Carbon Reduction Plan

McKinsey Development Partners Limited

August 2026

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This Carbon Reduction Plan has been published on McKinsey Development Partners Limited's website.

1. COMMITMENT TO ACHIEVING NET ZERO

McKinsey & Company's net zero target is set by our firm at a global level and applies to McKinsey & Company's operations worldwide ("McKinsey"[1]), including McKinsey Development Partners Limited.

We are committed to reducing our greenhouse gas (GHG) emissions in line with a 1.5º C future and have set science-based targets (vs. 2019 baseline) validated by the Science Based Targets initiative (SBTi):[2]

- Reducing our direct emissions and those from purchased electricity and energy (Scope 1 and 2) by 25 percent by 2025, 64.5 percent by 2030, and 90 percent by 2050
- Reducing our Scope 3 business travel emissions per full time equivalent (FTE) by 35 percent by 2025, 55 percent by 2030, and 97 percent by 2050.

We achieved our 2025 targets.

2. BASELINE EMISSIONS FOOTPRINT

Baseline emissions are records of GHG emissions produced in the past before any strategies to reduce emissions were implemented. They serve as the reference point against which emissions reduction progress can be measured.

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[1] Unless the context indicates otherwise, in this Statement, "McKinsey", "we", and "our" refer to McKinsey & Company, Inc. and its operations worldwide. McKinsey Development Partners Limited is wholly owned by McKinsey & Company, Inc.

[2] Our targets are on our gross emissions (i.e., they do not reflect the use of any carbon credits).

Baseline year: 2019	
Additional details relating to the baseline emissions calculations	
We annually measure and report on our firm's environmental footprint, which is verified by a third-party. McKinsey's reporting includes absolute emissions and intensity metrics by scope, by source, and by region. We compare performance to previous reporting periods and track progress against our targets. McKinsey's GHG emissions are calculated in line with the GHG Protocol using the operational control approach. Our methodology follows best practices, such as using the DESNZ emission factors (except where equivalent DESNZ emissions factors are unavailable and in the case of other immaterial differences), covering all material emission sources in the footprint, and including the non-GHG impact of air travel (radiative forcing). McKinsey's 2019 footprint was independently verified under the ISO 14064-3 standard. We transitioned to the AICPA limited assurance standard from 2022 onwards. • Scope 1 covers all direct GHG emissions, including fugitive emissions and emissions from combustion in owned or controlled boilers, diesel backup generators, and vehicles. Scope 1 emissions are mainly calculated using data from our global office survey. Where data is unavailable, emissions are calculated based on consumption estimates. • Scope 2 encompasses indirect GHG emissions from the generation of purchased electricity, heat, or steam. Scope 2 emissions are mainly calculated using data from our global office survey. Where data is unavailable, emissions are calculated based on consumption estimates. • Scope 3 encompasses other indirect emissions, such as those from business travel, upstream transportation and distribution, purchased goods and services for which reliable data is available (i.e., IT devices, software cloud usage, public cloud usage, paper, food and water bottles), fuel- and energy-related activities, waste, employee commuting, and the use of electricity and heating while working from home. Scope 3 emissions are based on mileage and travel class (for aviation), mileage and engine type (for ground transportation), stay duration and location (for hotels), spend (for upstream transportation and distribution), consumption data provided through office survey, other internal sources, supplier data (for purchased goods and services), and energy consumption (for fuel- and energy-related activities). Wherever data is not available, best-effort estimates are used (for waste, employee commuting, and other categories). The 2019 baseline and 2025 GHG footprint reported below relate to McKinsey Development Partners Limited activities only and are a subset of the total footprint of McKinsey's global activities.	
Baseline Year: 2019	
EMISSIONS (2019)	**TOTAL (tCO_2e)**
Scope 1	0.7
Scope 2	0.0[3]

[3] Scope 2 figures reported in this CRP reflect that the McKinsey London office has been powered by 100 percent renewable energy since 2019.

Scope 3[4]	
Category 1. Purchased goods and services	3.3
Category 3. Fuel and energy related activities	1.0
Category 4. Upstream transportation and distribution	0.7
Category 5. Waste generated in operations	0.4
Category 6. Business travel	167.9[5]
Category 7. Employee commuting	N/A[6]
Total Scope 3 (Included Sources)	173.2
Total emissions	173.9

3. CURRENT EMISSIONS REPORTING

Reporting Year: 2025	
EMISSIONS (2025)	**TOTAL (tCO_2e)**
Scope 1	0.0
Scope 2	0.0[7]
Scope 3[8]	
Category 1. Purchased goods and services	1.5
Category 3. Fuel and energy related activities	0.3
Category 4. Upstream transportation and distribution	0.1
Category 5. Waste generated in operations	0.0
Category 6. Business travel	16.0
Category 7. Employee commuting	0.3
Total Scope 3 (Included Sources)	18.2
Total emissions	18.3

[4] Scope 3 Category 9 (Downstream Transportation and Distribution) is not applicable to McKinsey Development Partners Limited due to the nature of its activities as a professional services firm. Scope 3 Categories 2, 8, 10, 11, 12, 13, 14 and 15 are likewise not applicable.

