



McKinsey
& Company

Carbon Reduction Plan

McKinsey Development Partners Limited

September 2025

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Carbon Reduction Plan

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1. COMMITMENT TO ACHIEVING NET ZERO

McKinsey Development Partners Limited ("MDP") is committed to reaching Net Zero emissions by 2050 in line with the latest climate science and has been compensating for unabated emissions through purchasing carbon credits since 2018.

McKinsey & Company's Net Zero target is set by our firm at a global level and applies to McKinsey & Company's operations world-wide ("McKinsey¹"), including McKinsey Development Partners Limited. Our 2050 long-term Net Zero targets, validated by the Science Based Targets initiative (SBTi) include:

- Reducing Scope 1 and Scope 2 emissions by 90 percent relative to our 2019 baseline
- Reducing Scope 3 business travel emissions per FTE by 97 percent relative to our 2019 baseline

McKinsey supports the United Nations (UN) Sustainable Development Goals and the Paris Agreement to reduce greenhouse gas (GHG) emissions and is a participant in the UN Global Compact. We continue to strengthen our environmental policies and practices, which address reducing GHG emissions, waste, and water usage across our operations globally.

Building upon our previous commitments to climate action in accordance with UN Sustainable Development Goal 13, we have set validated near-term science-based targets (SBTs) for 2025 to reduce our GHG emissions. For our remaining footprint, we procure carbon credits from nature-based and technology-based solutions certified to international standards. More information on McKinsey's environmental sustainability commitments is available at:

<https://www.mckinsey.com/about-us/environmental-sustainability>

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

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.

Baseline Year: 2019

Additional details relating to the Baseline Emissions calculations

As part of our environmental footprint strategy, we measure, reduce and report on our firm's environmental footprint, including conducting annual emissions measurement and third-party verification. McKinsey's reporting includes absolute emissions and intensity metrics by scope, by source and by region, and 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. Our methodology follows practices, such as using internationally accepted conversion factors, covering all material emission sources in the footprint and including radiative forcing in emission factors for air travel. McKinsey's 2019 GHG footprint was independently verified under the ISO 14064-3 standard, and we transitioned to the AICPA limited assurance standard from 2022 onwards.

- Scope 1 encompasses direct emissions, including those associated with the direct consumption of natural gas, heating oil, and diesel fuel as well as the emissions associated with owned and leased vehicles and fugitive emissions. Scope 1 emissions are mainly calculated based on volumes of consumed fuels in each region of operations.
- Scope 2 encompasses indirect emissions, including those associated with the purchase and consumption of local electricity and district heating energy. Scope 2 emissions are mainly calculated based on volumes of purchased and consumed electricity and heating energy in each region of operations.
- Scope 3 encompasses other indirect emissions, such as business travel, emissions from extraction of fuels and production of purchased goods and services (including cloud services and video conferencing), vehicles not owned or controlled, outsourced activities, employee commuting (including teleworking), and waste disposal. Scope 3 emissions are mainly calculated based on mileage (air travel and ground transportation), stay duration (hotels), energy consumption (upstream emissions from purchased fuels and electricity), spend (purchased goods and outsourced activities), technology usage (cloud services and video conferencing), estimates of employee travel and home energy consumption (employee commuting and teleworking), and industry benchmarks (waste disposal).

The 2019 baseline and 2024 GHG footprint reported below relate to the MDP activities only and are a subset of the total GHG footprint of McKinsey's global activities.

Baseline Year emissions:	
EMISSIONS (2019)	TOTAL (tCO₂e)
Scope 1 Direct GHG emissions	0.7
Scope 2 Energy indirect emissions	0.0 ²
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	67.1
Category 7. Employee commuting	N/A ³
Category 9. Downstream transportation and distribution	N/A ⁴
Total Scope 3 Other indirect emissions (Included Sources)	72.5
Total Emissions	73.2

3. Current Emissions Reporting

Reporting Year: 2024	
EMISSIONS (2024)	TOTAL (tCO₂e)
Scope 1 Direct GHG emissions	0.1
Scope 2 Energy indirect emissions	0.0 ⁵
Category 1. Purchased goods and services	2.4
Category 3. Fuel and energy related activities	0.4
Category 4. Upstream transportation and distribution	0.1
Category 5. Waste generated in operations	0.1
Category 6. Business travel	13.5
Category 7. Employee commuting	0.5
Category 9. Downstream transportation and distribution	0 ⁶
Total Scope 3 Other indirect emissions (Included Sources)	17.0
Total Emissions	17.1

² Scope 2 figures reported in this CRP reflect that the McKinsey London office has been powered by 100% renewable energy since 2019

