

THE FUTURE CAN'T WAIT.

2020 ENVIRONMENTAL, SOCIAL,
GOVERNANCE (ESG) IMPACT REPORT



WAYFINDING



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



ESG AT
BOOZ ALLEN

ETHICS &
INTEGRITY

MISSION &
INNOVATION

EMPLOYEE
EXPERIENCE

COMMUNITY
ENGAGEMENT

GLOBAL
RESILIENCE

INFORMATION
SECURITY

ABOUT OUR
REPORTING

EMPOWER PEOPLE TO CHANGE THE WORLD



FEROCIOUS INTEGRITY

- Do right
- Hold yourself and each other accountable



PASSIONATE SERVICE

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



UNFLINCHING COURAGE

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



COLLECTIVE INGENUITY

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



CHAMPION'S HEART

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

DEAR BOOZ ALLEN STAKEHOLDERS AND FRIENDS:

At Booz Allen, our purpose is to empower people to change the world. At its heart, this means that we believe tomorrow can be better than today and that we have a role in making it so.

This fundamental belief defines us as an institution and guides everything we do. It keeps our focus on the future. It drives us to innovate and find solutions to an ever-changing set of challenges. And it keeps us hopeful—even through the most demanding times. We believe we can, in fact, shape the future if we are perceptive, creative, and courageous enough.

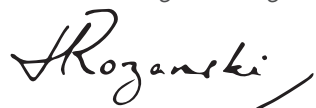
Working at the nexus of technology, mission, and consulting expertise, Booz Allen is uniquely positioned to chart a bold path, creating solutions that move our clients forward. Because our business primarily serves the U.S. government, our work has the potential to touch the lives of every American and many others across the globe. We recognize the scale of this responsibility and are committed to seeking resilient solutions to evolving challenges. We take joy in that pursuit.

Our initial public offering 10 years ago expanded our stakeholder groups to include public shareholders and with that came new requirements for reporting our financial position and performance. Today, all our stakeholders—clients, investors, employees, potential employees, nonprofit partners, regulators, our suppliers and subcontractors, and our communities and industry—have broad expectations for transparency, looking beyond short-term financial performance to an expanded concept of long-term drivers of success as responsible corporate citizens. This report is our first to use a data-driven global standard in environmental, social, and governance reporting. It is a snapshot in time and will evolve as we mature the governance of our corporate impact.

This effort to define, document, and share our environmental, social, and governance impact is timely. Throughout 2020—the ongoing pandemic, economic disruption, social unrest, and natural disasters—Booz Allen has stood ready to serve. We are proud of our people, who acted with courage and resilience, continuing to provide stellar support to our clients, this institution, and our communities throughout these challenges.

As we look ahead with anticipation and optimism, we will continue to put people at the center of all we do. We are grateful for your support as, together, we work to build a better future.

With warm regards and gratitude,



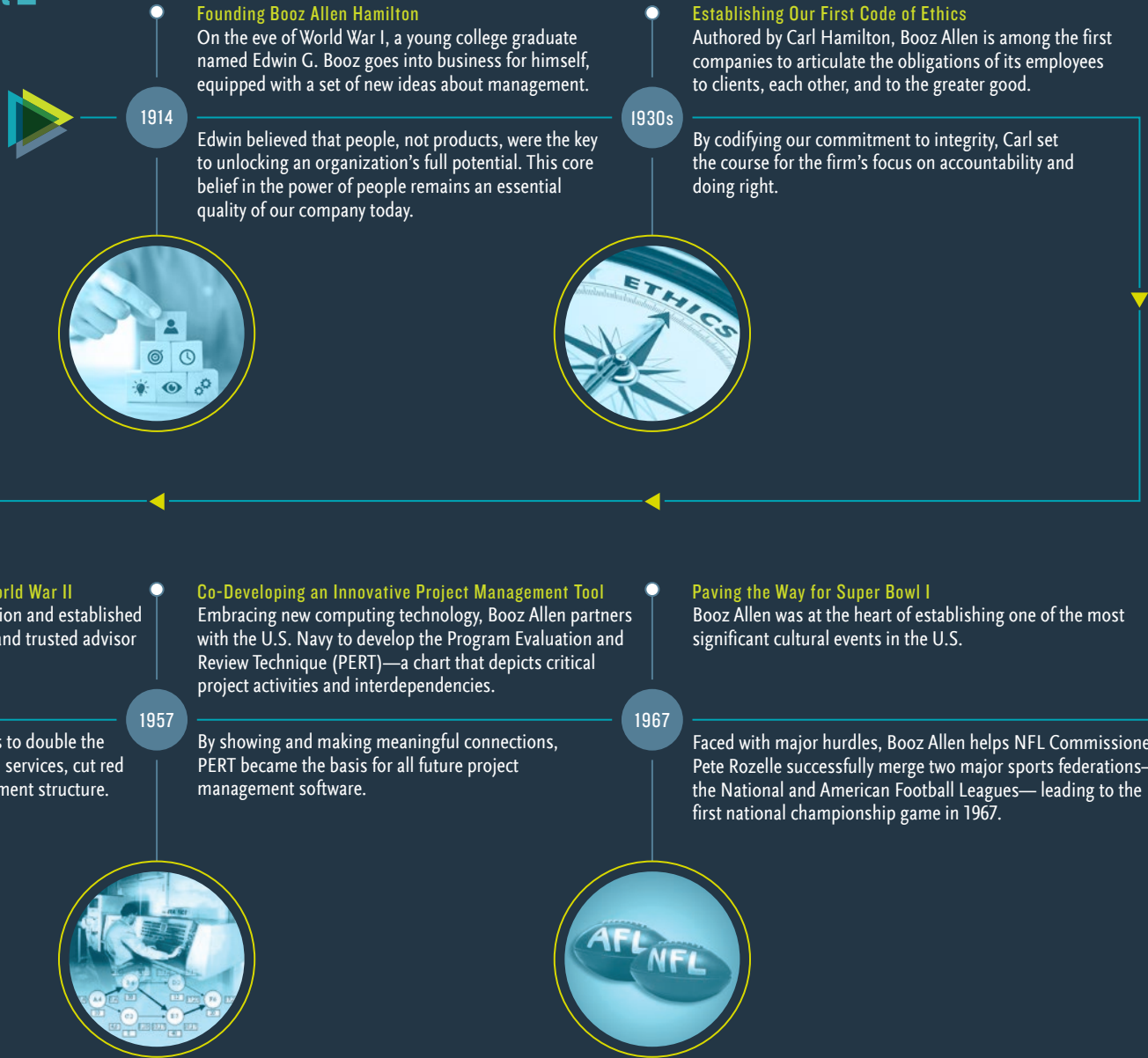
Horacio D. Rozanski
President and Chief Executive Officer



SHAPING THE FUTURE

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

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

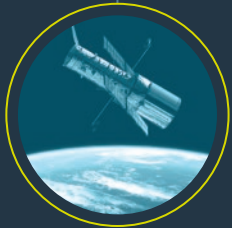


Pursuing the Final Frontier

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

1987

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



Connecting Citizens to Federal Assistance Information

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

2005

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



Investing for the Future

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

2010

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



Investing in Creative Thinking and Breakthrough Ideas

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

2013

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



Naming a New Leader

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

2015

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



Advancing Racial and Social Equity

As a values-driven company, Booz Allen has a responsibility to help create a more equitable world. Though long committed to advancing diversity, equity, and inclusion, the firm has redoubled its commitment to racial and social equity both inside Booz Allen and beyond.

2020

Booz Allen committed to a Race and Social Equity Agenda built around six pillars of change, including increasing representation of Black, Indigenous, and People of Color (BIPOC) at all levels of the firm and increasing personal time and space for reflection and mental health.



BUSINESS OVERVIEW



For more than 100 years, business, government, and military leaders have turned to Booz Allen to solve their most complex problems.

A values-driven organization with a guiding purpose to empower people to change the world, we remain focused on providing long-term solutions to our clients' emerging and ever-changing challenges.

Our people are passionate about their service to our clients and their missions and the communities in which we live and work. This is our heritage, and it is as true today as when Booz Allen was founded in 1914.

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

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

Addressing evolving client needs, our multifaceted teams combine deep mission understanding, market-leading capabilities, consulting talent, and true technical and engineering expertise. Fundamental to our differentiated value proposition, our client-facing teams better position us to create market-relevant growth strategies and meet current, future, and prospective market needs.



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



ANALYTICS delivers transformational solutions in decision analytics, automation, and data science as well as emerging areas. We pioneer new approaches to apply analytical technology, draft industry-defining publications, and introduce transformative products such as graphics-processing-unit accelerated-deep-learning software.



DIGITAL SOLUTIONS combines modern systems development techniques and cloud platforms with machine learning to transform customer and mission experiences. We develop, design, and implement powerful solutions built on open architectures, where capability can be securely and efficiently developed and deployed at scale.



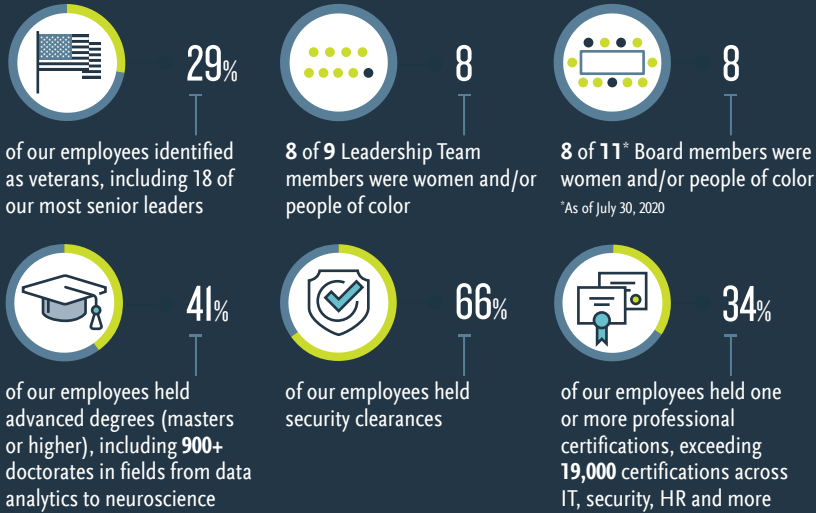
ENGINEERING delivers engineering services and solutions to define, develop, implement, sustain, and modernize complex physical systems. We leverage mature engineering methodologies and bring a holistic understanding of client needs and technical strategy, as well as policy experts to deliver purpose-fit solutions to problems.



CYBER focuses on active prevention, detection, and cost effectiveness for cybersecurity needs. Our cyber capabilities are rooted in decades of service to the U.S. federal intelligence community. We combine deep mission intelligence with the most advanced tools available to help clients derive business value from cyber risk management and prepare for the future.

CELEBRATING THE DIVERSITY OF OUR PEOPLE

The diversity of our employees and our Board of Directors fuels our culture of innovation and enhances the way we work by bringing a wealth of experiences and expertise to every challenge.



Unless otherwise noted, all figures are as of March 31, 2020, the end of our FY20.

SUPPORTING OUR EMPLOYEES' CHOICE IN GIVING BACK

In keeping with our purpose to **Empower People to Change the WorldSM**, we supported our employees in their personal efforts to give back to their communities and to the organizations whose missions inspire them.

FY20 INAUGURAL EMPLOYEE GIVING CAMPAIGN

We supported our employees' generosity through a focused matching gift campaign, amplifying our people's contributions to their choice of any eligible charity.



\$1.16M generated in employee contributions and matching firm donations



1,300+ organizations supported



94 participating offices worldwide

FY20 "DOLLARS FOR DOERS" PROGRAM

Our Volunteer Service Grants financially support the missions of organizations to whom our employees dedicate 40 or more hours of **passionate service** during the year.

478 volunteer service grants issued



390 nonprofit groups and schools supported

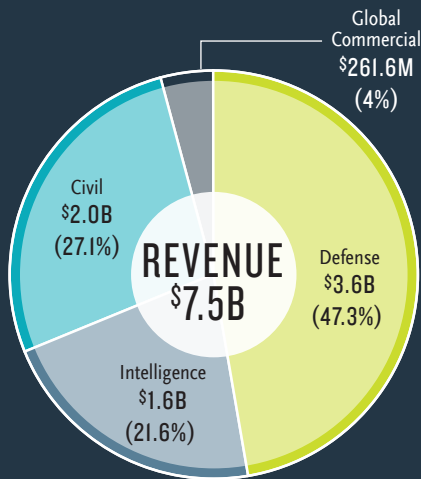


40+ hours of volunteer service to each organization



KEY FINANCIAL HIGHLIGHTS OF FISCAL YEAR 2020

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



- 96% of revenue from contracts where end-client was a U.S. government agency or department
- \$483 Million in net income (6.5% margin)
- \$754 Million in adjusted EBITDA (10% margin)*
- 92% of revenue from engagements where we were prime contractor
- 13% of revenue from Navy Marine Corps, our single largest client, demonstrating both the length and breadth of our relationship
- \$1.085 Billion subcontracted to small and small-disadvantaged businesses representing 66.1% of subcontracted value

*See Appendix for reconciliation of non-GAAP measures.

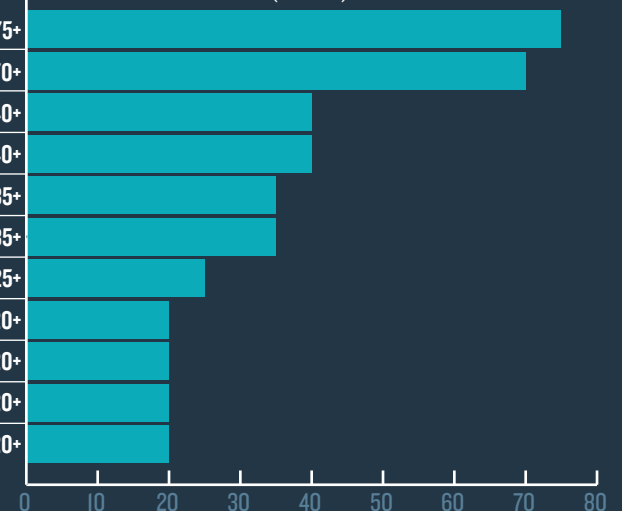
EMBRACING THE ENDURING MISSIONS OF OUR CLIENTS

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

SELECT LONG-TERM CLIENTS*

U.S. NAVY	75+
U.S. ARMY	70+
DEPARTMENT OF ENERGY	40+
U.S. AIR FORCE	40+
NATIONAL SECURITY AGENCY	35+
DEPARTMENT OF HOMELAND SECURITY	35+
FEDERAL BUREAU OF INVESTIGATION	25+
DEPARTMENT OF HEALTH AND HUMAN SERVICES	20+
NATIONAL RECONNAISSANCE OFFICE	20+
A U.S. INTELLIGENCE AGENCY	20+
INTERNAL REVENUE SERVICE	20+

RELATIONSHIP LENGTH (YEARS)



*Includes predecessor organizations.



ESG AT BOOZ ALLEN

IMPACT WHEN IT COUNTS

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

OUR APPROACH

Edwin Booz, the firm's founder, set the tone for both individual and institutional commitment to integrity for all Booz Allen people when he wrote, **“Start with character, intelligence, and industry...and fear not the future.”** Performance against our aspirations and goals is, and always has been, achieved through both the individual and collaborative efforts of teams across our firm who continue to live by our founder's words. The ethos to chase success—while translating our purpose and values into action—is instilled within every Booz Allen person, each of whom is empowered to change the world. While we take pride in the agility that independence affords, we are also grounded by a key tenet of the **Booz Allen Innovation Agenda**, “Don't Go it Alone.” That spirit of collective resilience is sustained through our “In It Together” response to the exceptional human, economic, and societal challenges posed by the coronavirus pandemic and in our commitment to create a more diverse and equitable world. We are reminded by these words of the great benefit of our colleagues' support and a key differentiator for our business—a unique operating model that allows us to go to market as one collaborative firm.

