

LEK



L.E.K. Consulting LLP

Carbon Reduction Plan

June 2024

Commitment to achieving Net Zero by 2050

L.E.K. is committed to achieving Net Zero emissions by 2050.

In 2022, we set goals for decarbonisation across our global business in accordance with the Science Based Targets initiative (SBTi); specifically, the near-term goals of a 34% absolute reduction in Scope 1+2 emissions and a 44% per employee reduction for Scope 3 emissions from business travel by 2027, as compared to a 2019 baseline. Additionally, L.E.K. committed to SBTi Net-Zero long-term targets by 2050, in accordance with the Paris Agreement, to play our role in achieving the goal of a maximum of 1.5 degrees Celsius of global warming above pre-industrial levels. We have analysed our emissions and identified high impact areas that will be prioritised, creating an implementation pathway for emissions reduction across all scopes.

L.E.K.'s global environmental policy, which applies to all our worldwide operations, outlines the ways we intend to improve the environmental sustainability of our organisation and includes our commitments to being more energy efficient, reducing our carbon emissions and transparently reporting on our progress towards our decarbonisation goals.

Emissions recording

L.E.K. UK's emissions are calculated in accordance with the GHG Protocol; figures in the tables below represent gross emissions and do not reflect use of offsets. L.E.K. has been carbon neutral since 2008 through the use of high-quality certified offsets.

All carbon emissions classified under Scopes 1, 2 and Scope 3 are included. The 2019 baseline and 2023 current year emissions shown in this section are for L.E.K. UK and are a component of L.E.K.'s total global emissions.

L.E.K. UK operations are based in an office building in central London. Management has worked with the building's landlord to source fully renewable electricity for these operations, which has been achieved since 2019. Most GHG emissions by L.E.K. UK are due to business travel.

Baseline year 2019 – Current year 2023 (UK)

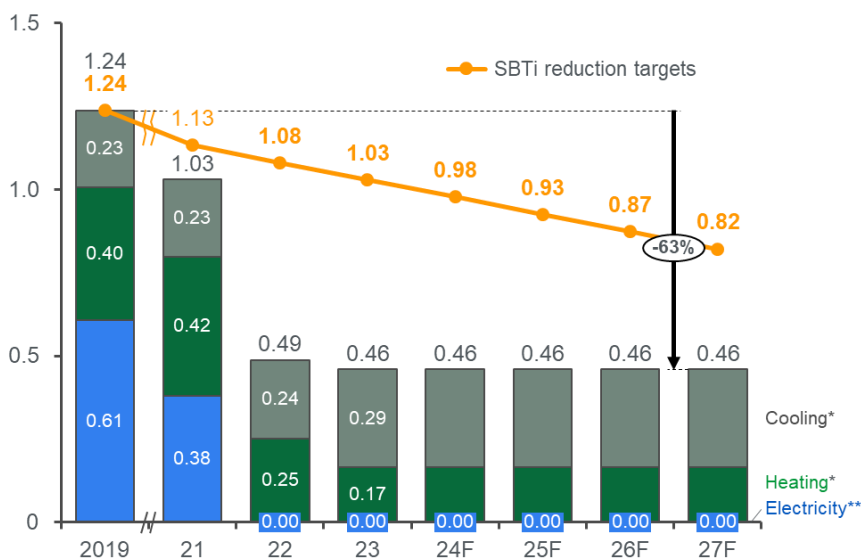
Gross emissions	2019	2020*	2021	2022	2023
	tCO ₂ e	tCO ₂ e	tCO ₂ e	tCO ₂ e	tCO ₂ e
Scope 1	48	48	48	45	42
Scope 2 (market-based)	71	71	71	22	21
Scope 3 - waste generated in operations - business travel - employee commuting - upstream transportation and distribution - downstream transportation and distribution	1,275	210	220	1,015	1,777
Total emissions (market-based)	1,394	329	339	1,082	1,840

* Reporting of the 2020 figures was impacted by business disruption during the global Covid-19 pandemic

