



Net-Zero

Progress Report 2025





I'm pleased to share this year's report on how BDO is moving closer to our net-zero goals. Over the past year, we've prioritised tangible and quantifiable actions to embed the net-zero programme across BDO, and this report highlights some of the key milestones we've achieved.

In alignment with our global Net-Zero Policy, which ensures consistency and accountability in reducing emissions, we completed our third carbon footprint measurement in 2025 using 2024 data. This progress wouldn't be possible without the commitment of our leadership and net-zero teams, who continue to integrate sustainable practices into everyday operations.

To make sure our carbon footprint reporting is accurate and transparent, we use a global emissions management platform. This technology helps us analyse emissions data and gives our firms the tools they need to track and manage their impact effectively. It's all part of our commitment to using data and technology to drive meaningful change. And to reinforce our commitment to transparency, accountability and decisive action we require most of firms to establish their own SBTi targets.

Our BDO global sustainability team works closely with firms, providing guidance and resources to support their net-zero journeys. By creating a collaborative and supportive environment, we help firms lead in their markets. Beyond that, our sustainability professionals partner with clients on services like carbon accounting, sustainable finance, strategy, and ESG reporting - helping them advance their own sustainability goals.

Our Global Vision, "Global Solutions. Driven to be the best." keeps us focused on building a more resilient and responsible future for everyone and we look forward to the developments that 2026 will bring.



PAT KRAMER
CEO, BDO

Achieving milestones and making progress



In 2025, 86% of firms collected their 2024 reporting year carbon emissions data across Scopes 1, 2 and 3. The data was collated in our global technology platform, which was used to calculate the global footprint of 419,267 tCo2e.

BDO operates as a global organisation of independent firms. Whilst the scope of our commitment to net-zero covers the entire organisation, the approach we follow takes into consideration the independent legal, financial and operational nature of each of the firms in the organisation.

Our commitment to reducing our emissions is strengthened by our global Net-Zero Policy which is based on the GHG Protocol and SBTi standards. Since 2023, we have taken a tiered approach to asking our firms to measure their carbon footprint, submit targets to SBTi for validation, and assess climate-related risks and opportunities.

Firms that contribute the most to our emissions are required to assess their climate risks and opportunities and prepare a TCFD-aligned report every three years. Recognising that some firms have significantly lower emissions, we've introduced additional flexibility so they can follow a lighter reporting approach.

This will allow them to concentrate on practical steps that support their climate transition.

Each member firm has the authority to define the 12-month reporting period for their entity, and firms are encouraged to align their financial and carbon reporting periods. The global carbon footprint for 2024 has been aggregated from such individual reporting periods published by firms.

"Using a single, data-driven platform across BDO allows us to show how global collaboration and local action can drive real progress toward net-zero."

Allan Evans
Head of Global Strategic Projects

GLOBAL CARBON FOOTPRINT

The global carbon footprint for the 2024 carbon year is 419,267 tCO₂e* (2023 CY: 447,461 tCO₂e), of which:

- Scope 1 = 15,581 tCO₂e**
- Scope 2 = 21,070 tCO₂e****
- Scope 3 = 382,616 tCO₂e**



While headline figures show a slight decrease from 2023, the underlying data shows that some firms reported significantly higher or lower emissions than the previous year: 81% of firms have seen year-on-year variances that fall outside the rebaselining threshold. This is not unexpected as firms mature in their understanding of requirements and they improve the quality of their data. It is also a trend seen in sustainability reporting across many industries.

Where emissions data was missing but had been submitted in previous years, the prior year's figures were used as proxies.

Early in 2026, firms will be developing their rebaselining strategies with support from the global sustainability team.

We continue to strengthen the accuracy of our emissions data through ongoing engagement with firms. Several firms reported their emissions in our global emissions management platform for the first time in 2024, while other firms provided more accurate data over the previous year.

* The global footprint was consolidated based on data submitted by the firms and available in the 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



BDO South Africa has installed 1,250 solar panels at its Johannesburg office, with a target of between 1,8 to 2 MWH daily - which is achievable during summer. The panels cover approximately 80% of the office's power requirement during the day.





84% of BDO's 2024 global emissions are covered by a net-zero target validated by SBTi.

SCIENCE-BASED TARGETS

As one of the world's largest professional services organisations, BDO has a significant role to play in the drive to a net-zero future. The shift towards a net-zero, fair economy that meets people's needs, while safeguarding the planet, is both essential and urgent.

We are proud of the commitment and leadership demonstrated by our firms - 38 firms* plus the BDO Global Office have their commitments reflected on the SBTi dashboard.

Firms will continue to roll out their own decarbonisation activities next year, using various measures to reduce carbon emissions in hotspot areas, while also assessing transition risks and identifying opportunities that come with shifting to a low-carbon economy.

TACKLING SUPPLY CHAIN EMISSIONS

We recognise that Scope 3 forms the largest portion of our emissions and that we cannot reduce these without productive and proactive engagement with our suppliers and partners.

This endeavour will be facilitated by a supply chain module which enables a 'data first' approach allowing our firms to capture and aggregate high-volume supplier and product-level transaction data for Scope 3 emissions and reporting.

A successful supplier engagement programme will have some key benefits: driving emissions down, reducing the risk that comes from increasing supply chain volatility and potentially saving costs. Using an individualised approach, firms will also develop better and stronger values-based relationships with their suppliers.

Rolling out the emissions management platform across BDO required both technology and teamwork. We needed to accommodate various reporting periods, customise access controls and enable firm-level data separation with global aggregation. This project required extensive collaboration across various business functions within the BDO Global Office and BDO firms.

REPORTING

Twenty-three BDO firms, plus the BDO Global Office have published a sustainability report. Despite the regulatory uncertainty in Europe, the BDO Global Office opted to publish its first sustainability report based on the EFRAG Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME) framework, to BDO member firms.

RISK ASSESSMENT

Our Global Net-Zero Policy requires most of our firms to evaluate their climate-related risks and opportunities in line with the recommendations of the TCFD. Our tiered model gives firms with fewer resources and lower emissions the time they need to adopt the best approach for their situation. We've also carried out a global assessment of physical risks, considering all offices across our organisation..

OUR PROGRAMME IN 2026

The BDO Global Sustainability team offers comprehensive support to firms on their net-zero journey. Through webinars, small-group drop-ins, newsletters, workshops and one-on-one engagement, we help firms implement their net-zero strategies in line with our commitment to achieve net-zero by 2050 or sooner.

In the year ahead, our focus will be on helping firms understand climate risk and opportunities, scale decarbonisation efforts and improve data quality as we approach the 2030 near-term target.

BDO France took a hard look at their operations and identified over €100,000 in annual savings through deploying a comprehensive energy management plan.

"The results exceeded our expectations, proving that sustainability and cost efficiency can go hand in hand."

Audrey Leroy
Partner, BDO France

* at the time of publication



BDO China worked with a large global manufacturing client to enhance energy optimisation and system efficiency across multiple industrial utility systems. The end goal was to lower overall carbon emissions, while maintaining production performance. They achieved 10-25% overall energy savings across cooling, smelting, compressed air and lighting systems, and delivered approximately USD 21,000 in annual cost savings through combined energy, labour and maintenance savings.



BDO Norway was engaged to lead an energy team focused on accelerating the energy transition and creating value in the fisheries and aquaculture sector. Through a structured energy mapping of relevant stakeholders, BDO will analyse current energy usage, load patterns, and identify capacity or performance challenges. They will also assess any technical, economic, and regulatory bottlenecks in the current system, and evaluate potential measures, energy solutions, and priorities.





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