Over the years, as technology has advanced and our clients' needs have evolved, so has Booz Allen's expertise, business model, and corporate structure. Booz Allen has led our industry over the last century by adapting to—and anticipating—change before it happens. We've brought to life twin commitments to innovation and to service, both through our work and through our internal operations, recognizing that everything we do has an impact on our ability to serve our clients, our people, and our communities. A decade ago, we completed our initial public offering, with strong support from existing stockholders and new investors. That moment redefined our relationship with our stakeholders. Fast-forward to today, we continue to refine the way we communicate with all stakeholders about our corporate impact in a way that reflects the continuing evolution of our internal approach.



Start with character, intelligence, and industry...
AND FEAR NOT THE FUTURE.

—Edwin Booz

We celebrate our century-long heritage of integrity, stewardship, and corporate citizenship, and realize that now, more than ever, it's critical to holistically manage our corporate impact. We're committed to bringing together teams and leaders across our firm who have long been working to enhance our positive impact and mitigate any negative impact, both independently and together, applying their expertise and experience against a shared strategy for cohesive impact and innovation. Our approach continues to celebrate the power that comes from focused, independent responsibility, while building in a layer of cohesive accountability and a forum for collaboration. This takes the form of a dedicated ESG function and cross-functional governance bodies with a collective mandate to bring to life an integrated, measurable, and decision-useful embodiment of our purpose and values. Our approach seeks to drive long-term growth and sustainable value for our stakeholders through enhanced transparency and strengthened incorporation of ESG considerations into our business strategy.

In the words of our President and CEO **Horacio Rozanski**, **“Time never stops, and neither does Booz Allen.”** We look forward to what the future holds for us as a firm and as we continue to shape the future of ESG—for ourselves and for our industry.

GOVERNING OUR ESG IMPACT

Within our corporate purpose to Empower People to Change the World, the idea that change should be *for the better* goes without saying.

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

Our formal ESG governance includes oversight by our **Board of Directors** and an executive management-level ESG Committee, operational responsibility by two ESG Councils, and enterprise-wide strategic direction by a dedicated function within the Office of the Corporate Secretary.

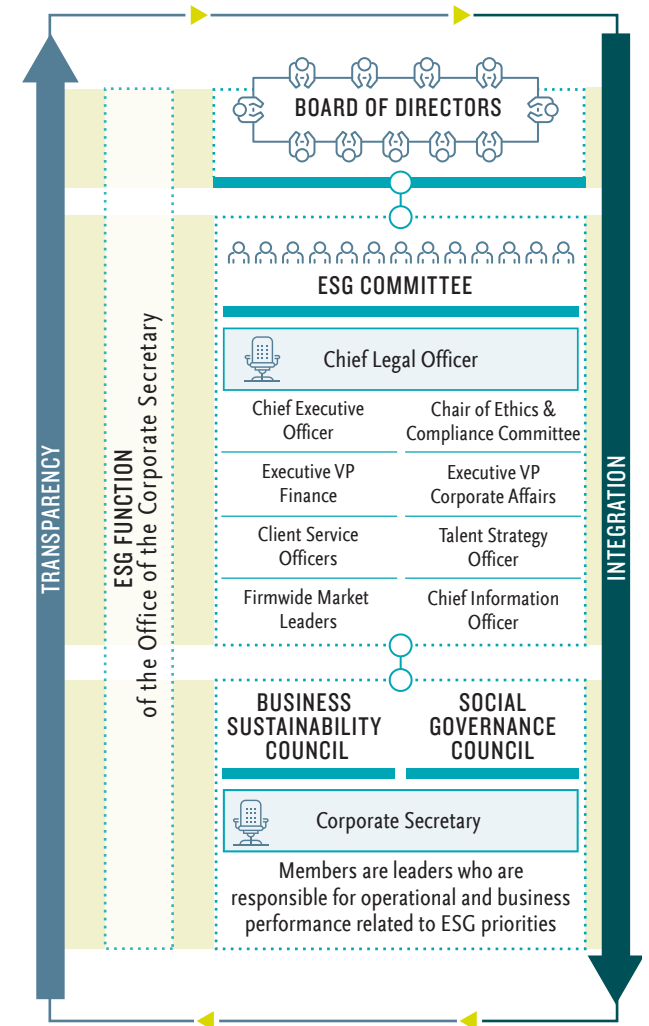
Board of Directors: Provides governance and oversight over the strategy, risk, operations, and management of the firm. The Nominating & Corporate Governance Committee is chartered with oversight of ESG matters.

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

ESG Councils: Leverage **collective ingenuity** to operationalize a consistent and collaborative approach to ESG priorities both through the members’ day-to-day work and through cross-functional initiatives. The Councils are divided topically into one group of leaders focused on business sustainability and another focused on social governance. Our Corporate Secretary chairs both ESG Councils, underscoring the key governance function these bodies play.

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

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

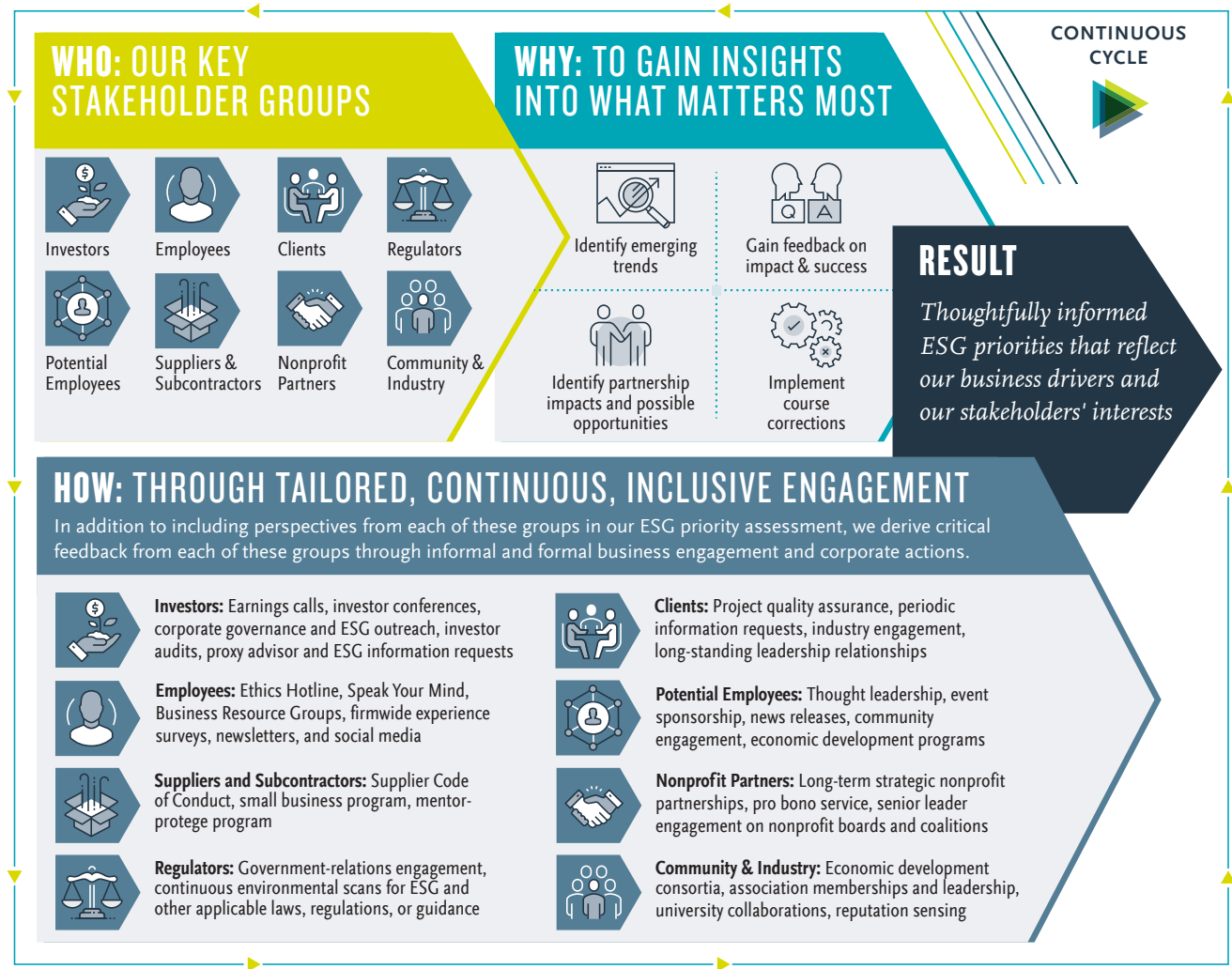


ENGAGING OUR STAKEHOLDERS

At Booz Allen, our success depends on a deep understanding of our clients' most urgent challenges, and our ability to change the world depends on an equally deep understanding of the broader context in which we work, including global megatrends and hyper-local or acute crises.

Accessing a diversity of perspectives from key players across our value chain enables us to anticipate the future. That's how we bring our most innovative solutions to market, tackling the emerging issues of our time and making an impact when it counts.

We place a differentiating value on partnering with our stakeholders—to ensure we deliver solutions that are flexible with the mission, information that is decision-useful, and opportunities that are career defining. Our values drive us to seek continuous feedback into what matters most. Because our engagement efforts occur throughout the firm's operations, we benefit from multiple touchpoints through a range of lenses. A critical responsibility of our ESG governance architecture is to aggregate these inputs and overlay direct feedback through a purpose-built priority assessment, ultimately building a broad-based self-awareness from disparate data points.



For additional information about our investor engagement, please refer to our FY20 Proxy Statement.

ASSESSING OUR IMPACT

Our purpose and values embody who we are as a firm and how we successfully drive our clients' missions. Informed by those values, we partnered with a leading corporate sustainability consultant during FY20 to conduct a formal, stakeholder-inclusive priority assessment to review ESG impacts that are relevant to our stakeholders' in their interactions with Booz Allen.

The focus of our assessment was the development of a cohesive understanding of the firm's most significant impact areas, reflecting inclusive perspectives from senior management, our employees and subject matter experts, and diverse external stakeholder groups. We employed individual and group interviews, surveys, third-party resources, reflection on regular stakeholder feedback, and other feedback opportunities to collect insights and explore current and emerging ESG trends of interest to our stakeholders and our industry. Ultimately, our assessment was designed to align our ESG strategy with our business needs and our stakeholders' interests and to ensure that this report provides relevant information to stakeholders across our ecosystem.



BENCHMARK

We started our assessment with an extended list of notional topics for pressure testing, identified through in-depth business and peer analysis and by reference to ESG and sustainability frameworks relevant to our industry.



ENGAGE

We completed extensive information gathering to refine and contextualize our assessment, developing our understanding of the perspectives of key internal and external groups.



INTEGRATE

We integrated the information we received from these efforts with feedback we received from our day-to-day engagements with our stakeholders, ensuring our analysis would be reflective of comprehensive perspectives.



ANALYZE

We employed the input gained through engagement to score each potential impact area based on its relevance to our business and to our stakeholders, as well as our degree of influence, performance, and societal and planetary impact. Through this analysis, we identified our six most significant impact areas.



VALIDATE

We validated our analysis internally through a broad-based and rigorous exercise involving subject matter experts and leadership across the firm, the results of which were approved by our Board of Directors.

DEFINING OUR ESG FOCUS

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

From our assessment, six categories of significant ESG impacts emerged as both relevant to our business and important to our stakeholders.

Our stakeholder-focused approach enabled us to define categories that are broadly consistent with expectations for our industry and our enduring priorities while also accommodating factors that reflect our unique business and our agile approach to emerging opportunities and challenges.

These categories have informed our reporting this year and will provide valuable insight as we continue to implement our ESG strategy, seeking to strengthen sustainable business practices that strive to deliver positive impact for Booz Allen and each of our stakeholder groups.

We define our key impact areas through a future-focused lens, expressing our aspirations as we shape what's to come.

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

GLOBAL REPORTING INITIATIVE (GRI) SUSTAINABILITY REPORTING STANDARDS

This report has been prepared in accordance with the GRI Standards: Core option.

GRI defines as “material” those topics that may reasonably be considered important for (1) reflecting an organization’s economic, environmental, or social impact, or (2) substantively influencing the assessments and decisions of stakeholders.

Within this report, we employ GRI’s definition, presenting among our priority topics those aspects that have been identified through our assessment as most significant to understanding our business’ impact and of substantial interest to our stakeholders. Topics that may be material under the GRI standards are not necessarily material for purposes of the U.S. federal securities laws or for other purposes. Please refer to our [GRI Content Index](#) for more information.



ETHICS & INTEGRITY

THE FUTURE IS PURPOSE DRIVEN

Uniting Technology & Ethics. What does a yellow light mean to you? Stop, wait, or...go faster? Use the same analogy for tech advancements—should we approach innovation with creativity or caution? Decisions that government and business leaders make today will have profound implications for the future of national and global security. At Booz Allen, our commitment to **ferocious integrity** is central to our identity as a leader in our industry so Booz Allen executives regularly join other thought leaders on the public stage and on the written page, bringing our **collective ingenuity** to weigh in on infusing technology with ethics for long-term resilience, as we create tomorrow together.

ETHICS & INTEGRITY OVERVIEW



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

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

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

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



ETHICAL LEADERSHIP: Our leaders serve as ethical role models for our people, who are charged to lead by example within our industry, armed with training, resources, and a network of experts.



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



ACTING WITH INTEGRITY: We do not tolerate bribery or corruption and work to stay ahead of activities that may give rise to actual or perceived corruption risk, impropriety, or conflicts of interest.



BOOZ ALLEN IS A WORLD'S MOST ETHICAL COMPANY

In the 1930s, Booz Allen partner **Carl Hamilton** penned one of the first known codes of business ethics, committing to “subordinate one's own personal interest to that of the firm” and to “face all firm problems objectively and dispassionately without arbitrary or prejudicial position.” Almost a century later, Booz Allen was honored to be named one of the **World's Most Ethical Companies** by Ethisphere, a global leader in defining and advancing ethical business practices.

Booz Allen joins a list of elite global companies that are establishing a new benchmark for corporate ethics and compliance as we help create the future. Honorees are evaluated using key criteria such as corporate governance, leadership and reputation, corporate citizenship and responsibility, and ethics and compliance programs. This prestigious award is a reflection of our tradition of placing integrity at the center of all that we do by continually emphasizing to our employees the role that ethics and compliance play in all of our business decisions.



ETHICAL LEADERSHIP

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

We maintain our **ethical culture** by empowering and expecting each employee, regardless of their position or tenure, to act as an ethical leader. Booz Allen people serve as our most trusted and strongest standard-bearers, carrying forward our commitment to ethical business in all their interactions.

Our approach to governing our ethical culture requires, as a baseline, that we seek to mitigate enterprise risk through compliance with applicable laws. When it comes to ethical business and acting with **ferocious integrity**, we are committed to leading by example and raising the bar for our industry.

This commitment is enabled by clear tone from the top. Our leaders serve as ethical role models, inspiring employees to put our purpose and values front and center and consistently sharing a clear vision of who we are and what we stand for.



EFFECTIVE TRAINING: All Booz Allen employees are required to complete annual ethics and compliance training courses. Through real-life scenarios, small group discussions, and interactive virtual sessions, our “Living Our Values” training brings to life the ways we must uphold our **Code of Business Ethics and Conduct** in common business situations. Employees are assigned additional ethics-related trainings based on their titles and job functions, such as their proximity to protected information, business development, or work outside the U.S.



ACCESS TO POLICIES AND RESOURCES: We have invested in technology to increase and improve employee access to ethics resources. We have made gains in mobile accessibility and search capabilities, making it easier to access pertinent information. Booz Allen people receive regular, relatable communications focused on raising awareness around compliance topics, which help reinforce our training and our ethical culture.



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

Ethics education by the numbers



In FY20, our employees dedicated more than 72,000 hours altogether to taking more than 116,000 courses within our ethics & compliance curriculum, each of which was developed in-house and tailored for our people and culture to provide a custom and relevant experience.