[5] Unmapped air travel emissions have been proportionally allocated to offices based on FTE, resulting in an upward adjustment to the previously reported 2019 business travel footprint.

[6] We began reporting Category 7 (employee commuting and working from home) emissions starting in 2020 with 194 tCO2e. Hence, we do not have data for the 2019 baseline year.

[7] ibid 3

[8] ibid 4

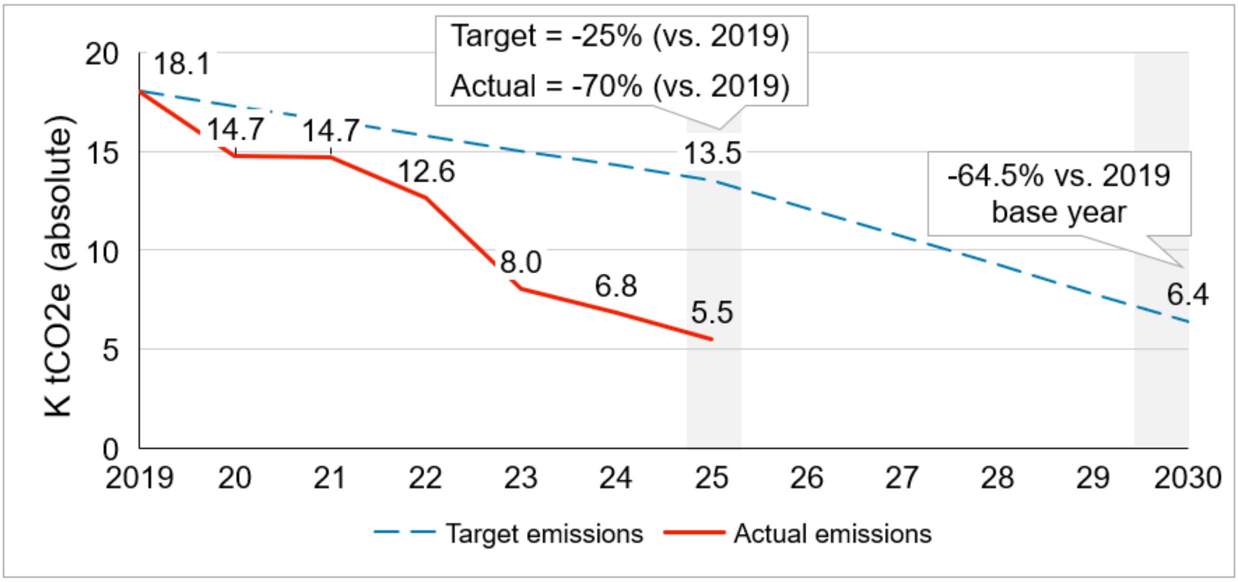
4. EMISSIONS REDUCTION TARGETS

To continue our progress towards achieving net zero, we have adopted the following firm-wide emissions reduction targets (vs a 2019 baseline) validated by the SBTi that apply to all of McKinsey's operations, including McKinsey Development Partners Limited:

- 2025 near-term targets: reduce Scope 1 and 2 emissions by 25 percent and Scope 3 business travel emissions per FTE by 35 percent.
- 2030 near-term targets: reduce Scope 1 and 2 emissions by 64.5 percent and Scope 3 business travel emissions per FTE by 55 percent.
- 2050 net-zero targets: reduce Scope 1 and 2 emissions by 90 percent and Scope 3 business travel emissions per FTE by 97 percent.