³ We began reporting Category 7 (Employee commuting and WFH) emissions starting in 2020 with 194 tCO₂e. Hence, we don't have any data for 2019 base year

⁴ Category 9: Downstream transportation and distribution is not applicable to McKinsey & Company, Inc. as we are a professional services firm

⁵ Ibid 2

⁶ Ibid 2

4. EMISSIONS REDUCTION TARGETS

To continue our progress towards achieving Net Zero, we have adopted the following firm-wide carbon reduction targets validated by the SBTi that apply to all of McKinsey's operations, including MDP:

- 2025 near-term target: reduce Scope 1 and 2 emissions by 25 percent and Scope 3 business travel emissions per full-time equivalent employee (FTE) by 35 percent relative to our 2019 baseline
- 2030 near-term target: reduce Scope 1 and 2 emissions by 64.5 percent and Scope 3 business travel emissions per FTE by 55 percent relative to our 2019 baseline

Our 2025 near-term target is in line with a 1.5-degree pathway, the most ambitious goal of the 2015 Paris Agreement.

The charts below show progress against McKinsey's global 2025 carbon reduction targets. The GHG emissions figures displayed in Chart 1 are gross emissions, i.e., they do not reflect the use of any offsets.

Chart 1: Scope 1 and 2 GHG emissions
(Absolute gross emissions; Global; Target vs Actual)

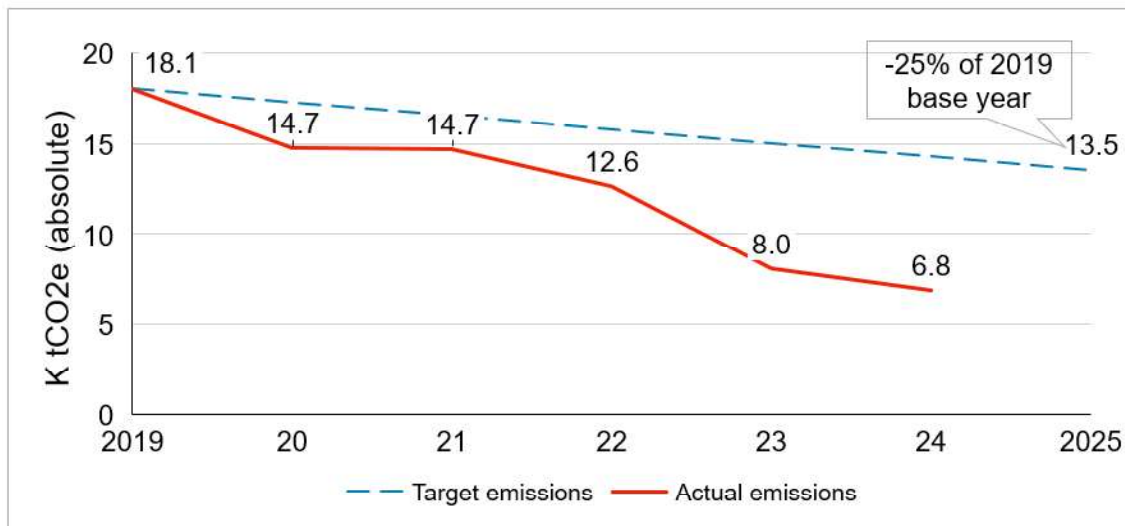
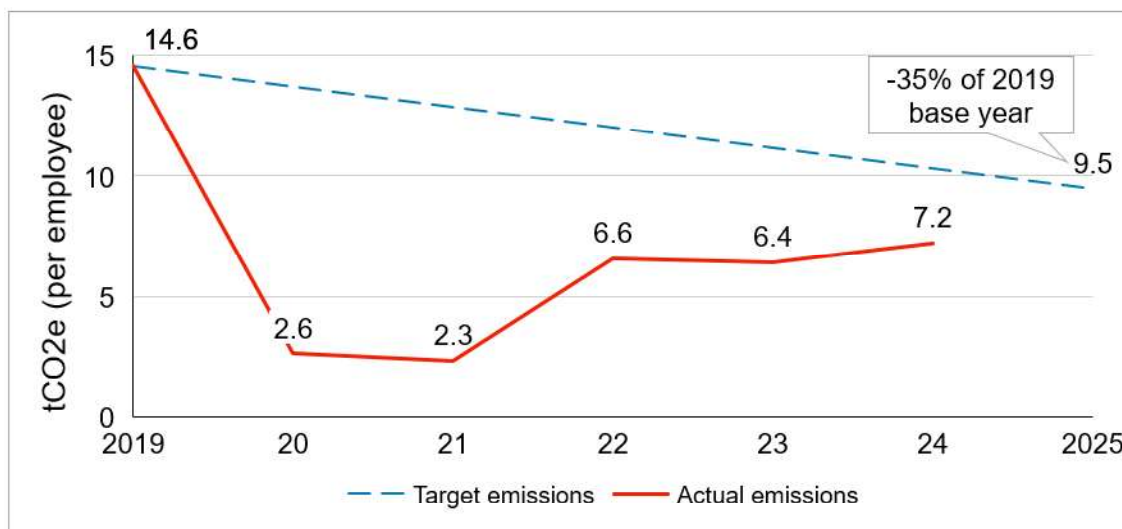