AI-powered access to ethics answers



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

We believe in a strong “speak up” culture



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

ETHICAL LEADERSHIP

OUR APPROACH TO ETHICS OVERSIGHT


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

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



WHEN IT COUNTS

As part of our Vision 2020 goal of aligning accountability closer to where our business is delivered, Booz Allen’s Ethics Advisor Program allows the firm to better promote our values and mitigate enterprise risk by increasing both the number and the familiarity of frontline ethics resources. Our network of more than 100 Ethics Advisors are trained to provide any employee with advice and to serve as one of several channels for reporting potential misconduct. Hailing from offices around the world, Ethics Advisors give ethics a familiar face as they promote ethics programs to their teams, which increases employee engagement and adoption. They also provide valuable feedback to the Ethics & Compliance Team, leading to strengthened programs and trainings.

 Culture of Ethics —We exceed benchmark scores across all eight pillars in Ethisphere’s Pillars of Ethical Culture		Benchmark	Booz Allen	Delta
PILLARS				
1	Awareness of Program and Resources	91.5	93.2	+1.7
2	Perceptions of the Function	91.1	93.8	+2.7
3	Observing and Reporting Misconduct	77.0	82.5	+5.5
4	Pressure	64.0	70.6	+6.6
5	Organizational Justice	69.6	72.8	+3.2
6	Supervisor Perceptions	72.7	75.6	+2.9
7	Perceptions of Leadership	78.1	81.4	+3.3
8	Perceptions of Peers and Environment	86.3	88.9	+2.6

Note: Benchmarked data set, courtesy of Ethisphere, includes companies across all industries surveyed by Ethisphere that fall within comparable revenue and headcount bands.

CORPORATE GOVERNANCE

► We hold ourselves accountable through responsible transparency, and we are guided by our Board of Directors to achieve sustainable, quality growth for the long-term success of the firm and its stakeholders.

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

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

More information about Booz Allen's approach to corporate governance is described in our 2020 Proxy Statement, as filed with the U.S. Securities and Exchange Commission. This and additional documents, such as our [Corporate Governance Guidelines](#) and [committee charters](#), are all available on our corporate website.



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



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



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



As we look ahead, we're **MORE CONFIDENT THAN EVER** in our ability to **RAISE THE BAR** for ethical standards in our industry and beyond.

—Nancy Laben, Booz Allen Chief Legal Officer

CORPORATE GOVERNANCE

BOARD DIVERSITY



Women



African-American



Hispanic



Asian-American



Average Tenure

Our **board diversity policy** reflects our Board's commitment to consider candidates of diverse personal and professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity

ESG OVERSIGHT



Board of Directors: Considers ESG matters as part of long-term strategic planning efforts and receives regular briefings on ESG matters from its committees and management

Nominating & Corporate Governance Committee: Chartered oversight of ESG impact management and reporting

Audit Committee: Chartered oversight of enterprise risk management, cybersecurity and other security matters, and the firm's Code of Business Ethics and Conduct

Compensation Committee: Chartered oversight of compensation and benefits matters, and periodic briefings on human capital matters

COMMITMENT AND PERFORMANCE

Executive Session: Routine meetings of non-management directors

Meeting Attendance: 90% (Board) and 91% (committee) average

Overboarding Limit: Directors limited to 4 public company board memberships

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

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



BOARD INDEPENDENCE



10 of 11 directors are independent²



Independent Committee Chairs & Members³



Chairman and CEO Roles are Separate



Independent Chairman and Independent Lead Director

¹ Director guideline: 5X annual retainer, after a period of accumulation for new directors. CEO requirement: 7X base salary (actual FY20 ownership was 34X). Named Executive Officer: 4X base salary (actual FY20 average was 13X).

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

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

ACTING WITH INTEGRITY

▶ We conduct our business with integrity and honor, celebrate human rights, and work to avoid or mitigate even the appearance of impropriety, both in our own activities and through our business relationships.

At Booz Allen, we have zero tolerance for bribery, corruption, and other financial crimes, and we condemn all acts that violate human rights. As part of our commitment to **Empower People to Change the World**, we have **policies** in place that expressly forbid bribery, human trafficking or forced labor, and harassment, just to name a few.

We require compliance with the letter and spirit of all applicable laws, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and the U.S. Federal Acquisition Regulation, among others. We conduct our business with **ferocious integrity** and win work only on the strength of our services and solutions.

We also rigorously vet our business partners, seeking to ensure they share our high ethical standards and we require prompt disclosure of any potential conflict of interest.



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



INTEGRATED PROCESS: We aim to simplify our compliance processes, both for the firm and for the third parties that seek to work with us. We work to integrate controls and checkpoints into existing processes to avoid both duplication and gaps, all in an effort to streamline and mitigate risk.



SUPPLY CHAIN EXPECTATIONS: We expect all of our clients and business partners, including subcontractors, suppliers, vendors, and business intermediaries, to operate in a manner that is consistent and compliant with our purpose and values, **Code of Business Ethics and Conduct**, **Supplier Code of Conduct**, and all applicable laws.



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



OUR APPROACH TO MITIGATING CORRUPTION RISK INCLUDES:

- Conducting robust due diligence of certain third parties with whom we do business.
- Setting guidelines and training employees on key considerations when giving or receiving gifts and business courtesies.
- Setting guidelines for hiring and recruiting activities and conducting robust reviews of certain job applicants to track compliance.
- Requiring annual anticorruption training course for all employees and additional targeted training to those more likely to be exposed to potential corruption risks.
- Monitoring changes to our business for corruption risk and enhancing controls to mitigate risk and meet requirements.



THIRD PARTY RISK MANAGEMENT

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

ACTING WITH INTEGRITY

OUR APPROACH TO RESPECTING HUMAN RIGHTS

Human rights are at the heart of our **purpose and values**. We join the global community in promoting and protecting human rights and working to stop actions that infringe on these rights.

Our global **policies**, procedures, and practices, including our publicly available **Code of Business Ethics and Conduct**, reflect our commitment to human rights, fair labor conditions, and our expectations for those with whom we do business.

We have zero tolerance for corruption and screen third parties to endeavor to ensure that violations of human rights, financial crimes, or other criminal activity are not occurring in our supply chain. We compete fairly for business, protect the privacy of data entrusted to us, engage solely in compliant human research, and are dedicated to sustainable procurement with no use of conflict minerals, among many other practices.

Within our business and operations, we are deeply committed to supporting our employees and treating them fairly, always seeking to maintain an equitable and inclusive atmosphere that thrives on diversity. We provide access to benefits that promote their health, well-being, and security, and that of their families.

We engage with our stakeholders regularly to identify human rights issues of interest, the effectiveness of our efforts, and channels for receiving complaints. We integrate any findings into decision-making through means tailored to the circumstances.

We detail our general approaches to managing our impact throughout sections of this report that relate to relevant human rights.

DATA AND DESIGN THINKING TO COMBAT SEX TRAFFICKING

Nearly 3,000 youth in Hawaii are estimated to be at risk for commercial sexual exploitation. Honolulu-based nonprofit, Hōōla Nā Pua, which means “New Life for Our Children,” and Booz Allen volunteers teamed up to combat sex trafficking in the island state, seeking to harness the power of data and design thinking to achieve a future where all children can be safe. Design thinking is a rigorous, human-centered innovation methodology focused on actionable insights, unexpected ideas, and learning by empirical testing rather than guesswork. In workshops, Booz Allen volunteers and participants from research institutions, nonprofit organizations, and academia apply design thinking, seeking to gain qualitative knowledge about the issues surrounding sex trafficking and commercial sexual exploitation of children—to build awareness and plan collaborative efforts to combat the problem.

Booz Allen’s relationship with Hōōla Nā Pua began in 2018, when employees from the firm’s Honolulu office brought forward the nonprofit’s critical need for data-driven solutions to support change. In addition to fundraising and advocacy, our employees give their **passionate service** by volunteering to raise awareness of human trafficking.

Looking to the future, we’ll continue to partner with Hōōla Nā Pua to use the latest data technology to help protect children by bringing together diverse stakeholders—from policymakers, to prosecutors, to the general public. “Exploitation and abuse thrive in secrecy and shame,” says the nonprofit’s co-founder, Jessica Munoz. “The more connected we are in raising the level of the conversation, the greater our impact will be in decreasing the stigma around the issues. Together, we can shine the light and ignite the chain reaction required to end exploitation.”



ETHICAL INNOVATION ON THE LEADING EDGE

Booz Allen has become an outspoken leader in the ethics of new technologies, especially as part of the emerging dialogue around ethics and artificial intelligence (AI). As a leader in AI, we are putting our principles into practice as we take AI from the lab into the enterprise.

ETHICS & INTEGRITY

Every day, AI is advancing and becoming a greater and more integrated part of both our personal and professional lives. Innovations in machine learning, high-performance computing, and more advanced computer reasoning are powering breakthroughs in health and science, helping airlines run more efficiently, and assembling new defensive capabilities to deter security threats at home and abroad.

But the world is also rapidly approaching a future where AI could be used to suggest whether you're stopped by police, whether you're hired for a job, what mortgage loan rate you're offered, or whether you're admitted to the school of your choice. These applications could have real consequences if a tool contains errors or unintended bias, raising serious ethical and policy concerns that must be addressed head-on.

At Booz Allen, we're driving toward a future where advancements in AI are shaped by a set of guiding principles borrowed from human subject research—beneficence, justice, and respect. We are calling for an approach where **ethics** are not simply tacked on at the end, but rather drive the approach to this transformative technology.

We believe the potential positive applications for AI far outweigh the threats, and by beginning with ethics and safety engineering in mind, we aim to ensure that AI is beneficial, not harmful, to human welfare.

AI will undoubtedly provide untold benefits for the future, but its very power and complexity make it essential that safeguards for ethical use, governance protocols, and risk mitigation be considered from the earliest stage. Ethical AI is critical to our clients' future and our leading AI experts want to safely and ethically drive innovation and spur adoption of emerging technologies, in line with our growth strategy of operating at the nexus of technology and our clients' missions.

MISSION & INNOVATION

Booz Allen is bringing AI directly to the mission, with a commitment to preserving human rights, upholding democratic values, and conforming to international law of armed conflict. Our efforts are guided by five key principles: maintaining an acute awareness of the societal and environmental impacts of AI systems and applications; ensuring that people remain at the core of every AI system and that they retain ultimate control; requiring that AI teams be meaningfully diverse and inclusive; intentionally designing AI systems with built-in mechanisms for tracing data, model accountability, and auditability; and ensuring all AI system designs and practices are rooted in deep scientific and technological rigor.

Ethical AI requires more than just a set of principles—putting them into action requires: formally translating our ethos into AI systems design; developing and implementing both governance and computational toolkits to address technical complexities like bias and transparency; and establishing a commitment from leaders and inventors to the long-term potential and value of a values-based design approach.

“We must design systems and models that help create the trust we want to see in the world.” said **Steve Escaravage**, Booz Allen Senior Vice President. “As the U.S. Government's largest AI contractor, we take seriously our role in forging the future of ethical adoption to maintain and expand American leadership in AI.”



MISSION & INNOVATION

THE FUTURE OF THE LEADING EDGE

Reinventing the Recreation.gov Customer Experience. Booz Allen helped an interagency coalition of 12 federal partners reinvent **Recreation.gov**, building it from the ground up with modern e-commerce solutions for a transformed digital customer experience (CX) for citizens. They also wanted to deliver value for the passionate field employees, so they could focus more time on visitors. Recreation.gov is a one-stop shop for trip information, planning, and reservations coast to coast—and the fee-for-transaction model provides a new alternative for how the Federal Government partners with industry to serve citizens.

MISSION & INNOVATION OVERVIEW



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

Nearly a decade ago, we designed Vision 2020, a comprehensive strategy for transformation and sustainable growth. Key elements include: moving closer to the center of our clients’ core missions; increasing the technical content of our work; attracting and retaining superior talent in diverse areas of expertise; leveraging innovation to deliver complex, differentiated, end-to-end solutions; and creating a broad network of external partners and alliances.

Today, we are poised for the future, building on our learnings from Vision 2020 and the strategy’s success to date. As we continue to invest in market-focused challenges, create valuable intellectual capital, and enjoy the diversity of thought that we cultivate among our colleagues and key innovation partners, we are mindful of an ever-changing competitive landscape and foster agility to maintain our first-mover advantage.



INVESTMENT IN INNOVATION: Technology moves fast and requires us to create flexible solutions that facilitate connectivity. It is our priority to understand our clients’ vital missions, with an eye toward developing or scouting solutions that can integrate and withstand the next tech evolution—and the one after that. Innovation happens in every corner of the firm. Our collaborative operating model allows us to seamlessly give clients quick access to the right mix of talent and solutions. When we need dedicated space to invent the future or scout emerging technologies for our clients, our investments in our **iHubs** and tech-scouting communities foster a collaborative start-up mentality within our century-old firm.



BUILDING CAPABILITIES THROUGH PEOPLE & PARTNERSHIPS: Our culture evolved along with our strategy under Vision 2020, as we promoted an innovation mindset, a flexible workforce, and enhanced the technical skills of talent across the firm. We’re also bringing a “Don’t Go It Alone” mentality, developing strategic relationships across the innovation and tech-solutions ecosystem. Our expertise in applying technological innovations has made us an essential partner for companies seeking to connect their services to federal business challenges. Our **network** also drives collective ingenuity, expanding our employees’ knowledge of available tools and our ability to expertly select and apply the best technology for each client need. Ultimately, our network enables us to deliver solutions that are better, faster, and stronger.



MISSION INTELLIGENCE: Through our dedication to our clients’ missions and a commitment to evolving our business to address their needs, we know our clients inside and out. The complexity, scale, and scope of government missions is unlike those of any other sector. Our decades-long commitment to serving across government departments gives us both depth and breadth of experience. This intimate knowledge of our clients’ most critical objectives and public-trust requirements, as well as the surrounding clinical, business, and technological landscapes, differentiates our ability to successfully integrate technology solutions that work.



TIME NEVER STOPS, and neither does Booz Allen.

—Horacio Rozanski, Booz Allen President and CEO



INVESTMENT IN INNOVATION

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

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

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



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



SPACES FOR MAKERS AND DREAMERS: Our **iHubs** are purpose-built for transformational innovation. These spaces empower our people to enhance existing capabilities via emerging technologies, to apply their work to new customer segments, and to create new market demand that changes behavior. The insights, ideas, and impact they generate are shared among experts pursuing the next greatest achievements for our clients. Working alongside community, business, and innovation ecosystem partners, and across geographies within the iHub Network, our project teams deliver innovative solutions at the intersection of design, business, and technology.



INVESTING IN OPTION VALUE: As a gateway to driving innovation, we invest in developing solutions that leverage our capabilities and products in ways that are cutting edge and tailored to market-prioritized needs. These solutions enhance option value and future revenue opportunities, monetize the firm’s intellectual property, and create differentiated business models and sales channels. Our solutions are informed by market leaders who understand client needs, buying patterns, and market trends. Our single P&L not only diversifies the risk of our big bets, but it supports collaboration across accounts to bet on the solutions of the future.



END-TO-END TECH SCOUTING: Booz Allen is an expert in the full spectrum of new technology adoption, from identification to implementation. For more than a decade, we have partnered with innovation networks to identify compelling tech startups and solutions, delivering leading-edge capabilities to our clients’ missions. We establish strategic relationships to support our innovation brand and stay ahead of future trends. In addition to our network, we bring an impartial, consultative approach, ensuring that each solution is the correct fit.

INVESTMENT IN INNOVATION



“EUREKA!” MOMENTS

Transformational advances in innovation are often the product of technologists’ **passionate service** and labors of love or the moonshot predictions of thought leaders seeking to skate to where they believe the puck will one day be. The resources devoted to these innovation efforts are frequently unrelated to a particular client or engagement and are undertaken by the enterprise as an investment in the future.