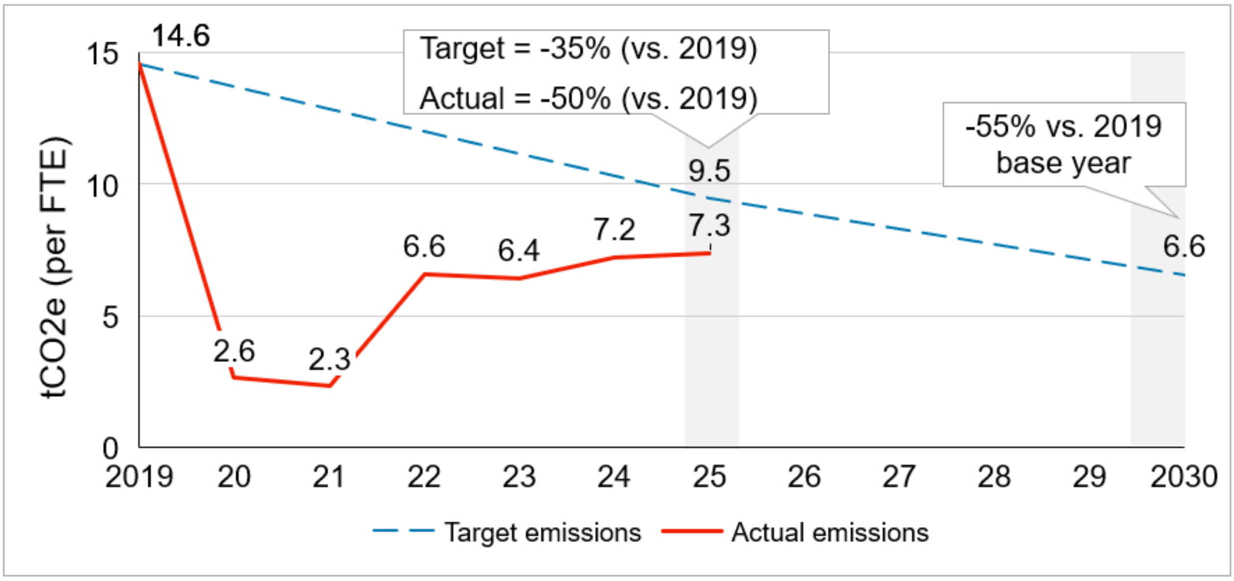
The charts below show firm-wide progress against McKinsey's global emissions reduction targets.

Chart 1: Scope 1 and 2 GHG emissions
(Global absolute gross emissions: target vs. actual)[9]



[9] The GHG emissions figures displayed in Chart 1 and Chart 2 are gross emissions (i.e., they do not reflect the use of any carbon credits).

Chart 2: Scope 3 business travel GHG emissions
(Global gross emissions per FTE: target vs. actual)



We reduced our global Scope 1 and 2 emissions by 70 percent compared to 2019 (see Chart 1), overachieving our 2025 target reduction of 25 percent. Scope 3 business travel emissions per FTE declined by 50 percent compared to 2019 (see Chart 2), exceeding our 2025 target reduction of 35 percent.

Total GHG emissions related to McKinsey Development Partners Limited decreased by 155.7 tCO2e between 2025 and the 2019 base year. This is a ~90 percent reduction in total emissions and represents a 94 percent reduction in Scope 1 and 2 emissions and an 89 percent reduction in Scope 3 emissions.

The reduction in Scope 1 and 2 emissions was achieved by transitioning to renewable energy sources for office heating. The reduction in Scope 3 emissions stems primarily from reduced business travel intensity due to the adoption of hybrid working models, the use of more sustainable travel options, and efficiency improvements in air travel. Although business travel has been increasing, it remains significantly below 2019 levels.

5. CARBON REDUCTION PROJECTS

A. Global Carbon Reduction Approach and Initiatives

McKinsey's approach is comprised of three strategic priorities:

1. Cutting GHG emissions
2. Compensating for remaining emissions
3. Catalyzing broader climate action

In 2025, we made progress against all three pillars.

- We reduced travel emissions by 50 percent per FTE versus 2019 through purposeful travel, supplier engagement, and the procurement of sustainable aviation fuel (SAF) certificates. We applied a $50 per tCO2e carbon fee at the time of booking for air and hotel travel. This fee increases awareness of the environmental impact of travel choices and helps fund our carbon-related procurement.

- We compensated for our remaining emissions through a diverse portfolio of carbon avoidance and removal projects with a 70 percent removal share.

- We partnered with leading alliances to accelerate permanent carbon removal (Frontier), nature-based solutions (Symbiosis), and SAF (the Sustainable Aviation Buyers Alliance), participating in multiple joint requests for proposals (RFPs) and signing eight new contracts.