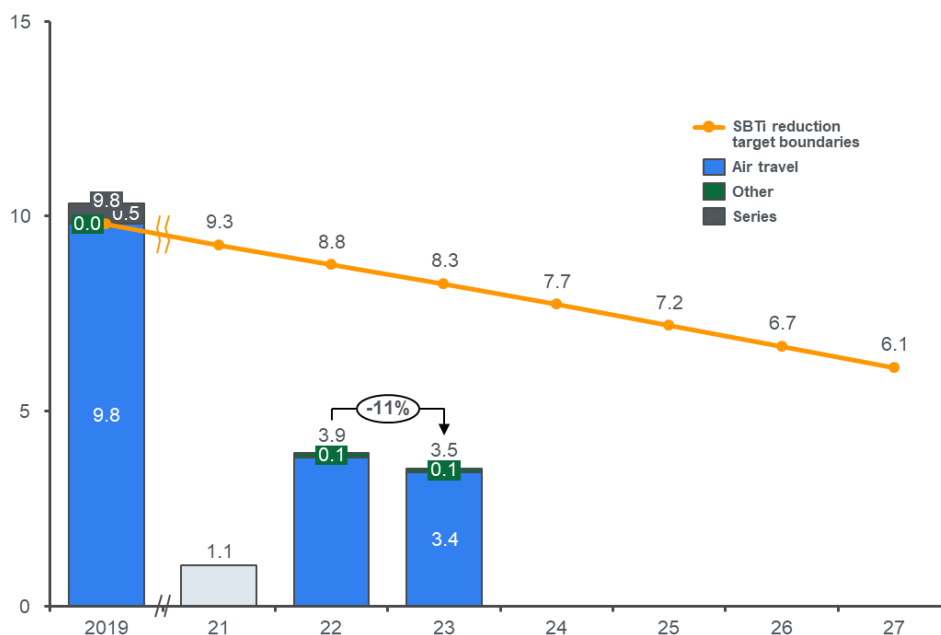
Emissions reduction targets

We have set our emissions reduction targets in accordance with science-based targets through the SBTi in line with the goals of the Paris Agreement’s to keep global warming to 1.5°C. We have submitted our targets to the SBTi and they are in the process of being validated. These targets were set at the global level and apply firmwide, including to L.E.K. UK. Our targets and our progress against these are presented in the graphs below.

L.E.K. Scope 1+2 SBTi reduction targets and L.E.K. projections (2019-27F)
000s of tons of CO₂e



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Carbon reduction plans

To deliver on our science-based targets, we have developed a decarbonisation strategy covering our Scope 1, 2, and 3 emissions and a transition plan. We will continue to track progress against our targets throughout the implementation and operationalisation of this work.

The key initiatives being pursued by L.E.K. to deliver reduced carbon emissions and our SBTi and net zero targets are outlined below:

> Scope 1+2

- Since 2022 we have powered our offices globally with 100% renewable electricity. This was achieved through moving to renewable electricity in our offices where possible and purchasing renewable energy certificates where we were unable to procure directly. We plan to continue to have 100% renewable electricity across our operations going forward. In 2022, we implemented new environmental policies and processes for all global offices, standardising office-level annual sustainability goals including implementing energy efficiency measures. We have continued to check in with our offices on a bi-annual basis and have identified and implemented energy efficiency actions. We have established a process to assess the environmental footprint of any new office space, to ensure that we consider our environmental impact as L.E.K.'s operations grow.

> Scope 3

- *Business travel:* Business travel is the single largest driver of L.E.K.'s Scope 3 carbon emissions. L.E.K. saw significant changes in travel during COVID-19. While some of the travel has resumed post-COVID, virtual meetings have become standard business practice and L.E.K. team members are flying less and collaborating with our clients with fewer face-to-face meetings. Despite

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already lower levels of travel, we aim to further decrease our emissions from business travel going forward. Short-term we are focusing on behaviour changes through education and awareness, and improvement of emissions data tracking. Medium-term we plan to assess and implement additional levers such as carbon budgets, carbon pricing and the procurement of Sustainable Aviation Fuel.

- *Employee commuting / WFH:* We encourage the use of remote working collaboration technologies and annually survey our staff's commuting and working-from-home patterns to identify areas where emissions can be reduced. We have annual discussions with staff to identify ways for them to contribute to our decarbonisation.
 - *Other:* L.E.K. has set net zero targets in line with the Paris Agreement to reduce emissions across of all Scope 3 including waste, water, and other Scope 3 purchased goods and services by 2050. We are promoting circularity and minimising waste by adopting the waste hierarchical approach, and we encourage our staff to consider their water usage and the impact of their behaviours on biodiversity and natural resource depletion. We are also committed to working with our suppliers on best practices for sustainable procurement, including requesting they align with our sustainability policies and goals in our Supplier Code of Conduct, and encouraging our supply chain partners to measure and disclose their GHG emissions and actions publicly.
- > **Promoting green ways of working** – L.E.K.'s GoingGreener Committees are local interest groups, that help drive in-office initiatives to support L.E.K.'s sustainability journey. We have GoingGreener Champions in each of our offices, including in the UK, who are steering these initiatives locally and providing annual updates to the global organisation.
- > **Staff engagement in decarbonisation initiatives** – L.E.K. encourages its staff to contribute ideas to ways L.E.K. can support the transition to a low-carbon economy. In 2022 we launched our Green Innovation Fund which annually funds the best ideas put forward from our offices to reduce L.E.K.'s carbon emissions, promote energy efficiency, encourage biodiversity, and reduce waste.
- > **Voluntary Reporting** – L.E.K. has committed to transparent reporting of our environmental impact as well as actions being taken to reduce that impact via voluntary reporting. In 2023, we disclosed to CDP and EcoVadis for the first time, scoring A- in CDP and a gold in EcoVadis.

Declaration and sign-off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan is consistent with our global plan, which has been approved by our Global Operating Committee.

Signed on behalf of the supplier



Ben Faircloth

Head of Europe

Date: 10th July 2024

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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