Recognizing the importance of these efforts to drive discovery, and as an incentive to both foster and reward innovation, the Federal Government and many states and municipalities provide economic incentives that support a portion of certain qualified research and development efforts.

Booz Allen engages in significant research and development efforts where our highly-trained and technically-skilled employees spend valuable time on innovation for the purpose of advancing technologies. The Federal Research and Experimentation Tax Credit provides an incentive for this type of innovation, and is one way that the firm positions itself to support even more “Eureka!” moments of the future.



COLLABORATION FOR IMPACTFUL INNOVATION

Booz Allen’s biggest innovations are driven by the **unflinching courage** to think boldly, push today’s boundaries to create tomorrow’s business, and harness **collective ingenuity** to make the world feel smaller. The trifecta of our collaborative business model, our rich network of alliances, and our pole position at the center of our clients’ missions combine to create an unmatched conduit for innovation that matters:

- An idea generated in one market may help solve problems in another.
- Whether we build it ourselves or team up with others, we help our clients deploy enterprise frameworks with continuous access to the best emerging technology.
- Our approach to innovation is driven by the imperative to rethink the large-scale, complex problems essential to the core missions of our clients.



WHEN IT COUNTS

Booz Allen Foundation Invests \$1M in Innovation Grants Toward COVID-19 Solutions

To confront the most pressing challenges caused by the COVID-19 pandemic, the Booz Allen Foundation launched a **\$1 million Innovation Fund** in April, with support from Booz Allen employees who gave their time and talent. Through volunteer and pro bono program support, our people supported the Foundation’s investment in innovative solutions: from technical viability vetting, to judging the nearly 3,000 applications across a multitiered process, to getting the word out to diverse applicants across all 50 states. Among the 21 pioneering solutions selected to receive grants were methods to scale production and sanitize personal protective equipment and to create mobile health units to serve at-risk communities.



79% of the firm’s FY20 wins included a capability area that is stewarded by the Strategic Innovation Group

BUILDING CAPABILITIES THROUGH PEOPLE & PARTNERSHIPS

▶ We anticipate and prepare for constant evolution by strengthening our technical expertise and mission connection—encouraging continuous learning and building opportunity for our people, our business, our clients, and our network of small business, start-up, and innovation partners.

The hardest problems aren't solved in one lab or studio. It takes partnership. For every challenge that our clients face, the **Booz Allen Partner Network** brings together the right organizations—from small businesses to Fortune 500 companies.

Together with our network of business partners, we're committed to delivering modern solutions to solve problems. That means technology that's interoperable, flexible with the mission, intelligent, and trusted.

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



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

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



457 employees completed the Data Science 5K, in FY20 with 1,432 employees trained since the program launched



Engaged over 7,000 employees firmwide through targeted events and outreach focused on our digital capabilities

BUILDING CAPABILITIES THROUGH PEOPLE & PARTNERSHIPS



WE LEVERAGE OUR PARTNERSHIP NETWORK TO STAY CURRENT ON MARKET TECHNOLOGIES, SEEKING NEW TOOLS TO INTEGRATE AS WE SOLVE PROBLEMS BETTER, FASTER, AND STRONGER. EXAMPLES INCLUDE:

- *NVIDIA Deep Learning Institute:* Booz Allen is the first federally-focused consulting firm certified to facilitate the NVIDIA Deep Learning Institute (DLI) curriculum for both beginner and intermediate levels. We combine our domain expertise with this structured in-person course to bring deep-learning skills to our clients in relevant and meaningful ways. Together with NVIDIA DLI training, we deliver what clients need to develop neural networks that can be deployed to accelerate the analysis and drive mission success. Training is appropriate for data scientists, software developers, engineers, and managers who are looking to apply deep learning within their organization.
- *Amazon Web Services (AWS) Premier Consulting Partner:* Booz Allen works with AWS across the public and private sectors as an AWS Premier Consulting Partner and authorized reseller. We hold competencies in areas including government, DevOps, and security. Booz Allen is an Authorized Commercial Reseller, Authorized Government Reseller, and AWS Public Sector Partner, and is in the Well-Architected Partner Program.



Trained over 500 employees
and 1,500 government clients as a certified provider of NVIDIA's Deep Learning Institute curriculum



Employees hold more than 1,030
Amazon Web Services technical certifications



ARMY



MARINE CORPS



NAVY



AIR FORCE



COAST GUARD



1/3 OF OUR EMPLOYEES ARE MILITARY-AFFILIATED

~8,000 ARE VETERANS

2,200+ ARE MEMBERS OF THE RESERVE OR NATIONAL GUARD

750 ARE MILITARY SPOUSES

Based on employee self-identification



AS WE THINK ABOUT INNOVATION,
we ask: Is it open and connected? Is it smart?
Does it contribute to resiliency and security? Is
it at the edge, with the warfighter?

Our job is to **BUNDLE EMERGING TECHNOLOGIES** together in mission-centric ways, in support of the digital warrior.

—Rob Silverman, Booz Allen Executive Vice President

MISSION INTELLIGENCE

► We support our clients’ most critical challenges through focused recruitment, development, and retention of a mission-intelligent and technologically superior workforce with continuous opportunity to leverage and build on their skills and expertise.

As an institution, Booz Allen has supported federal missions for decades, and our connection to those missions is personal. Our people are the heart of our connection to the federal mission. Some are transitioning from military or government careers, and we are proud to provide opportunities for veterans to continue their mission in the private sector through our work for the U.S. Department of Defense and intelligence community. Some are military spouses, for whom an investment in military readiness could not hit closer to home. Some have built a connection to their client’s mission through long and meaningful service at the firm. And some are pursuing their passion in a discipline that is meaningful to them, having come to Booz Allen for the opportunity to work where they could make a real impact. But don’t take our word for it; read their stories for yourself.

AMIR MOKHTARI INNOVATES IN RESPONSE TO COVID-19: Dr. Amir Mokhtari believes that more of the world’s decision makers should be empowered to make decisions using clear, relevant, and timely data. He is putting that belief to work with Booz Allen’s COVID-19 Safe Return Simulator. This tool leverages time-tested public health modeling techniques and cutting-edge forecasting methods to crunch the latest data and provide actionable predictions to inform decisions on pandemic-related restrictions at a county-by-county level.

JOHN PISANO SPEARHEADS INNOVATION IN BOTH CIVILIAN AND MILITARY ROLES: John Pisano leads complex cloud-modernization efforts across Booz Allen’s defense, civil, and commercial organizations. With the Army Reserve, John is the Command Sergeant Major for a 3,500-soldier engineer brigade that provides innovative solutions and engineer capabilities—from vertical and horizontal construction to bridging and mobility augmentation—for soldiers.

ANDREEN ANGLIN FINDS THE CREATIVITY IN CYBERSECURITY: A member of the class of 2020 Black Engineer of the Year Award Modern-Day Technology Leaders, Andreen Anglin has already distinguished herself as one of the brightest minds in cybersecurity. Through creative problem solving and robust technical skills, she and her team develop strategy guides that help our clients remedy vulnerabilities in their intricate systems.

KENDALL ADLER KEEPS VETERANS CONNECTED WITH TELEHEALTH: After supporting the U.S. Navy for 4 years as a nurse, Kendall Adler joined Booz Allen to help the Department of Veterans Affairs’ Office of Connected Care (VA OCC) provide veterans with digital avenues to access healthcare and other services. Kendall’s work for VA OCC focuses on improving veterans’ access to specialty care through virtual options like telehealth that have rapidly become essential as the COVID-19 pandemic makes it difficult for people to safely leave their homes.

JASON RAUCK’S GAMING TALENTS HELP TRAIN WARFIGHTERS: As a project lead and game designer on our Immersive team, Jason Rauck leads teams to develop interactive game-based training and operational simulations that prepare U.S. warfighters for mission-relevant experiences. His goal: to get these innovative technologies into the hands of recruits so they can practice, fail, and improve, in an effort to prepare them to perform when faced with real-world challenges.

JACKIE MURRAY ADVANCES DIGITAL, CYBER & ANALYTICS CAPABILITIES FOR THE AIR FORCE: After supporting the U.S. Air Force through government, commercial, and research roles, Jackie Murray is continuing to advance its mission at Booz Allen. She and her team developed a data analytics platform that improves mission execution by enabling high-end analytics for improved decision effectiveness.

FUELING AMERICA'S INNOVATION ECONOMY

The National Science Foundation (NSF) is often credited with creating the internet, capturing the first image of a black hole, and proving Einstein's theory of wave movement. What's less well known is that, through funding more than a quarter of the nation's scientific research, the NSF's mission and innovation operations have a direct impact on the national health, prosperity, and welfare of our nation, and increasingly plays a pivotal role in securing our national defense. Behind this innovation engine is NSF's essential partner—Booz Allen.

MISSION & INNOVATION

For the last 17 years Booz Allen has worked with NSF to build and maintain the suite of grants-management applications used by its staff and the research community for the solicitation, submission, selection, and funding of ideas that become the world-changing products of tomorrow.

The story began in 2003 with a four-person task order to provide operations and maintenance support of a single NSF application. Today, our role has evolved into a trusted partnership with over 220 Booz Allen people supporting the NSF's mission. Our Booz Allen team is transforming NSF's mission execution by modernizing the portfolio of grants-management applications that NSF utilizes to annually process over 50,000 grant applications, resulting in approximately 11,000 awards and an operating portfolio of grants valued at more than \$27 billion.

Over time, our role shifted from support contractor to innovation partner. To respond to the clients' transformative needs, Booz Allen identified and teamed market resources with expertise from our Strategic Innovation Group. These collaborations harness the value of **collective ingenuity** and amplify impact by pairing deep understanding of mission with leading technical knowledge. This impact is further accelerated when successes in one corner of the firm can be applied to anticipate the needs of other clients.

Personal opportunity is only part of the equation. Being part of a team that itself harnesses innovation to fuel the innovation of tomorrow is a strong motivator for our employees. Contributing to an evolution in the NSF's ability to flexibly set its direction as a powerful force for change is just one reason this team loves coming to work—because they feel the difference they are making for society every day.

EMPLOYEE EXPERIENCE

Booz Allen provides NSF an essential blend of strategic leadership, technology insight, and solutions excellence. Half of the team has five or more years of tenure supporting the program, highlighting both the firm's and, importantly, our employees' devotion, commitment, and **passionate service**.

The size and scope of our program, coupled with our forward-leaning efforts to modernize and transform the technologies and processes supporting NSF's mission, is just one example of how Booz Allen's long-standing client relationships provide our people the opportunity to grow their careers while changing the world. Our employees' ability to expand their skills while deepening their connection to the mission and growing with the program leads to a feeling of "one team" and is a significant contributor to an exceptionally low attrition rate on this program over the past 5 years.

Many of the Booz Allen employees serving NSF have progressed their careers over years of service by performing in multiple roles: moving from back-end to front-end developers, from analysts to Scaled Agile practitioners, or to DevOps or cloud engineers. The opportunity to explore new roles has allowed careers to grow while building trusted relationships with colleagues and clients, and maintaining an invaluable connection to their mission.



EMPLOYEE EXPERIENCE

THE FUTURE IS EMPOWERED

To empower people, we must change the world. Booz Allen has long been a place where lesbian, gay, bisexual, transgender, queer, non-binary, and questioning employees can thrive. This year, we celebrated our 10th consecutive year achieving 100% on the Human Rights Campaign's Corporate Equality Index, the 20th anniversary of **GLOBE+**—our LGBTQ+ Business Resource Group—and were recognized for advancing diverse leadership and equality at the Washington Business Journal's **2019 Business of Pride awards**. Our intersectional partnerships with groups like Out in Tech, Lesbians Who Tech, and Modern Military Association of America, communicate loudly and proudly that inclusion is important to our talent pipeline and that we are committed to equipping all of our employees to own and shape the future.

EMPLOYEE EXPERIENCE OVERVIEW

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

Our ability to deliver lasting value to our stakeholders has always been a product of the strong character, expertise, and tremendous passion of our people. Our more than 27,000 employees embrace our clients' toughest challenges and realize their biggest opportunities, making client missions their own.

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

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



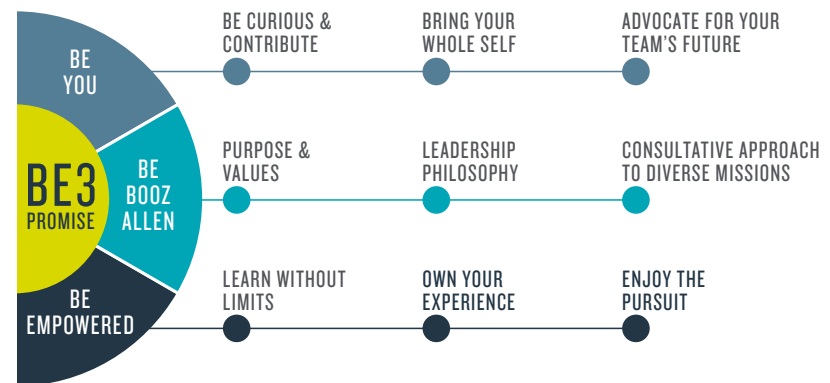
DIVERSITY, EQUITY, INCLUSION: We are committed to maintaining a culture where all employees have opportunities to meet their full potential—the best of what “Be You” means to them—and feel safe bringing their whole selves to work, contributing their unique perspective and fostering the same inclusion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



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



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



DIVERSITY, EQUITY, INCLUSION

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



Our work isn't one-size-fits-all, and neither are we. Our desire to create a **more diverse firm** and a more equitable and inclusive culture is directly tied to our broader business strategy.

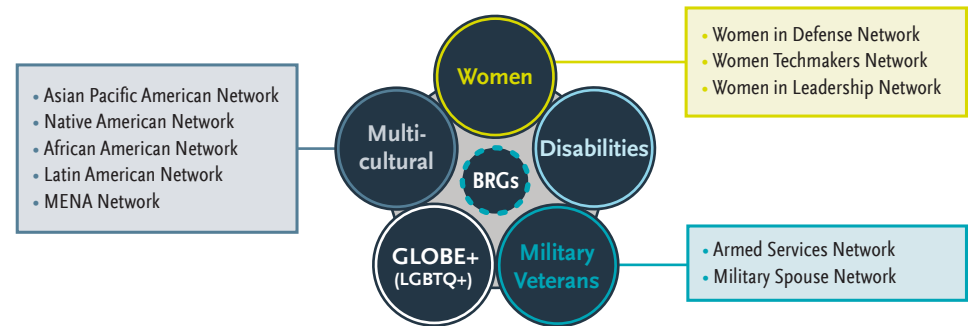
By cultivating an environment that fosters respect and opportunity for all our employees—a place where everyone can bring their whole selves to work and truly live the “Be You” element of our **BE3 Promise**—we are helping our teams make better decisions, deliver more innovative solutions, boost our financial performance, and exceed our growth goals.

This focus on diversity, equity, and inclusion (DEI) also helps us attract top talent. We believe representation is an important element of inclusion, so we strive to ensure that employees and candidates with varied backgrounds and perspectives see themselves and feel a true sense of belonging when they look both horizontally and vertically across the firm.

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



EMPLOYEE-LED BELONGING: We encourage our employees to tear down any and all barriers to collaboration and pursue excellence together. Our **Business Resource Groups** (BRGs) are executive-sponsored organizations that give business thrust to the cultural focus of our 10 employee-led inclusion networks. Our BRGs—which anyone can join—are culture carriers: cultivating meaningful networks and development opportunities, celebrating inclusive action through recognition programs, and bringing diverse talent to the firm. The BRGs foster our employee networks—communities with a common affinity or focus—in connecting employees and their allies across locations, job roles, levels, and functional expertise. Last year, we restructured our BRGs to improve the employee experience and better align the firm's leadership and resources in support of their goals and programming.