We are committed to engaging with our suppliers to promote environmental sustainability. Because travel-related indirect emissions typically account for more than 80 percent of our carbon footprint, we prioritize engagement with our travel suppliers. In 2025, we again achieved our annual goal of engaging with suppliers representing at least 80 percent of our business travel emissions. We also hosted our fourth global supplier summit to share our sustainability goals and expectations with suppliers, including many of our business travel-related suppliers. In addition, we asked selected suppliers, including many in the travel category, to participate in the CDP Supply Chain program, which helps us identify emissions-related risks and opportunities in our supply chain and supports suppliers in their own emissions-reduction efforts. We further engaged suppliers through quarterly business reviews, RFPs, and various direct touchpoints.

In 2025, we received an A score on CDP’s Supplier Engagement Assessment, reflecting our commitment to engaging suppliers on climate change and supporting the transition toward a net-zero economy.

B. Completed Carbon Reduction Initiatives in the UK

The following carbon reduction measures, implemented since the 2019 baseline year, remain in effect and continue to support McKinsey Development Partners Limited’s ongoing efforts to reduce GHG emissions.

McKinsey Development Partners Limited continues to maintain an ISO 14001 certified Environmental Management System (EMS). The London office has retained ISO 14001 certification for more than ten years, with continued compliance independently verified through external audits.

The following environmental management measures remain in operation at our London office and continue to support our firm’s environmental objectives.

Energy and buildings:

- Continued optimisation of office energy performance through an intelligent Building Management System (BMS) which automatically monitors and controls heating, cooling, ventilation, and lighting to improve operational energy efficiency and support reductions in GHG emissions.

- Continued procurement of 100 percent renewable electricity for the London office through OVO Energy.

Resource management:

- Continued use of a chemical-free cleaning programme, replacing the routine use of conventional cleaning chemicals with environmentally preferable cleaning technologies.

This reduces the environmental impact associated with cleaning activities while supporting a healthier workplace.

- Ongoing use of locally sourced and seasonal produce where practicable, helping to reduce food miles, alongside improved demand planning and surplus reduction initiatives to minimise food waste.
- Continued operation of a zero waste-to-landfill approach, with residual waste recovered through energy-from-waste processes. The London office also maintains recycling facilities and a charity donation hub for colleagues.

Sustainable travel and hybrid working:

- Continued promotion of lower-carbon commuting through participation in the Cycle to Work Scheme and support for the use of electric vehicle taxis where appropriate.
- Continued adoption of hybrid working arrangements, supporting a reduction in commuting-related emissions where operationally appropriate.

Additional indirect carbon reduction measures introduced during the original office fit-out continue to be maintained, including the integration of indoor planting and rooftop green spaces, which contribute to reducing GHG emissions and enhance indoor environmental quality and support colleague wellbeing.

C. Future Carbon Reduction Initiatives

McKinsey Development Partners Limited remains committed to supporting McKinsey's global targets. To meet these targets, McKinsey Development Partners Limited plans to implement the following carbon reduction measures:

- Continue to purchase 100 percent renewable electricity for the office
- Continue to adopt alternative and hybrid working models where feasible and minimise unnecessary travel; and
- Review and refine travel policies and encourage colleagues to prioritise lower-carbon alternatives where feasible, such as travelling by rail, using electric or hybrid taxis, and selecting more sustainable hotel stays.

The Office Services team will continue to maintain previously implemented carbon reduction initiatives (as detailed in Section 5B) and will seek to identify, develop, and implement new sustainability initiatives. The team has a broad remit to explore and improve all aspects of London office operations from a sustainability perspective, ranging from the environmental credentials of our partner organisations to the practices of our suppliers.

In addition to the above measures, the UK Green Team fosters colleague engagement and awareness on sustainability initiatives. Across our global offices, many colleagues have joined Green Teams, which are colleague-led groups that work to help reduce our firm's environmental impact and build awareness of the importance of environmental sustainability.

Globally, we increased our internal carbon price to $62 per tCO2e and expanded it to cover all emission categories in 2026. We will continue to increase our internal carbon price over time.

DECLARATION AND SIGN OFF

This Carbon Reduction Plan has been completed in accordance with PPN 006 and the associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[10], using the appropriate Government emission conversion factors for GHG company reporting[11] [12].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), and the required subset of Scope 3 emissions has been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[13].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body) of McKinsey Development Partners Limited on 7 August 2026.

Signed on behalf of McKinsey Development Partners Limited:

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David Meredith
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David Meredith

Director, McKinsey Development Partners Limited

[10] https://ghgprotocol.org/corporate-standard

[11] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

[12] See further our GHG emissions methodology on page 2 (Baseline Emissions Footprint - Additional details relating to the baseline emissions calculations)

[13] https://ghgprotocol.org/standards/scope-3-standard