Chart 2: Scope 3 GHG emissions from business travel
(Per FTE gross emissions; Global; Target vs Actual)



McKinsey's global GHG emissions from Scope 1 and 2 activities (see Chart 1) declined by 62% and Scope 3 business travel per FTE⁷ (see Chart 2) declined by 50% in 2024, each compared to the 2019 baseline.

Total GHG emissions related to MDP have decreased by 56.1 tCO₂e over 2024 from the 2019 baseline. This is a reduction of ~77% in total absolute emissions and represents reductions of ~91% and ~77% in Scope 1 and 2 absolute emissions and Scope 3 per capita emissions, respectively.

The 91% reduction in Scope 1 and 2 emissions has been 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 a hybrid working model post COVID-19 pandemic. Although, business travel has now begun to rise again, it still remains below 2019 levels.

⁷ Excludes Radiative forcing and Hotels emissions as per SBTi target guidelines and includes reduction from SAF credits procurement

5. CARBON REDUCTION PROJECTS

A. Completed Carbon Reduction Initiatives

The following measures, implemented since the baseline year, remain in effect and continue to support our efforts to reduce GHG emissions. These have contributed to the reduction in total GHG emissions of 56.1 tCO₂e (or 77%) over 2024 from the 2019 base year at MDP on a pro-rata basis, and the measures will be in effect when performing the contract.

McKinsey's London office – where MDP is based – continues to operate under an ISO 14001-certified Environmental Management System. The environmental management measures and projects previously implemented at our London office, located in Post Building, remain unchanged and are summarised below:

- Achieved LEED Gold and BREEAM Excellent certification for the London office premises
- Installed 100% LED lighting throughout the office to reduce energy use
- Transitioned to 100% renewable electricity for the London office
- Designed the office space to maximise natural light exposure and installed circadian lighting to reduce reliance on artificial lighting
- Integrated lighting and temperature control systems with the building management system to enhance energy efficiency
- Installed an HVAC system using low-GWP refrigerants, heat pump technology, heat recovery on air systems, and demand-controlled ventilation
- Introduced recycling options, “follow-me” printing technology (that prevents uncollected printing), eliminated single-use plastics, and prioritised environmentally friendly products
- Encouraged sustainable commuting, including participation in the Cycle to Work Scheme and support for electric vehicle taxis
- Reduced food waste through real-time demand management and promoted plant-based diets (e.g., vegetarian and vegan options in the restaurant, with the addition of Vegetarian Thursdays)
- Maintained hybrid working models, contributing to reduced community-related emissions

Further indirect carbon reduction measures from the original office fit-out also remain in place including incorporation of indoor and rooftop greenery to improve indoor air quality and wellbeing.

B. Future Carbon Reduction Initiatives

MDP remains committed to supporting McKinsey's global SBTs: 2025 and 2030 near-term targets and 2050 Net Zero target.

In 2025, MDP plans to implement the following carbon reduction measures:

- Continuing to adopt alternative and hybrid working models where we can, and minimising unnecessary travel
- Reviewing and refining travel policies to prioritise lower-carbon alternatives, such as encouraging rail travel where feasible, promoting the use of greener ground transportation options (e.g., bicycles, rideshare), and selecting sustainable hotel stays

The Office Services team will continue to maintain previously implemented carbon reduction initiatives (as detailed in Section 5A) 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 similar Green Teams, which are colleague-led groups that work to help reduce our firm's environmental footprint and build awareness of the importance of environmental sustainability.

6. DECLARATION AND SIGN OFF


This Carbon Reduction Plan has been completed in accordance with PPN 06/21 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 standard⁸ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁹.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, 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) Standard¹⁰.

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 12 September 2025.

Signed on behalf of McKinsey Development Partners Limited:

Signed by:

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David Meredith

Director, McKinsey Development Partners Limited

⁸ <https://ghgprotocol.org/corporate-standard>

⁹ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

¹⁰ <https://ghgprotocol.org/standards/scope-3-standard>