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

DIVERSITY, EQUITY, INCLUSION



FOSTERING INCLUSION THROUGH STORYTELLING

Storytelling passes on history, culture, and legends—in essence, sharing who we are within a broader context. As an organization that asks employees to “Be You: Change the World,” Booz Allen is on a journey to use storytelling to build genuine connections and understanding.

Unstoppable Together is an employee-led global DEI program, designed to humanize the challenges faced by today’s workforce. The program has evolved over two years through guided discussions, gatherings, and summits—each thoughtfully shaped to be culturally relevant for its audience. Participants share stories of grit, resilience, allyship, and more, while exploring how capabilities can be leveraged to affect change. Employees are keeping the movement alive during the COVID-19 pandemic by participating in weekly podcasts, monthly book clubs, and other small group discussions.

Unstoppable Together reached more than 3,000 employees during FY20, eliciting an overwhelmingly positive response. More than 94% of participants said their engagement with Unstoppable Together increased their sense of belonging at Booz Allen, a critical measure of inclusion. Participants also praised the inspirational content and very strong engagement by executive leadership.

The stories we hear and share help us process what we experience and understand the impacts of inequity in our lives. When we share our stories, we build resilience, increase empathy, and foster acceptance and inclusion. Booz Allen will continue to broaden the Unstoppable Together portfolio in the future with a thematic focus on equity in 2021 and by opening the aperture to include partners from academia, industry, governments, and other sectors.



	FY20	FY19	FY18
ALL EMPLOYEES			
Female	37%	36%	36%
Male	63%	64%	64%
BIPOC	31%	30%	30%
Veteran	29%	29%	28%
Under 30 years	20%	20%	19%
30-50 years	55%	55%	56%
Over 50 years	25%	25%	25%
SENIOR MANAGEMENT			
Female	33%	32%	30%
Male	67%	68%	70%
BIPOC	18%	18%	18%
Veteran	24%	25%	25%
Under 30 years	0%	0%	0%
30-50 years	62%	62%	62%
Over 50 years	38%	38%	38%
ALL OTHER EMPLOYEES			
Female	37%	37%	37%
Male	63%	63%	63%
BIPOC	32%	31%	30%
Veteran	29%	29%	28%
Under 30 years	21%	22%	21%
30-50 years	55%	55%	56%
Over 50 years	24%	24%	24%

Note: Information set forth above is based on voluntary employee self-reporting. Demographic information related to race and ethnicity is not captured for employees outside of the United States; however, all percentages above are calculated relative to our total workforce. This may result in an understatement of our Black, Indigenous, and People of Color (BIPOC) representation, due to the unavailability of data for that portion of our workforce. As of the end of FY20, employees self-identifying as BIPOC comprised 32% of our U.S. workforce.

DIVERSITY, EQUITY, INCLUSION

WHAT DOES IT MEAN TO BE EMPOWERED? It means having the confidence, knowledge, and support to change the world. That is the experience we strive to create for every one of our employees. We help them advance their career and life goals, knowing that knowledge and experience powers our firm’s future. We put our trust in our people by giving them greater responsibility. We celebrate their unique perspectives and accomplishments—and when we do that, we empower them to overcome challenges, solve our client’s biggest problems, and leave the world a better place than they found it. More than a century of experience has taught us that people make the difference, which is why we place our people at the center of every decision we make.

We have always sought to apply our purpose—to **Empower People to Change the World**—to each and every one of our people. We have a long and celebrated history of inclusivity, with annual awards going back decades in some cases recognizing our workplace culture for our LGBTQ+, working mothers, disabled, and military-affiliated colleagues. Understanding that there is always more work to do, we launched an ambitious effort two years ago to further grow our diverse leadership, diverse technical talent, and our inclusive culture—where each of our people is encouraged to “Be You” and has a sense of belonging as they strive to “Be Booz Allen.”

This year, we announced our **Race and Social Equity Agenda**—a firmwide effort within our DEI portfolio that redoubles our commitment to listen, learn, and act with purpose toward a better future. This six-pillar agenda acknowledges that we must address fundamental issues of inequity in our society, breaking down barriers holding anyone back from living the promise of our purpose to **Empower People to Change the World**. We have shared this agenda below and with the public on our corporate website. We are also sharing our progress against this agenda on our website.

This summer, we took swift and meaningful actions, as a down-payment on our commitments, while taking a deeper look at our key processes and practices. A few of these actions include:

- **Independent Assessment** – We engaged an outside assessment partner to help us identify potential opportunities to improve equity and inclusivity, including with respect to any unconscious or systemic bias that could impact our employees.
- **“Let Us Be Heard” Listening Sessions** – We lifted up voices of more than 5,000 employees—across all groups, markets, and levels—during 81 listening sessions that explored our employees’ personal experiences and short- and long-term ideas for change.

There is still much work to be done and the future certainly can’t wait. Building on our past actions, efforts, and commitments and all that we’ve set out to do today, we will continue to explore ways that we can reach deeper and further than ever before to shape a future where every Booz Allen person knows what it is to “Be Empowered.”



The mission of every leader in this firm is to create an inclusive environment in which each of us can **REACH OUR FULL POTENTIAL.**

—Horacio Rozanski, Booz Allen President and CEO

PILLAR 1

Launch an independent assessment of our business practices

PILLAR 2

Increase personal time and space for reflection and mental health

PILLAR 3

Increase representation of BIPOC at all levels of the firm

PILLAR 4

Accelerate learning opportunities on diversity, equity, and inclusion

PILLAR 5

Use our voice and capabilities to advance race and social equity

PILLAR 6

Support race and social equity through our corporate philanthropy

RECRUIT, REWARD, RECOGNIZE

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

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

The commitment that we make to our people for bringing their best selves and representing our values in all they do goes beyond compensation and benefits to include employment practices that help us attract, reward, and recognize the best talent in our industry.

As we generate long-term sustainable growth, we continue to expand access to career opportunities that empower our people to grow their careers and propel our business forward. We also seek to recognize our people for the extraordinary ways they live their commitment to “Be Booz Allen” through their work and through their values.



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



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



RECOGNIZE: We believe organizations create more of what they celebrate—so our recognition programs center on values and encourage all employees to integrate appreciation into their daily work habits. Our Living Our Values awards program offers tiered options for our people to recognize their colleagues’ meaningful displays of values, while our prestigious Values in Practice and Booz Allen Excellence Awards celebrate business impact through the lens of our values. Finally, we make a point of recognizing years of service and long-term dedication because we understand that loyalty is a two-way street and that, with so many long-tenured employees, we have much to be thankful for.

WE MEASURE OUR SUCCESS ACROSS CORE OUTCOMES

1	2	3	4	5
Strong Brand & Value Proposition	Ready Talent Pipeline	Technical Workforce & Leadership Pipeline	Diverse Skills & Talent	Competitive Compensation

RECRUIT, REWARD, RECOGNIZE

▶ RECRUITING FOR NEW PERSPECTIVES




Great ideas come from integrating diverse viewpoints—which is why we give everyone a seat at the table. Our approach to recruiting includes building diverse talent pipelines that accelerate the growth of our workforce—and propel our business forward:

- Our employee referral program harnesses the power of our employees’ networks to access a deeper pool of qualified, quality candidates. Employees prefer working with people they know, respect, trust, and can rely on. And the candidates our people refer are retained at a higher rate and tend to achieve more billable hours compared with those who didn’t come through the program.
- We nurture and maintain pipelines to critical talent pools (e.g., military veterans, university students) to support the firm’s growth initiatives: identifying, engaging, and nurturing the diverse talent our clients’ challenges require.
- We leverage our **Business Resource Groups**, DEI program, and Military & Veterans Affairs team, among other internal resources; as well as external partners to attract diverse candidates.

○ DIVERSE RECRUITMENT & RETENTION

We continue to diversify our workforce in a stable and sustainable manner, with hiring rates of underrepresented groups consistently outpacing their attrition over recent years. In FY20, representation of women and BIPOC among new hires outpaced those groups’ attrition by two and four percentage points, respectively.



	Premium-Free Medical Plan included among several options offered to suit employees’ needs
	6% dollar-for-dollar 401(k) match, fully vested when disbursed
	Employee Stock Purchase Plan open to all employees
	New Flexible Well-Being Holiday , plus nine fixed holidays
	PTO Flex options for surplus paid time off, including sell-back; donation; and HSA, 401(k), student loan, or 529 plan contributions
	Six weeks paid parental leave for new birth and adoptive parents, in addition to unpaid leave and short-term disability insurance

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



WHEN IT COUNTS

Trailblazers in Mental Well-being

“Do I feel comfortable here? Can I bring my whole self to work? If I need help, will I get it?” Questions like these launched a wellness revolution at Booz Allen that ***Ethisphere Magazine*** described as **“a model for other leaders and companies seeking to transform their own culture.”** It’s all part of our commitment to empowering employees to find their best professional selves. And it’s one of the reasons the leading nonprofit Mental Health America awarded our firm the first-ever **Mental Health Corporate Excellence** award.

DEVELOP, PERFORM, LEAD

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

We are committed to fostering the development of the mission-focused consultants, engineers, scientists, analysts, and cyber professionals who will propel us into the future. Our consulting heritage and collaborative environment empower our employees to learn from each other’s expertise and diverse skillsets, resulting in the **collective ingenuity** that makes us a leader in our industry. Our talent development programs provide employees with access to the latest thinking, a flexible approach that meets them where they are at in their learning journey and the opportunities to apply knowledge on the job, unlocking new doors.

Employing a diverse pool of cleared, technical, and trusted talent empowers us to promote from within, offering career mobility and boosting retention of our greatest asset—our people. We encourage employees to upskill and reskill to empower their agility, mobility, and long-term success, and we work to fill positions with internal candidates whenever possible. This is critical not only for the professional development and technical skills of our workforce, but also because it improves our mission-critical work for clients. Redeploying an employee from an existing project to a new one increases engagement, reduces costs, and spurs innovation by empowering the employee to use expertise gained from previous engagements to solve problems and advance the client’s mission.

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



FOSTERING LIFE-LONG LEARNING: As part of our commitment to empowering people to grow their careers, every employee has access to generous tuition reimbursement funds on an annual basis. Funding is available from their first day on the job and increases with tenure to more than \$10,000 annually. This benefit may be used to pay for voluntary external training and professional development, such as academic assistance, certifications and licenses, and technical training. We also leverage best-in-class vendors and platforms to provide learning without limits, offering more than 2,000 resources for employees to utilize at the time and place—and in the language—that works best for them.



OPPORTUNITY & MOBILITY: One of the best things about consulting can also be one of the scariest—a lot of change. Since no project lasts forever, that includes changes to the projects and missions we support. We launched the Accelerator program to empower our employees as they search for their next opportunity or look “internal first” for the next person to join their team. This year, we also underwent a firmwide exercise to update job profiles, histories, and relevant skills, simplifying the match process between available employees and new opportunities.



BEST IN CLASS: A key way our leaders learn to “Be Booz Allen” is through a thoughtful rotation of a portion of our leaders each year into new roles and experiences across the firm. These opportunities provide invaluable experiential learning and career growth, deepen their understanding of our business, and provide cross-pollination of ideas. Additionally, the Evanston Program, our award-winning leadership development program, combines the pioneering spirit that invented the consulting industry with the latest executive development practices and differentiated programs to shape leaders who can evolve our business strategy from a position of strength and “Be Empowered” to drive future growth.

DEVELOP, PERFORM, LEAD

▶ WE ARE COMMITTED TO A CULTURE OF CONTINUOUS FEEDBACK

- Our employees can regularly connect with leadership, through information sharing or open dialog channels, such as fireside chats, newsletters, town-hall meetings, and more.
- We promote candid and actionable feedback on a continuous basis and through our annual Leading with Values survey.
- Our Firmwide Behaviors & Performance Expectations resource provides clarity around roles and how each employee is held accountable and rewarded.
- Monthly performance “Snapshots” provide real-time feedback on day-to-day performance and future growth and development.
- Annual 360 degree review process for senior staff provides feedback against long-term goals.

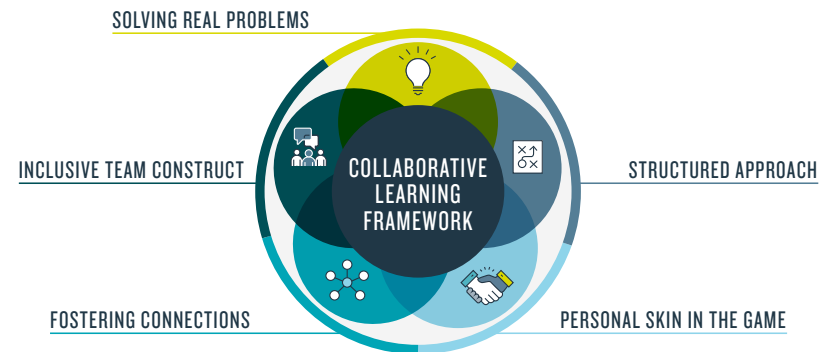


DID YOU KNOW?

Our performance evaluation programs provide for 100% of employees to receive, at minimum, annual feedback on their performance, alignment with firm values, and progress on their professional goals.

▶ WE THRIVE THROUGH COLLABORATIVE LEARNING

Our learning programs are built around the Collaborative Learning Framework, which reinforces our purpose-driven leadership and values-based culture—especially driving our **collective ingenuity**.



DID YOU KNOW?

Employing the Collaborative Learning Framework, we have seen improved retention, satisfaction, promotion rates, and leader readiness, as well as new business opportunities, deeper relationships, and heightened interpersonal skills.



You can **ADVANCE YOUR CAREER AT BOOZ ALLEN** without having to jump companies two or three times to find the growth, development, and work experiences you want.



—Aimee George Leary, Booz Allen Senior Vice President

OUR CORONAVIRUS PANDEMIC RESPONSE

When COVID-19 forced institutions and individuals around the world to rethink the way we live and work, Booz Allen met the situation head-on, investing in the health and financial security of our people, their loved ones, and at-risk communities through a **pandemic resilience program** funded with more than \$100 million. As our President and CEO **Horacio Rozanski** stated: “Supporting our people empowers them to fully support our clients in this time of critical need. Our business is our people, and this is just the right thing to do.”

EMPLOYEE EXPERIENCE

As part of our commitment to protect our people, we started by reprioritizing planned spending to provide employment security and additional benefits, including major enhancements to our dependent-care program, flexible work, training and other options to address employee challenges at home, support for public service by employees who are trained and certified such as firefighters or nurses, emergency paid time off related to coronavirus illness, and an infusion of \$5 million into the Booz Allen Employee Resilience Fund.

By relieving our people of at least some of the anxiety and challenges they face in these difficult times, we have empowered them to channel their energy toward supporting our clients, who in turn face their own unprecedented challenges. As of the end of our fiscal year, March 31, 2020, about 90 percent of our 27,000+ employees were delivering services through telework.

For employees who are reporting to secured facilities and other worksites, we’ve collaborated with our clients to implement essential health safeguards. This approach has been highly successful, with productivity remaining at or above pre-pandemic levels and our workforce reaching new heights of technological savvy with a swift transition to remote delivery. More importantly, the impact of the virus on our employees has been significantly lower than comparative averages.

As Horacio said in an **open letter** to stakeholders: “In our 106-year history, our firm—along with our nation—has been through two World Wars, a Great Depression, a Cold War, terrorism on our soil, and countless other crises. Because of your confidence in us, the people of Booz Allen now stand ready to help our clients, communities, and nation face this exceptional challenge. We are in it together. And we are proud to do our part.”

COMMUNITY ENGAGEMENT

We understand that in order for our employees to thrive, and to best support them as they serve our clients, they need to feel secure that their families, loved ones, and communities are safe and healthy.

In partnership with the independent Booz Allen Foundation, we have also launched a coordinated philanthropic initiative, committing at least \$10 million collectively to address pandemic-related causes. The initial giving will support veterans and military families through the COVID-19 Military Support Initiative, assist frontline healthcare workers and vulnerable communities through the CDC Foundation, and address the immediate needs of vulnerable local populations through the Feeding America® network of food banks and community-based agencies. The funds for Feeding America will support national efforts and also be distributed to the front lines in areas highly impacted by the COVID-19 virus where the firm has a significant presence.

