

# Voluntary Carbon Market Disclosures Act Statement

## Carbon Neutrality

McKinsey has been carbon neutral since 2018, compensating for all greenhouse gas (GHG) emissions we have not yet been able to eliminate. We have reached our carbon neutral status through investing in high-quality carbon reduction projects certified by international standards such as Gold Standard and Verified Carbon Standard in conjunction with Climate, Community & Biodiversity Standards (VCS+CCBS). We use third-party due diligence providers as part of our initial assessment as well as ongoing monitoring. We continuously monitor, reassess, and adjust our portfolio of projects based on the latest available information.

For 2023, the table below lists projects we have executed purchases for and which we intend to retire to offset our 2023 GHG emissions:

| Project Name                                                                                                                                            | Project ID | Registry | Methodology | Other Certifications | Site Location                                                                        | Project Proponent                                                                                                                                          | Third Party Verified? | Type      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------|-------------|----------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------|
| Reduction of deforestation and degradation in Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru | VCS1067    | Verra    | VM0007      | CCB                  | Tambopata National Reserve, Peru                                                     | Asociación para la Investigación y Desarrollo Integral – AIDER                                                                                             | Yes                   | Avoidance |
| Reduced Emissions from Deforestation and Degradation in Keo Seima Wildlife Sanctuary                                                                    | VCS1650    | Verra    | VM0015      | CCB                  | Keo Seima Wildlife Sanctuary (KSWs), Cambodia                                        | Royal Government of Cambodia (RGC), Ministry of Environment                                                                                                | Yes                   | Avoidance |
| Luangwa Community Forests Project                                                                                                                       | VCS1775    | Verra    | VM0009      |                      | Eastern and Lusaka Province, Zambia                                                  | BioCarbon Partners                                                                                                                                         | Yes                   | Avoidance |
| Sumatra Merang Peatland Project (SMPP)                                                                                                                  | VCS1899    | Verra    | VM0007      |                      | Musi Banyuasin district South Sumatra, Indonesia                                     | PT Global Alam Lestari, Forest Carbon                                                                                                                      | Yes                   | Avoidance |
| Kulera Landscape REDD+ Program for Co-Managed Protected Areas, Malawi                                                                                   | VCS1168    | Verra    | VM0006      | CCB                  | Nyika National Park, Vwaza Wildlife Reserve, and Nkhotakota Wildlife Reserve, Malawi | Department of Parks and Wildlife (DNPW) Nyika-Vwaza Association (NVA) Nkhotakota Wildlife Reserve Association (NAWIRA), and Terra Terra Global Capital LLC | Yes                   | Avoidance |

|                                                        |                     |                        |                        |     |                                                                           |                                                                       |     |           |
|--------------------------------------------------------|---------------------|------------------------|------------------------|-----|---------------------------------------------------------------------------|-----------------------------------------------------------------------|-----|-----------|
| Katingan Peatland Restoration and Conservation Project | VCS1477             | Verra                  | VM0007                 | CCB | Katingan and Kotawaringin Timur in Central Kalimantan Province, Indonesia | PT. Rimba Makmur Utama (PT. RMU)                                      | Yes | Avoidance |
| The Mai Ndombe REDD+ Project                           | VCS934              | Verra                  | VM0009                 |     | Western DRC, Africa                                                       | Wildlife Works Carbon LLC                                             | Yes | Avoidance |
| Rimba Raya Biodiversity Reserve Project                | VCS674              | Verra                  | VM0004                 |     | Southern coast of Borneo in the province of Central Kalimantan, Indonesia | InfiniteEARTH                                                         | Yes | Avoidance |
| Delta Blue Carbon – 1                                  | VCS2250             | Verra                  | VM0033                 |     | Sindh Province, Pakistan                                                  | Government of Sindh Forest Department and Indus Delta Capital Limited | Yes | Removal   |
| Aperam BioEnergia                                      | 6430024068-01000000 | Puro.Earth             | Biochar (C03000000)    |     | Northeast region of Minas Gerais, Brazil                                  | Aperam BioEnergia                                                     | Yes | Removal   |
| Ejido Tutuaca                                          | CAR ID 1660         | Climate Action Reserve | Mexico Forest Protocol |     | Chihuahua, Temósachic, Ejido Tutuaca, Mexico                              | BRET Consultores and Bioforestal Innovación Sustentable SC            | Yes | Removal   |

We will not finalize our 2023 carbon credit purchases and retirement until our 2023 GHG emissions are fully accounted for and have been verified by a third party. This is expected to happen in Q2 2024, and we will update this table once the data is available.

For the period ended December 31, 2022 (the last year with full reporting available), we obtained a limited assurance report from an independent certified public accounting firm on management's assertions regarding our GHG emissions, including that carbon offsets were

purchased to cover McKinsey's total emissions reported for the year and achieve carbon neutrality, in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Once information is complete for 2023, we also plan to have that data independently assured and will update this page once available.

## Emission reduction targets

Regarding McKinsey's progress towards meeting our emission reduction targets, we have an existing 2025 near-term Science-Based-Target, and have committed to achieve net zero climate impact by 2030:

**2025 Science Based Target:** We have set science-based targets that have been validated by the Science Based Targets initiative (SBTi) in line with a 1.5-degree pathway. From a 2019 baseline, by 2025, we aim to:

- reduce our Scope 1 and 2 GHG emissions by 25%, mainly through electrifying our fleet, transitioning to renewable electricity, and making our global office space more sustainable, and
- reduce our Scope 3 GHG emissions from internal and client-related travel by 30% per colleague, mostly through hybrid working models and sustainable aviation fuels.

**2030 Net Zero Climate Impact:** We have committed to achieve net zero climate impact by 2030. Our approach to achieving this target is to cut our own emissions in line with validated, science-based targets aligned to a 1.5C pathway, and removing 100% of all unabated GHG emissions.

We are on track to reduce our emissions in line with our validated near-term 2025 science-based target. We have also increased the share of carbon removals in our portfolio to reach 21% in 2022, with a goal of reaching 50% removals by 2025 and 100% by 2030.

Please find more information about our own approach to environmental sustainability here in our most recent ESG Report:

<https://www.mckinsey.com/about-us/social-responsibility/esg-report-overview>