



BDO's progress to

Net-Zero



I am pleased to present this report reflecting BDO's contributions towards a net-zero future. Over the past year, we've focused on meaningful, measurable actions to embed the net-zero programme across our network, and am proud to share some of our key achievements.



PAT KRAMER
CEO, BDO

As part of our globally mandated Net-Zero Policy, aimed at driving consistency and accountability in our approach to emissions reduction, we measured our second carbon footprint in 2024, with the majority of member firms collecting and reporting their 2023 carbon baseline data. We are thankful for the dedication of our firms' leadership and net-zero teams who have led the charge to implement our Policy and start embedding sustainable practices in daily operations. While our organisation's carbon emissions increased in the reporting period, we are confident our decarbonisation efforts will help reduce this number.

To support robust carbon footprint measurement and reporting, we have implemented a global carbon data management platform, IBM Envizi, designed to enhance transparency and enable data-driven insights into carbon emissions. This platform provides our member firms with the tools needed to track and manage their carbon footprints, reinforcing our commitment to net-zero goals through technology and data.

The year was characterised by extensive engagement with member firms across multiple channels, tailored to offer guidance and resources on their individual net-zero journeys. By creating a supportive ecosystem, we empower our firms to lead by example in their markets and communities. Our sustainability services professionals work alongside clients to help them navigate their own sustainability journeys.

As we move forward, we keep our sights on our Global Vision: 'Global Solutions. Driven to the best.' Through our focus on tomorrow and commitment to sustainability, we will expand our initiatives in 2025 to all aspects of E, S and G to support our member firms in building a more resilient and responsible future. Together, we are transforming our organisation, the profession and broader society for the better.



NET-ZERO ACTION

BDO UK has embedded decarbonisation into strategic decision making, such as its office buildings. Its Manchester team moved to the Eden Building, one of the UK's most sustainable office buildings, boasting BREEAM outstanding, features a living green wall, and designed to be net zero in operation. In 2027, BDO UK's London headquarters will be relocated to The M Building on Marylebone Lane, which has sustainability at the heart of its rebuild and retrofit, aiming for BREEAM outstanding and WELL platinum accreditation.

Milestones and progress



In 2024 we measured our first truly global carbon footprint, with 76% of firms collecting their 2023 reporting year carbon emissions data across Scopes 1, 2 and 3.

The data was collected in our global technology platform, IBM Envizi, which was used to calculate the global footprint of 447,461 tCo2e.

BDO operates as a global network of independent member firms. Whilst the scope of our commitment covers the entire network, the approach we are following takes into consideration the independent legal, financial and operational nature of each of the member firms in the network.

BDO's globally mandated Net-Zero Policy draws from the latest Greenhouse Gas Protocol (GHGP) and SBTi standards. Approved by the Global Board, the policy requires all member firms to:

1. measure their carbon footprint annually starting from 2023
2. submit their targets to SBTi by July 2025
3. develop a carbon reduction roadmap to 2050 or sooner in accordance with SBTi requirements for the 1.5 C pathway
4. report in accordance with the TCFD framework (or climate elements of ESRS / IFRS / GRI), with all member firms producing a report by end 2026

GLOBAL CARBON FOOTPRINT

The global carbon footprint for the 2023 carbon year is 447,461 tCO₂e*, of which:

- Scope 1 = 19,262 tCO₂e**
- Scope 2 = 24,721 tCO₂e****
- Scope 3 = 403,478 tCO₂e**

An increase of 13.5% (53 315 tCO₂e) compared to the consolidated global footprint in 2022 was expected and is due to factors such as significant growth in the network in the reporting period, a four-fold increase in the number of member firms participating in the consolidation and more complete and comprehensive individual member firm footprints.

Each member firm has the authority to define the 12-month reporting period for their entity, however firms are encouraged to align their financial and carbon reporting periods. The global carbon footprint for 2023 has been aggregated from such individual reporting periods published by member firms.

SCIENCE-BASED TARGETS

Within the past year the number of member firms that published their net-zero commitment to the SBTi has grown from two to 25. Of these, two member firms (UK and Cyprus), plus the Global Office, have had their targets validated by the SBTi.

In 2025, we expect the number of member firms who will have their SBTi targets validated to increase significantly as all BDO member firms are required to submit them to SBTi by mid-2025.

BDO member firms will submit their targets to SBTi using either the corporate or the SME pathway. In 2025, the focus will be on development of decarbonisation strategies covering a range of initiatives and actions to reduce carbon emissions across all scopes.



NET-ZERO ACTION

In 2024, BDO Australia partnered with Greenbox to successfully process 209 technology devices and save over 23 tonnes of CO₂ from our atmosphere via recycling or repurposing. An employee laptop buyback programme saw more than 150 devices repurposed and 'sold' back to staff in exchange for a charitable donation, saving close to 16 tonnes of greenhouse gas emissions.

* The global footprint was consolidated based on data submitted by the firms and available in the IBM Envizi platform at the consolidation date. Where appropriate and necessary, adjustments have been made to some of the firms' data in the platform to ensure consistency in the reporting approach.

** Scope 2 emissions are reported on a location basis



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