Throughout the coming year, Booz Allen plans to contribute its technology and consulting expertise to combat the effects of the virus, pledging to contribute pro-bono projects, in-kind contributions and volunteer time to organizations and communities helping those in greatest need and on the front lines. The company will provide strategic planning, digital modernization, analytics and cyber capabilities, among other services.



COMMUNITY ENGAGEMENT

THE FUTURE WORKS FOR EVERYONE

Educating and Empowering Future STEM Leaders. Booz Allen is proud to support Black Girls CODE through an integrated partnership—including volunteerism, philanthropy, and collaborations—to further the nonprofit’s mission to teach 1 million girls to code by 2040. Our volunteers and mentors participated in Black Girls CODE’s Afrofuturism Hackathon; an event that merged technology and culture designed to empower girls to use tech as a vessel to evoke social change. We also hosted a virtual STEM career panel, reinforcing the notion that girls from all backgrounds can pursue data science careers.

COMMUNITY ENGAGEMENT OVERVIEW



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

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

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

As a corporate citizen, we are committed to doing more—in pursuit of a future that works for everyone.

Our community engagement efforts bring our corporate purpose to life, empowering our people to change their worlds, deploying the firm’s capabilities to make a difference in the places where we live and work.



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



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



PURPOSE: We **Empower People to Change the World**. Activities like supporting military families, fundraising or innovating for health organizations, and rolling up sleeves for disaster response and preparedness not only give our employees a platform to change the world, they remind our employees why it’s important to do so.

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

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

We also work to ensure all employees are aware of and understand the **policies** that govern the use and protection of information and firm resources, appropriate time charging practices, engagement in political or civic activities, and prohibitions against bribery and corruption.



Community service, *PASSIONATE SERVICE*, is core to Booz Allen’s DNA. ”

—Susan Penfield, Booz Allen Chief Innovation Officer

COMMUNITY INVESTMENT

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

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

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



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



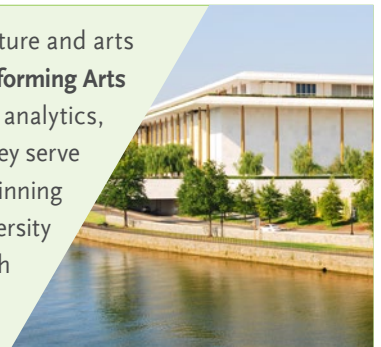
INTEGRATED PARTNERSHIPS: Our community impact program is heavily focused on integrated partnerships that leverage our time and talent as well as our financial resources. To amplify our financial support, we deploy employees to help nonprofit partners solve some of their biggest challenges through pro bono initiatives. This year, we delivered pro bono services to clients including Children’s National Hospital, Thurgood Marshall College Fund, American Society of Civil Engineers, Support the Enlisted Project, the John F. Kennedy Center for the Performing Arts, and the Booz Allen Foundation, among others.



EMPLOYEE ENGAGEMENT: We support employees and their personal choice when it comes to community investment—whether in the form of volunteerism or charitable giving. During the year, we actively evolved our approach to matching employee financial contributions, initiating a program that matches employee contributions to all charitable organizations meeting basic eligibility criteria.



Booz Allen is proud to play a supporting role at the nation’s premier culture and arts center. We devoted pro bono service to the **John F. Kennedy Center for Performing Arts** that fused innovation strategy, organizational design, data science, and analytics, in support of the Center’s objective—to ensure that every demographic they serve could see themselves reflected on stage and in the audience. We shared winning strategies and lessons learned from our own corporate innovation and diversity journey—one that inspires inclusive and creative solutions, balanced with investment and infrastructure optimization.



COMMUNITY INVESTMENT

OUR MULTIFACETED INVESTMENT APPROACH:

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



WHEN IT COUNTS

Virtually Inspiring Future Innovators

When COVID-19 kept kids away from hands-on learning exhibits, National Children’s Museum in Washington, D.C., partnered with Booz Allen to launch a daily, digital series celebrating all things STEAM—science, technology, engineering, arts, and math. The #STEAMwork series features interactive online activities that promote the Museum’s mission to inspire children to care about and change the world, such as: Climate Action Hero Mondays; Thursday Design + Build challenges; and “Playdate with an Expert” sessions, where Booz Allen technical experts and STEAM leaders helped inspire the tech talent of the future.



31% increase in employee engagement including recorded charitable giving and volunteerism (compared with **FY19**)

10,000 hours of employee volunteerism committed toward impact on COVID-19 during **FY21**

We track additional metrics, such as **alignment of investments with enterprise priorities** and the **diversity of engagement opportunities**. We do not report these metrics publicly at this time.

Community Investment Value	FY20	FY19	FY18
Financial Contributions ^{1,2}	\$12M	\$3.7M	\$4.1M
Pro Bono Service ³	\$386,580	\$133,943	\$650,751

NOTES:

¹ Direct payments made by Booz Allen to nonprofit organizations and classified as contributions in our financial system. Employee-directed corporate contributions, associated with matching grants, volunteer services grants, and volunteer recognition programs.

² FY20 increase primarily related to COVID-19 pandemic response.

³ Attributed fair market value of in-kind services provided at zero cost to charitable organizations.

KEY PARTNERSHIPS

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

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

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

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



STEM: Through partnerships with organizations such as PBS KIDS, the Thurgood Marshall College Fund, and the Booz Allen Foundation, we worked to widen the aperture of inclusive pathways to STEM careers, fostering a love of learning in even younger children and continuing support into the college years. We also continued as a global and local supporter of *FIRST*[®] (For Inspiration and Recognition of Science and Technology) with multifaceted support spanning all *FIRST* programs to include its Global Innovation Award and Equity, Diversity and Inclusion programs.



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



HEALTH: As our fiscal year came to a close, we engaged both existing and new partners to address urgent needs for support and solutions brought about by COVID-19. We redoubled our commitment to collaboration for a healthier future through partnerships with the Booz Allen Foundation and others to serve the military and veteran communities, frontline workers, and vulnerable communities.



For more than a decade, Booz Allen's engineers, technologists, and innovators have supported *FIRST*[®] as team mentors, competition volunteers, and consultants. Our employees share a diverse set of skills and experiences, and they have an impact on *FIRST* and its participants around the world. At Booz Allen, science, technology, and engineering are the foundation of everything we do. From our commitment to hire and retain innovators and technology experts, to our daily work with clients to solve some of the world's toughest technological challenges, to our employees' volunteer efforts with non-profit organizations like *FIRST*, we demonstrate our commitment to STEM education and professions.



KEY PARTNERSHIPS




SUPPORTING THE MILITARY COMMUNITY


Connecting veterans, service members, and military spouses with meaningful employment opportunities is essential to our nation’s security and the sustainability of our military. That’s why Booz Allen chooses to partner with Hiring Our Heroes and, together, develop some of the most innovative solutions to address veteran and military spouse employment.

Hiring Our Heroes invited us to be the first corporation to help sponsor and launch their Military Spouse Fellowship Program because we understand the employment challenges military spouses face, such as gaps in their resumes, that can prevent them from moving forward in the interview and hiring process. Our initial grant funded the first 100 fellowships, helping match military spouses with on-the-job training, professional development and networking opportunities at companies in San Antonio, San Diego, Honolulu, and the metropolitan DC area. We have already inspired other companies to give as well, creating a sustainable and expanding program that will help hundreds of military spouses get a critical foot in the door to meaningful jobs.


We’re also deeply involved in helping Hiring Our Heroes develop best practices for signature programs. We are co-chairs of the Military Spouse Employment Advisory Council and members of the Veteran Employment Advisory Council. We’re a Founding Coalition Member of the Hiring 100K Military Spouses initiative, a 3-year national campaign to find real solutions for military spouse unemployment and underemployment. We’re also corporate co-chairs of the Military Spouse Economic Empowerment Zones, working with local stakeholders in San Antonio, San Diego, Tampa, and Northern Virginia to tackle the challenges of military spouse employment head on.



Hiring Our Heroes, an initiative of the U.S. Chamber of Commerce Foundation, was a top source of our military talent in **FY20**, showcasing the value of key partnerships to critical talent pipeline development



Our employees recorded a total of **83,200 volunteer hours**, with **40%** of those hours contributed by employees serving in leadership or advisory roles (e.g., nonprofit boards of directors)



Amplified impact joining forces with the **Booz Allen Foundation** toward COVID-19 relief, supporting STEM education, and building disaster resilience



OUR APPROACH TO PARTNERING FOR IMPACT

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

HARNESSING BIG DATA FOR COMMUNITY HEALTH AND RESILIENCE

EpiMaps is a first-of-its-kind analytics platform developed by Booz Allen that empowers users to understand and solve complex health issues through custom, interactive data visualizations. EpiMaps pulls from the extensive Booz Allen data lake, including more than 125,000 unique public health and socioeconomic data points from 32 public data sets, such as the Center for Disease Control and Prevention and the Census Bureau. Using machine learning models, EpiMaps also delivers granular and actionable insights into factors affecting health outcomes.

COMMUNITY ENGAGEMENT

The insights powered by EpiMaps can support clients, communities, and relief organizations to plan more targeted health interventions, use resources more efficiently, make more informed policy decisions, and evaluate and find ways to improve existing efforts.

To do just that, Booz Allen partnered with the Elizabeth Dole Foundation, leveraging the power of big data to help improve population health of military caregivers across the country. In a first-of-its-kind data analysis project, we developed a data-driven digital tool called the Caregiver Vulnerability Index—using analytics and artificial intelligence to identify where caregivers live in the U.S. and help drive resources to the areas where they need the most help.

Built on Booz Allen's EpiMaps platform, the Caregiver Vulnerability Index is a flexible and scalable solution that helps identify population density of military caregivers. Using advanced data science, the tool shows where caregivers are distributed, pinpoints locations where poor health and wellness outcomes are highest, and even gives clues into the factors driving those outcomes. These new insights give the Elizabeth Dole Foundation an unprecedented, evidence-based look into the localized needs of hidden heroes, helping the organization better support military caregivers in local communities nationwide.

As Senator Elizabeth Dole said: “This tool and its advanced data analytics capabilities will allow us to pinpoint communities where our help is most needed. I’m hopeful that through our work with Booz Allen, we can rescue our hidden heroes from the debilitating trappings of loneliness and isolation.” We’re excited to see where the future of EpiMaps takes us, as we seek to support population health and resilience in new and innovative ways.

GLOBAL RESILIENCE

EpiMaps is highly scalable, flexible, and customizable, able to integrate proprietary data with public data sets to provide insights tailored to meet specific needs. In addition to our work with the Elizabeth Dole Foundation, Booz Allen has successfully leveraged EpiMaps on several other programs to increase preparedness and resilience.

For example, we provided multiple organizations within the Office of the Undersecretary of Defense for Personnel and Readiness with data-informed strategic guidance on policies and programs for optimizing Total Force Fitness. Using EpiMaps, we quantifiably identified service member readiness, predicted achievable levels of deployability, and preemptively identified root causes of non-deployability. Together with our clients, we applied econometric and machine learning techniques to better understand, assess, and maximize human performance and potential resource impact for the Department.

Additionally, with our support, the National Guard is taking a data-informed approach to identifying geographic-specific risk and potential predictive factors for suicide in their population. The SPRINGboard Dashboard will give senior leaders insight into the health risk factors impacting service members' home communities so they can tailor prevention efforts accordingly.



GLOBAL RESILIENCE

THE FUTURE IS READY FOR ANYTHING

Enabling A High-Functioning World. Many people think of GPS as a handy tool that keeps them from getting lost. But as a core enabler for exciting emerging technologies, like autonomous vehicles and the space revolution, we see it as the most overlooked driver of security and resilience for the future. GPS provides precise time information—for financial transactions, oil and gas exploration, or synchronization of cellular networks. Without it, financial losses, business inefficiencies, and safety impacts can ensue. As threats continue to become more prolific and sophisticated, Booz Allen is embracing adaptability to develop, procure, and sustain effective and resilient systems.

GLOBAL RESILIENCE OVERVIEW



We promote individual, systemic, and societal resilience by supporting the ability to anticipate, address, and adapt to both change and threats to global stability and security.

Change is constant. Many changes are positive—consider advancements in technology that offer greater efficiency or a new capability but still require users to adapt. Building resilience shortens the adaptation curve by shifting the focus to envisioning possibilities, rather than barriers. A developed sense of resilience is especially valuable when change brings challenges.

Against a backdrop of increasing disruption from natural disasters, human error, and terrorist threats, building resilience has emerged as a strategic imperative for people, businesses, and governments seeking to shape a better future. Shaping that future will require acknowledgment and preparation for risks on the horizon, building resilience across economic, environmental, technological, geopolitical, and societal vectors.

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



SOLUTIONS FOR A RESILIENT WORLD: Resilience is powered by interdisciplinary solutions to known and emerging threats to stability and security. Whether we are tackling national security, cybersecurity and cyber resilience, smart installation management, energy security, transportation, healthcare or environmental management issues, we bring the full strength of our capabilities to help our clients and communities avoid or reduce the impacts of hazards and enable individuals and communities to recover faster and smarter after a disaster.

We understand our clients' missions and creatively bring them the best emerging technology to help them quickly and easily modernize, achieve interoperability, and succeed. We employ resilience strategies that adopt and implement a comprehensive fit-for-purpose framework that allows organizations (including our own) to assess and measure resilience at scale.



BUILDING A RESILIENT BUSINESS: At its core, operational resilience is an exercise in agility, and Booz Allen's ability to snap into action quickly, nimbly, and effectively rests on a foundation of thorough preparation. Strong resilience planning provides practical steps to begin the resilience journey and the encouragement to continue it. On the path to resilience, significant social and behavioral challenges can hinder actions to reduce risk. We address these challenges within our own organization, just as we support our clients.

Our people are on the frontlines—detecting malicious behavior, predicting and modeling future scenarios, and preparing for natural hazards. We take a holistic approach in helping our people balance and manage the stresses of work with those in their personal lives. By relieving our people of at least some of the anxiety and challenges they face in times of crisis or unrest, we empower them to channel their energy toward supporting our clients and communities, their loved ones, and each other. This has always been true, but perhaps never more evident than in [our approach](#) to our employees' safety through the COVID-19 pandemic.

INTEGRATION FOR ACCELERATED RESILIENCE

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

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

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

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

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

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

▶ OUR APPROACH TO PROACTIVE RESILIENCE

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

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

INTEGRATION FOR ACCELERATED RESILIENCE

ELEMENTS OF OUR APPROACH TO BUILDING A RESILIENT WORLD

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

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



DID YOU KNOW?

- We're appraised at Capability Maturity Model Integration (CMMI) for Services and Development, each at Maturity Level 5 (ML5) rating.
- We are responsible for managing, synchronizing, and coordinating the integration of all Healthcare Exchange Systems, system interfaces, and end user interfaces for the Federal Government.
- 20+ years of experience supporting HHS, including as Marketplace Systems Integrator provider for Healthcare.gov since 2015.
- With nearly 7 decades of supporting the VA, we have an unprecedented level of institutional familiarity, including more than 600 separate efforts over the past decade.
- We designed the IRS2Go mobile app—the most downloaded government app ever—providing 74 million mobile customers a self-service option for filing taxes, accessing tax records, and more.
- We helped the Federal Voting Assistance Program enhance its website to handle peak election traffic and assist 280,000 monthly users—such as U.S. military personnel—to cast absentee votes.



If we are unable to break down employment barriers for military spouses, I submit that the **READINESS OF OUR FUTURE** all-volunteer force will suffer.

—Gen. Dennis Via, U.S. Army, Ret., and Booz Allen Executive Vice President

CYBER RESILIENCE

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

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

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

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

We believe cybersecurity is a business and global imperative. The effects of both connectedness and vulnerabilities reach far beyond our business and our clients' interests, touching all lives in both noticeable and less obvious ways. We focus on minimizing risk and the impact of vulnerabilities, as well as improving both preparedness and resiliency.

