting the number of offices we lease that have at least one sustainability certification (e.g., LEED).
2. We have programs in place to promote water conservation in our offices. However, given that we consume very low levels of water, we do not consider it a material topic.
3. As a privately owned partnership, BCG does not publicly disclose competitively sensitive financial metrics such as capital expenditure.

# Global Reporting Initiative (GRI) Index

Disclosure	Response
<b>GRI 1: STANDARDS</b>	
Statement of use	Boston Consulting Group, Inc. has reported in accordance with the GRI Standards for the period (January–December 2024).
GRI 1 used	GRI 1: Foundation 2021
<b>GRI 2: GENERAL DISCLOSURES</b>	
2-1 Organizational details	Boston Consulting Group, Inc. About BCG ( <a href="#">page 7</a> ) Governance ( <a href="#">page 8</a> )
2-2 Entities included in the organization’s sustainability reporting	About this report ( <a href="#">page 7</a> ) <b>BCG offices</b>
2-3 Reporting period, frequency and contact point	About this report ( <a href="#">page 7</a> )
2-4 Restatements of information	No significant restatements required
2-5 External assurance	GHG methodology ( <a href="#">page 106</a> ) Governance ( <a href="#">page 8</a> )
2-6 Activities, value chain and other business relationships	About BCG ( <a href="#">page 7</a> ) <b>Industries</b> Sustainable procurement ( <a href="#">page 99</a> )
2-7 Employees	Data tables ( <a href="#">page 118</a> )
2-8 Workers who are not employees	Confidentiality constraints mean we are unable to report all disclosures.
2-9 Governance structure and composition	Governance ( <a href="#">page 8</a> ) <b>BCG leadership</b>
2-10 Nomination and selection of the highest governance body	Governance ( <a href="#">page 8</a> )
2-11 Chair of the highest governance body	Governance ( <a href="#">page 8</a> )
2-12 Role of the highest governance body in overseeing the management of impacts	Governance ( <a href="#">page 8</a> ) <b>BCG leadership</b>
2-13 Delegation of responsibility for managing impacts	Governance ( <a href="#">page 8</a> )
2-14 Role of the highest governance body in sustainability reporting	About this report ( <a href="#">page 7</a> )
2-15 Conflicts of interest	Approach to risk management and oversight ( <a href="#">page 11</a> ) <b>BCG Code of Conduct</b>
2-16 Communication of critical concerns	Raising concerns ( <a href="#">page 85</a> )



Disclosure	Response
<b>GRI 2: GENERAL DISCLOSURES</b>	
2-17 Collective knowledge of the highest governance body	Governance ( <a href="#">page 8</a> ) Our team and expertise ( <a href="#">page 9</a> )
2-18 Evaluation of the performance of the highest governance body	Governance ( <a href="#">page 8</a> ) Confidentiality constraints mean we are unable to report all disclosures.
2-19 Remuneration policies	Governance ( <a href="#">page 8</a> ) Ensuring fair and equitable pay ( <a href="#">page 70</a> )
2-20 Process to determine remuneration	Governance ( <a href="#">page 8</a> ) Ensuring fair and equitable pay ( <a href="#">page 70</a> )
2-21 Annual total compensation ratio	Governance ( <a href="#">page 8</a> ) Ensuring fair and equitable pay ( <a href="#">page 70</a> ) Confidentiality constraints mean we are unable to report all disclosures.
2-22 Statement on sustainable development strategy	Executive introduction ( <a href="#">page 4</a> ) Our vision and impact ( <a href="#">page 7</a> )
2-23 Policy commitments	<b>BCG Code of Conduct</b> <b>BCG Supplier Code of Conduct</b> <b>Environmental Responsibility Statement</b> Our code of conduct and supplier code of conduct summarize our policy commitment, but confidentiality constraints mean we are unable to report all disclosures.
2-24 Embedding policy commitments	Details on how we embed our policies are available in the approach section of each chapter and material topic covered within this report.
2-25 Processes to remediate negative impacts	Raising concerns ( <a href="#">page 85</a> ) <b>BCG Code of Conduct</b> <b>BCG Supplier Code of Conduct</b>
2-26 Mechanisms for seeking advice and raising concerns	Raising concerns ( <a href="#">page 85</a> ) <b>BCG Code of Conduct</b> <b>BCG Supplier Code of Conduct</b>
2-27 Compliance with laws and regulations	Confidentiality constraints mean we are unable to report all disclosures.
2-28 Membership associations	<b>Our partner ecosystem</b>
2-29 Approach to stakeholder engagement	Stakeholder engagement ( <a href="#">page 10</a> )
2-30 Collective bargaining agreements	Collective bargaining ( <a href="#">page 92</a> ) Information unavailable. Collective bargaining agreements are not commonplace; therefore, global reporting is not available.