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



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

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

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

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

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

	Support clients in mitigating 100+ incidents annually		Serve nearly all U.S. federal, defense, and intelligence agencies
	Secure 160,000 Marine Corps workstations, providing confidence and enhanced endpoint security		Secure 4.65+ million federal devices
	Safeguard 20,000 geographically dispersed locations		Protect more than 80% of federal.gov devices and endpoints

CYBER RESILIENCE

OUR APPROACH TO INTEGRATED CYBER RESILIENCE

Whether helping to understand and reduce risk posture or detect and stop attacks before they spread, we support our clients’ most important **cyber** missions. Teaming elite technical practitioners with seasoned cybersecurity experts, our solutions improve resiliency and reduce downtime caused by cyber threats and attacks. Our approach is tailored to the circumstances, but may include:

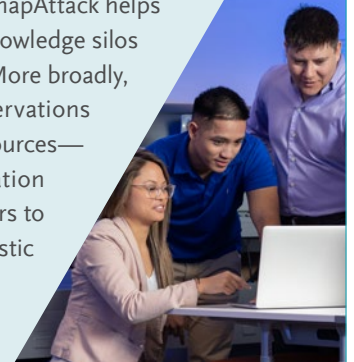
- *Attack Surface Reduction:* Our three-phased approach—assess, identify, and remediate—eliminates vulnerabilities that could disrupt business. We identify and prioritize weaknesses in infrastructure, application, and human assets.
- *Continuous Diagnostics and Mitigation:* We correlate and enrich telemetry data from network and host sensors and use analytics and decision dashboards to diagnose and mitigate cyber risks in near-real time.
- *Defense Cyber Operations:* We combine cyber threat intelligence with threat defense operations through modern fusion centers to drive enterprise-wide visibility, reduce detection time, and protect our clients’ most critical assets.
- *Wargaming:* We provide planning, immersive, and assessment technologies that range from small-group, executive-level wargaming to full-scale, force-on-force Department of Defense and Inter-Agency exercises.
- *OT Security:* We offer monitoring solutions for rapid cyber threat detection, within diverse environments and with non-traditional networked devices.
- *Advanced Protection Capabilities:* We design and develop platforms—from reverse engineering to advanced algorithmic warfare solutions—for the warfighter to defend forward and defeat the adversary.

PROACTIVE & COLLABORATIVE SECURITY FOR RESILIENCE

In the realm of information security, many organizations rely on siloed efforts of offensive experts (red teams) who simulate attackers and defensive experts (blue teams) who evaluate and improve threat prevention, detection, and response. But as cyber attacks escalate, security strategies need to stay ahead by building in more collaborative and proactive “purple team” elements. Booz Allen created **SnapAttack™**, a purple team platform to meet this need, building on our experience and expertise in commercial and nation-state-level cyber operations in threat hunting and mitigation.

SnapAttack is future-ready by design. As a cloud-based software solution, the platform—and its subscribers—are always up to date. SnapAttack also includes a dashboard capability to provide a unified portal for centralized monitoring and control of security settings; rapid and detailed understanding of defensive posture, detection coverage, and security gaps; and filtering by analytic confidence, tactics and techniques, threat group, and other criteria.

We believe that information security is a global responsibility and that we are strongest when we act together. SnapAttack helps teams align to a collective goal by reducing knowledge silos and process breakdowns that cause friction. More broadly, its analytic engine and cataloged attack observations build open source and globally accessible resources—leveraging the power of the broader information security community to enable SnapAttack users to create and share highly portable, vendor-agnostic analytics that integrate with more than 20 of the top security tools in use today.



RESILIENT ENTERPRISE & WORKFORCE

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

Our purpose empowers every Booz Allen person to change the world. To make that a reality, our people first need to see their own fundamental needs met. Maslow’s Hierarchy of Needs posits that until a person’s physiological needs—food, water, warmth, and rest—are met, they can’t be motivated by the promise of their next-level needs for safety and security; which are, in turn, conditions to the psychological needs—belonging, love, and esteem—and, finally, their self-fulfillment needs, including self-actualization that comes with achieving one’s full potential.

Supporting each employee with fair compensation for the work they perform simply isn’t enough. In order to truly empower our people, we offer a suite of benefits and other opportunities to reinforce balance. We also support employees well beyond their fundamental needs; for example, with our offerings that encourage financial, emotional, and other elements of wellbeing, and codifying our commitments to escalate through Enterprise Risk Management and our Scope and Reputation Risk Board any situation that could place an employee in harm’s way.

▶ WE SUPPORT OUR WORKFORCE IN BUILDING RESILIENCE

- **WE KEEP OUR PEOPLE INFORMED:**
Our Emergency Alert System notifies employees of risks affecting their work location, with flexibility to sign up for additional alerts specific to where they live or travel.
- **WE HELP OUR PEOPLE PLAN:**
We maintain intranet sites with readiness tips and sample plans to help employees prepared for emergencies; we also sponsor a preparedness-based wellness challenge that provides employees and their spouses with a financial incentive to plan.
- **WE SUPPORT OUR PEOPLE AS THEY RECOVER:**
If an employee or their family is impacted by a disaster or other qualifying hardship, Booz Allen offers resources to support their recovery:
 - *Employees’ Capital Accumulation Plan (ECAP) Loans:* We offer a program for eligible employees to draw from their funded ECAP balance, subject to regulation and plan rules.
 - *Emergency Loan Protocol:* We offer firm-funded and interest-free loans to eligible employees who suffer catastrophic damage to their home or primary transportation.
 - *Emergency Paid Time Off (PTO) Cash Out:* We offer eligible employees the option to cash out up to 80 hours of PTO for a qualified emergency.
- **WE SUPPORT OUR PEOPLE AS THEY SUPPORT EACH OTHER:**
 - *PTO Leave Sharing:* We offer a program that allows eligible employees experiencing hardship or catastrophe to obtain additional PTO; from a pool of available PTO donated by employees wishing to support their colleagues in need.
 - *Booz Allen Employee Resilience Fund:* We offer this charitable grant program funded by the firm and tax-deductible employee donations in order to provide financial assistance to employees in need.
 - *Civic Responsibilities Leave:* We provide up to 10 days of additional paid leave per year to employees for use in deploying civic resilience skills, such as trained disaster response and recovery activities.
- **WE PROMOTE LONG-TERM RESILIENCE FOR OUR PEOPLE AND THEIR FAMILIES:**
 - *Wellness:* We offer programs providing employees and their families access to a variety of health and wellness programs to keep them living healthy and working well.
 - *Financial Planning:* We support planning for the future with financial resilience programs.

RESILIENT ENTERPRISE & WORKFORCE

WE MAINTAIN RESILIENCE IN ENTERPRISE OPERATIONS

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

We also employ a flexible work program that includes telework in appropriate circumstances. While not aggressively utilized prior to the onset of the COVID-19 pandemic, having an existing program positioned the firm to pivot swiftly to nearly complete virtual delivery early in the pandemic, without missing a beat on performance.

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



Achieved **69% faster** initiation on background screenings and achieved 2-day decrease in public trust submission time, **saving \$1.8M** in admin costs



Kept facilities **secure** and **protected employees** around the globe by implementing a mandatory telework policy at the outset of the COVID-19 pandemic



Completed nearly **200 business impact analyses** through our Business Continuity Program Office, fostering corporate resiliency



Opened a **24/7 Global Security Operations Center**, providing for real-time responses to **threats against Booz Allen people** and resources worldwide



Developed a **Regional Facility Dashboard**, which rolls up facility key performance indicators in one location



Completed **active shooter training for 5,136 Booz Allen people** since program inception in FY19 at **81 facilities***

NOTE: During FY20, over 1,000 employees completed this training across 17 facilities.

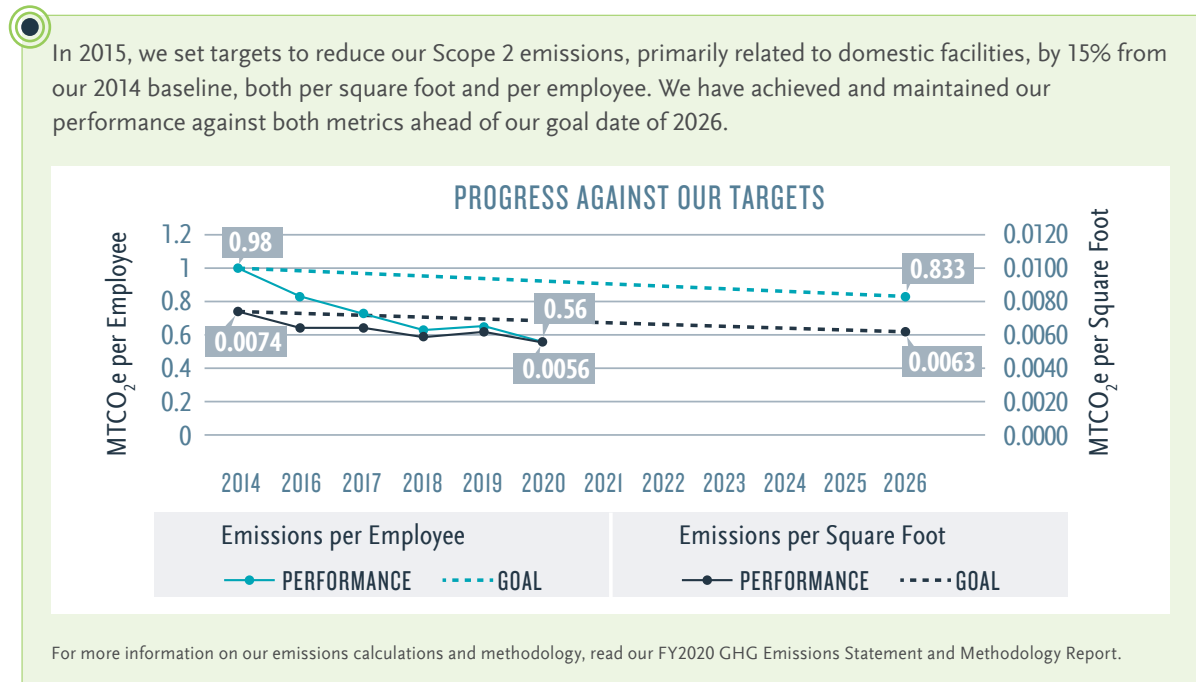
ENVIRONMENTAL MANAGEMENT & CLIMATE IMPACT

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

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

Our firmwide strategy is guided by our **Commitment to Sustainability** and our **Code of Business Ethics and Conduct**. We comply with an ISO 14001:2015 environmental management system (EMS) that has been certified for our global headquarters and apply those considerations across our global operations, as appropriate. Our EMS supports the tracking and reporting of our organization’s greenhouse gas emissions.

Over the past 10 years, we have accounted for and reported our global greenhouse gas emissions according to the operational control approach and with increasing maturity and granularity, as we seek to develop a complete understanding of our limited carbon footprint and the elements of our impact over which we have meaningful influence.



WHEN IT COUNTS

Science Based Targets

As we embark on a new phase of environmental governance, we are excited to apply the knowledge we have gained since setting our current goals 5 years ago. We are implementing new strategies and initiatives to reduce our greenhouse gas emissions, including the establishment of meaningful, data-driven, and rigorous reduction goals. Our objective is to set new targets aligned with the principles and methodology of the Science Based Targets initiative within 2 years, with our fiscal year 2020 emissions serving as a baseline.

ENVIRONMENTAL MANAGEMENT & CLIMATE IMPACT

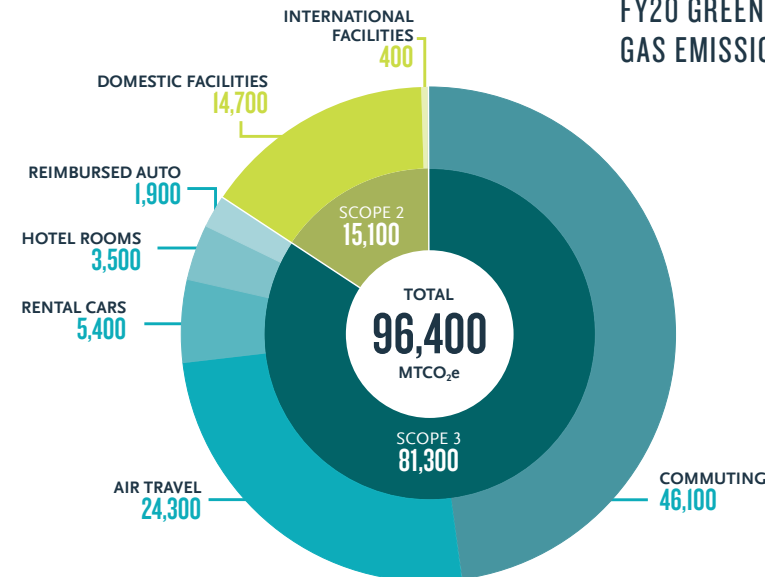
OPERATIONAL AND BUSINESS APPROACH TO CLIMATE CHANGE

In addition to actively managing our own **environmental sustainability** profile, we have a long history of supporting and advancing our clients' goals in environmental performance and energy management. Climate change poses untold future challenges, with no industry appearing immune to some level of operational impact. While we prepare to address any risk to our own business, we also anticipate opportunities to collaborate with clients to help them weather challenges of their own. Examples include:

Managing Operational Risk Posed by Climate Change – Unpredictable and extreme weather patterns, specifically snow, ice, and severe winter weather, may affect our employees' ability to meet their typical production capacity, particularly in cases where the nature of the work or client requirements limit their ability to perform their duties remotely. Risk levels vary geographically, with the greatest risk in the northeast and mid-Atlantic states, including the Washington D.C. metro area, where approximately 60% of our staff live and work. A notable mitigating factor is the swift and nearly comprehensive adoption of telework practices in light of COVID-19, which may have a longstanding impact on the workplace of the future.

Opportunities to Support Clients in Addressing Climate Change Impacts – Booz Allen has built its reputation on applying the best talent and technology to solve our clients' most complex business challenges. Few challenges will be as complex and widely felt as those resulting from the ongoing effects of climate change, and we stand ready to support our clients in developing adaptation, mitigation, and resilience solutions. An example of our innovation mindset in this arena is a climate vulnerability assessment tool, which projects location-based climate change impact on business operations. The tool evaluates the risks at current and planned facilities, worksites, and employee telework locations, providing decision-useful information to support strategic planning and risk mitigation.

FY20 GREENHOUSE GAS EMISSIONS



NOTE: Due to rounding, numbers presented in this graphic may not add up precisely to the totals provided. Scope 1 Emissions from Fleet Vehicles and Stationary Combustion are negligible and therefore not pictured.



DID YOU KNOW?

Booz Allen's FY20 Efforts to Divert Waste from Landfills:

- **Waste-to-energy:** Washington metro area program generated 93,000 kWh of energy, equivalent to 154 metric tons of CO₂e reductions.
- **Furniture recycling:** 190 tons of waste diverted from landfills by recycling and reusing office furniture.
- **eWaste:** 54 tons of eWaste were responsibly resold or recycled.
- **Drink waste:** 187 tons of coffee/tea packets have been diverted from landfills since FY11.

ACHIEVING INFORMATION DOMINANCE IN THE DIGITAL BATTLESPACE

Information warfare will drive tomorrow's battles. Military forces will fight on land and sea, in the sky and in space, but wars will be won by those who maintain superior situational awareness and act on it fastest—empowered by innovation in areas like **big data analytics**, **artificial intelligence (AI)**, **machine learning**, **virtual reality (VR)**, **augmented reality (AR)**, and **edge computing**.

GLOBAL RESILIENCE

The U.S. National Defense Strategy calls for a more innovative, resilient military to maintain our country's competitive advantage. Booz Allen is helping to create an information-driven, fully integrated environment extending across all warfighting domains: what we call the **Digital Battlespace**. Embracing this vision of the Digital Battlespace will help transcend today's organizational and acquisition boundaries, integrating critical networks and ensuring elements work together even in low-bandwidth or cyber-challenged situations.

Electronic warfare and cyber operations are critical to enabling seamless battlefield operation, including identification of threats in real-time, which requires technologies that allow warfighters to securely collect, process, and share data and intelligence at **the tactical edge**. Those same tools can be invaluable even before our warfighters are on the battlefield. Defense leaders are **increasingly offering** advanced simulation and training to warfighters. Realistic immersive solutions, like **VR and AR scenarios** allow trainees to virtually fight the battle numerous times before putting boots on the ground—without the dangers of **live military training**. Combined with **human performance principles** and data-driven metrics, virtual training can help military teams learn faster and perform with greater speed, accuracy, and confidence. What's more, research by the Government Business Council has determined that immersive training can reduce **overall training costs**.

Now is the time for the armed forces to incorporate new technologies, agile processes, and open frameworks. But these systems must also be designed from the ground up to be smart, resilient, and secure, even at the tactical edge. As one of the world's largest cybersecurity providers, Booz Allen employs continuous cyber innovation, sophisticated tradecraft, and top talent to deliver results. That's why the U.S. military relies on our support to help fulfill its mission to protect the homeland and advance our country's interests abroad.

INFORMATION SECURITY

Electronic warfare and cyber operations are critical to enabling seamless battlefield operation, including identification of threats in real-time, which requires technologies that allow warfighters to securely collect, process, and share data and intelligence at the edge. Information superiority leads to a more survivable fighting force, and ensuring expertise in information integration, dissemination, and protection is critical to winning the information war. Cybersecurity solutions vary widely, but in general, they're designed to help detect and stop lines of attack, **interpret the intent behind adversaries' activities**, and find ways to defeat attackers. As Booz Allen Senior Vice President **Dr. Charles Johnson-Bey** remarked, "To support independent, yet coordinated decisions and effective action, information needs to go securely to where the warfighter is...wherever the mission leads."

But cybersecurity needs to be built into solutions from the ground up and considered essential to every initiative, rather than bolted on later. For example, **military cyber attacks against physical infrastructure, including industrial control systems (ICS)**, have increasingly been used to harass adversaries. Many military ICSs predate modern systems that rely on internet protocol-based connectivity, opening them up to new vulnerabilities even as they are eventually joined to modern networks. Consequently, these systems require a tailored cybersecurity approach that differs from traditional IT security practices, well before they are connected to a larger network.



INFORMATION SECURITY

THE FUTURE OF DIGITAL RESPONSIBILITY

Securing a Mobile Workforce. Booz Allen's mobile technology—**District Defend**[®]—empowers employees with the information they need, where and when they need it, without sacrificing security.

District Defend[®] uses patented security protocols to make the management of mobile devices in highly sensitive and classified environments easier and less complex, unlocking opportunities to better collaborate and embrace mobile work, all while mitigating security threats that hamper mobility adoption.

INFORMATION SECURITY OVERVIEW



We safeguard information and technology assets in order to prevent harm to our employees, our enterprise, our clients, and those whose information or assets are entrusted to us.

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

Rising to the challenge, Booz Allen is vigilant in protecting information—investing in cutting-edge **cyber defense** and deploying a comprehensive and multifaceted threat detection program that leverages our people and processes to protect information.



DELIVERING A TRUSTED WORKFORCE: Our employee-centric wellness and security program is designed to foster a trusted workforce, which is critical to protecting our people, our clients’ missions, and our business operations. Our success rests in the hands of each Booz Allen employee, whose **ferocious integrity** is critical to protecting both our information assets and the assets with which we are entrusted. We take our obligations seriously as an organization and endeavor to build in every employee a sense of ownership and responsibility to protect ourselves, the firm, and our clients.



SENSITIVE INFORMATION PROTECTION: As a trusted advisor to leading corporations and nearly every U.S. federal and defense agency, we routinely handle highly sensitive, proprietary, and classified information, as well as other information subject to export controls. Our standard practices and procedures apply to all Booz Allen entities, including wholly owned subsidiaries, as well as all cleared Booz Allen facilities and their employees. To enhance both specificity and flexibility, we supplement those standard procedures with protocols specific to the needs of a location, client, or engagement.

The investments we make in security and in trust differentiate us, but may also make us the target of bad actors. Since we support our clients’ most important missions, we strive to operate at the leading edge of best practice. To that end, we actively participate as a member of the Defense Industrial Base in the implementation of the Department of Defense Cybersecurity Maturity Model Certification (CMMC) Program and are committed internally to a set of initiatives to ensure the necessary safeguards are met in accordance with CMMC. Beyond ensuring compliance and best practices today, we are driven to innovate the solutions of tomorrow—and we seek to apply the same level of care to our enterprise and employee information security.



We are the only company in the world to hold all of the U.S. government’s **elite cyber accreditations**, including NSA Certified Incident Response Assistance Accreditation, NSA Vulnerability Assessment Service, and GSA Highly Adaptive Cybersecurity Services.

DELIVERING A TRUSTED WORKFORCE

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

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



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

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



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



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



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

Booz Allen people are bound by confidentiality obligations and policy requirements that apply when they collect, receive, use, process, store, or disclose information. But the nature of our work and our corporate values require more than just compliance. It’s up to every Booz Allen employee to create connections, establish relationships, and build trust within teams. We support our employees with an ecosystem of services, programs, training, and tools designed to prevent, bring to light, and mitigate potential risk situations.

DELIVERING A TRUSTED WORKFORCE

OUR APPROACH TO CONTINUOUS AWARENESS

Mandatory Annual Training: Every year, each Booz Allen employee completes mandatory training on handling and safeguarding all information that belongs to or is entrusted to us, keeping our people updated on evolution in practice and well-versed in the following actions, among others:

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

Specialized Training: Employees who hold U.S. government security clearances are required to complete additional training covering topics including client security procedures and others. Booz Allen reinforces these learnings with required courses on:

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



6,300+ Booz Allen employees hold cyber certifications (Security+, CISSP, CEH, etc.) and are deployed across **20+ countries**



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



66% of Booz Allen employees hold security clearances



93% of our firm's military-affiliated employees hold security clearances



ESTABLISHING A SECURE AND RESILIENT 5G ECOSYSTEM

Fifth-generation mobile technology (5G) will soon revolutionize global telecommunications and Booz Allen's investments in research, technical capabilities, and infrastructure are paving the way. We are building a carrier-grade 5G lab to mature capabilities across all stages of 5G deployment. This testbed supports the development of 5G capabilities and prototypes a broad set of potential use cases, including threat model development, mobile endpoint testing for security and scalability, 5G radio access network (RAN) modeling, zero-trust networking applications, and 5G use cases and evaluations. Booz Allen's unified strategy integrates expertise, tools, and assets at each stage of 5G development, enabling organizations to securely design, build, and operate 5G networks—and reap the benefits of this transformative technology.

SENSITIVE DATA PROTECTION

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

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

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



TAILOR-MADE APPROACH: Technology advances continue to be the biggest generators of new threat vectors. In order to remain agile, to fit our solutions to the challenges we face, and to enhance the experience of employees working in the field, we take the time to assess the security needs of a given set of circumstances and integrate the appropriate privacy and security measures across each of our technology vectors. This unique method yields a greater level of flexibility and nuance than a strict one-size-fits-all approach. We manage data privacy using a “privacy by design” approach that covers all employees and incorporates technical and organizational measures to effectively protect information and incorporate privacy principles throughout the firm. We also recognize, respect, and seek to achieve compliance with applicable laws of foreign nations.



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



INTEGRATED RISK MANAGEMENT: Our **Cyber Fusion Center** (CFC) provides a comprehensive cybersecurity capability to identify and respond to cyber threats facing the firm. CFC supports the mission by staying at least a step ahead of industry standards to reduce the risk of security breaches and helps position the firm as a thought leader in the growing cybersecurity market. We also leverage the expertise of cross-functional teams that employ best-in-class technologies to meet emerging challenges. The close relationships among our internal chief information officer, chief information security officer, and our cyber market leaders enable us to develop and test capabilities within our corporate teams and facilitate information sharing and consistency. Our approach to data and system protection mirrors the capabilities and solutions mindset we bring to our client engagement: protect, defend, and recover.

SENSITIVE DATA PROTECTION

▶ OUR CROSS-FUNCTIONAL APPROACH TO DATA PROTECTION

Select Practices: Every Booz Allen person is responsible for doing their part to maintain the integrity, proper use, and handling of information. We support this responsibility with a robust and interconnected system of oversight and compliance bodies, starting from the top with our [Board of Directors](#).

At the enterprise level, Information Services, Security, Enterprise Risk Management, Legal, Ethics & Compliance, and related advisory bodies collaborate to manage our enterprise information security and privacy programs. These specialists:

- Track systems integration effectiveness, efficiency, and data integrity,
- Manage incidents through identification, investigation, and remediation,
- Collect, consume, and distribute cyber threat intelligence reporting,
- Maintain partnerships within the information security community,
- Support compliance with relevant security and control plans and guidance,
- Facilitate both internal and external collaboration for intelligence sharing,
- Promote organizational effectiveness through employee training,
- Proactively search for vulnerabilities and attackers,
- Advise on standards for firm-owned storage and cloud computing, as well as client delivery environments,
- Consult on protection and utilization of firm data or IP,
- Maintain secure facilities up to Top Secret and Sensitive Compartmented Information Facilities accredited by various agencies,
- Advise on enterprise and entrusted asset privacy and international trade compliance, and brand use and protection requirements, and
- Advise on public reporting requirements and treatment of material nonpublic information.



DID YOU KNOW?

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

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



RESILIENT GOVERNANCE OF CYBER RISK

The modern cyber-threat landscape and increasingly complex regulatory obligations now command a new level of attention from companies. In a co-authored report, [“Resilient Governance for Boards of Directors: Considerations for Effective Oversight of Cyber Risk,”](#) Booz Allen and the University of California, Berkeley’s [Center for Long-Term Cybersecurity](#) (CLTC) offer guidance for governing cybersecurity risk from the top.

The report suggests that making cybersecurity governance a core concern at the board level will build a sound foundation for addressing how stakeholders engage with digital technologies, improving resilience for the company and society as a whole. “Today, boards feel a deep sense of urgency to exercise a central role in improving their firm’s cybersecurity posture through enterprise-level governance and oversight,” says [Bill Phelps](#), Booz Allen Executive Vice President. “With this report, Booz Allen and CLTC are empowering directors to formulate new approaches to govern this rapidly evolving discipline.”



ABOUT OUR REPORTING

APPENDIX

This report details our practices and performance in governing significant environmental and social matters that may affect or be affected by our business operations and corporate actions. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core Option.

ABOUT OUR REPORTING

REPORTING SCOPE AND BOUNDARIES

Data in this report primarily reflects performance and operations during our 2020 fiscal year, which ended March 31, 2020. Unless otherwise noted, references to years or fiscal years are those ending on March 31. Descriptions of our practices, policies, and programs may reflect more current information, where appropriate in the circumstances.

Unless the context otherwise indicates or requires, information contained within this report relates to Booz Allen Hamilton Holding Corporation’s consolidated global operations and references in this report to “Booz Allen,” “we,” “us,” “our,” or our “firm” refer to Booz Allen Hamilton Holding Corporation, its consolidated subsidiaries, and predecessors. Where relevant and appropriate, any limitation to the scope or boundary of disclosure relating to a specific GRI Standard is included within this report together with the applicable disclosure.

A significant portion of our business relates to contracts with the U.S. government that are classified or subject to security restrictions. Because we are limited in our ability to provide information about this work, any associated impacts, risks, and opportunities are necessarily omitted from the scope of this report.

DATA ASSURANCES AND PRESENTATION

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

Certain financial data presented in this report was audited for disclosure in the Booz Allen FY20 Annual Report on Form 10-K.

Our FY20 greenhouse gas (GHG) emissions data has been third-party verified by Apex Companies, LLC to limited assurance in accordance with the International Organization for Standardization (ISO) 14064-3, the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol (Scope 1 and Scope 2), and the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3) GHG reporting protocols.

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

While this report has been prepared in accordance with the GRI Standards: Core Option, our reporting and strategy are also informed by other prevalent reporting standards, such as SASB, <IR>, the Culture of Health for Business, and the U.N. Guiding Principles Reporting Framework.

GRI MATERIALITY & U.N. GUIDING PRINCIPLES REPORTING FRAMEWORK SALIENCE

GRI defines as “material” those topics that may reasonably be considered important for (1) reflecting an organization’s economic, environmental, or social impact, or (2) substantively influencing the assessments and decisions of stakeholders.

The U.N. Guiding Principles Reporting Framework (“UNGP Framework”) employs a concept of “salience” that focuses on risk to people, not to the company, while recognizing that, where risks to human rights exist, there may also be convergence with business risk. The framework also emphasizes respect for human rights, placing its focus on the avoidance of harm rather than initiatives to support or promote human rights.

Within this report, we employ GRI’s concept of materiality, presenting among our priority topics those aspects that have been identified through our assessment as most significant to understanding our business’ impact and of substantial interest to our stakeholders.

Topics that may be deemed material under the GRI standards or salient under the UNGP Framework are not necessarily material for purposes of the U.S. federal securities laws or for other purposes. Please refer to our [GRI Content Index](#) for more information.

FORWARD LOOKING SAFE HARBOR STATEMENT

Certain statements contained in this document include “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning Booz Allen’s financial outlook and guidance, as well as any other statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “could,” “should,” “forecasts,” “expects,” “intends,” “plans,” “anticipates,” “projects,” “outlook,” “believes,” “estimates,” “predicts,” “potential,” “continue,” “preliminary,” or the negative of these terms or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct.

These forward-looking statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. A number of important factors could cause actual results to differ materially from those contained in or implied by these forward-looking statements, including those factors discussed in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the fiscal year ended March 31, 2020, which can be found at the SEC’s website at www.sec.gov.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

NON-GAAP MEASURES

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

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

“Adjusted EBITDA” represents net income before income taxes, net interest and other expense and depreciation and amortization and before certain other items, including transaction costs, fees, losses, and expenses, including fees associated with debt prepayments and supplemental employee benefits due to the COVID-19 outbreak. “Adjusted EBITDA Margin on Revenue” is calculated as Adjusted EBITDA divided by revenue. The firm prepares Adjusted EBITDA and Adjusted EBITDA Margin on Revenue to eliminate the impact of items it does not consider indicative of ongoing operating performance due to their inherent unusual, extraordinary or non-recurring nature or because they result from an event of a similar nature.

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

	Fiscal Year Ended March 31, 2020
(Amounts in thousands)	(Unaudited)
Net income	\$482,603
Income tax (benefit) expense	\$96,831
Interest and other, net (a)	\$89,768
Depreciation and amortization	\$81,081
Transaction expenses (b)	\$1,069
COVID-19 supplemental employee benefits (c)	\$2,722
Adjusted EBITDA	\$754,074
Adjusted EBITDA Margin on Revenue	10.1%

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

(b) Reflects debt refinancing costs incurred in connection with the refinancing transaction consummated on November 26, 2019.

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

About Booz Allen

For more than 100 years, military, government, and business leaders have turned to Booz Allen Hamilton to solve their most complex problems. As a consulting firm with experts in analytics, digital, engineering, and cyber, we help organizations transform. We are a key partner on some of the most innovative programs for governments worldwide and trusted by their most sensitive agencies. We work shoulder to shoulder with clients, using a mission-first approach to choose the right strategy and technology to help them realize their vision. With global headquarters in McLean, Virginia and offices worldwide, our firm employs nearly 27,200 people and had revenue of \$7.5 billion for the 12 months ending March 31, 2020. To learn more, visit [BoozAllen.com](https://www.BoozAllen.com). (NYSE: BAH)