## Disclosure

## Response

### GRI 201: ECONOMIC PERFORMANCE

3-3 Management of material topics	About BCG ( <a href="#">page 7</a> ) Governance ( <a href="#">page 8</a> )
201-1 Direct economic value generated and distributed	Data tables ( <a href="#">page 119</a> )
201-2 Financial implications and other risks and opportunities due to climate change	TCFD index ( <a href="#">page 112</a> ) 2022 CDP Disclosure
201-3 Defined benefit plan obligations and other retirement plans	Working at BCG ( <a href="#">page 72</a> ) Employee well-being ( <a href="#">page 75</a> )
201-4 Financial assistance received from government	Confidentiality constraints mean we are unable to report all disclosures.

### GRI 205: ANTI-CORRUPTION

GRI 3-3 Management of material topics	Anti-bribery and corruption ( <a href="#">page 83</a> ) Materiality assessment ( <a href="#">page 13</a> )
205-1 Operations assessed for risks related to corruption	Global risk management ( <a href="#">page 11</a> )
205-2 Communication and training about anti-corruption policies and procedures	Anti-bribery and corruption ( <a href="#">page 83</a> ) Data tables ( <a href="#">page 119</a> ) <b>BCG Code of Conduct</b> <b>BCG Supplier Code of Conduct</b>
205-3 Confirmed incidents of corruption and actions taken	Anti-bribery and corruption ( <a href="#">page 83</a> ) Data tables ( <a href="#">page 119</a> ) Confidentiality constraints mean we are unable to report on all of the required disclosures.

### GRI 305: EMISSIONS

GRI 3-3 Management of material topics	Measuring our climate impact ( <a href="#">page 58</a> ) Materiality assessment ( <a href="#">page 13</a> )
305-1 Direct (Scope 1) GHG emissions	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
305-2 Energy indirect (Scope 2) GHG emissions	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
305-3 Other indirect (Scope 3) GHG emissions	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
305-4 GHG emissions intensity	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
305-5 Reduction of GHG emissions	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
305-6 Emissions of ozone-depleting substances (ODS)	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Measuring our climate impact ( <a href="#">page 58</a> ) Data tables ( <a href="#">page 117</a> )

Disclosure	Response
<b>GRI 401: EMPLOYMENT</b>	
3-3 Management of material topics	Working at BCG ( <a href="#">page 72</a> ) Attracting the best talent ( <a href="#">page 66</a> ) Materiality assessment ( <a href="#">page 13</a> )
401-1 New employee hires and employee turnover	Attracting the best talent <a href="#">page 66</a> ) Data tables ( <a href="#">page 118</a> )
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Working at BCG ( <a href="#">page 72</a> ) Employee well-being ( <a href="#">page 75</a> )
401-3 Parental leave	Working at BCG ( <a href="#">page 72</a> )
<b>GRI 404: TRAINING AND EDUCATION</b>	
3-3 Management of material topics	Learning and development ( <a href="#">page 74</a> ) Materiality assessment ( <a href="#">page 13</a> )
404-1 Average hours of training per year per employee	Learning and development ( <a href="#">page 74</a> ) Data tables ( <a href="#">page 118</a> )
404-2 Programs for upgrading employee skills and transition assistance programs	Learning and development ( <a href="#">page 74</a> )
404-3 Percentage of employees receiving regular performance and career development reviews	Working at BCG ( <a href="#">page 72</a> ) Learning and development ( <a href="#">page 74</a> )





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