May 12, 2014

Booz Allen's Innovation Focus, One Year Later: Delivering Solutions, Products and Competitive Advantage through Creativity and Partnerships

MCLEAN, Va.--(BUSINESS WIRE)-- The ideas come from every direction: voted by employee crowdsourcing to the top of the heap, vetted through a "Combustion Chamber" presentation exercise where only the best concepts get funded, sorted out on the rapid prototyping engineering platform, or selected from work <u>Booz Allen Hamilton</u> (NYSE:BAH) performs for one client that can solve problems for others.

Since Booz Allen created its 1,800-person Strategic Innovation Group (SIG) to help pivot the firm toward new growth opportunities, the investment has produced strong results. New ideas have led to a suite of products, key partnerships with other innovators, advancements in the fields of data science, cyber security and rapid prototyping, and solutions that are saving lives and preventing potentially devastating cyber attacks.

Today, Booz Allen's innovations help protect US warfighters against remote-controlled IEDs with signal jamming technology. They provide commercial clients with integrated advanced technology to anticipate, prevent, detect and respond to global cyber threats. And they help the U.S. government detect fraud through the use of data science tradecraft. Many organizations recognize that innovation is a driver of solutions such as these, yet they do not have the resources to incubate the best ideas that can deliver the highest potential to achieving mission success.

Created with an initial \$40 million investment to identify, nurture and deliver solutions across the spectrum of defense and intelligence, civil, commercial and international clients, the SIG is a key element of the firm's Vision 2020 plan to address new growth opportunities.

"Booz Allen created the Strategic Innovation Group to capture the smart thinking that already existed across the firm, take the best new and compelling ideas and build solutions around them that will resonate across the entire spectrum of our clients," said <u>Karen Dahut</u>, executive vice president and head of the SIG. "Booz Allen's ability to work across multiple federal and commercial markets allows it to deliver unique and forward-looking solutions and partners, ultimately expanding what is possible and delivering strong return on mission when innovation is essential in times of fiscal constraints."

The SIG is making innovation an imperative across the entire firm. Among the first year's highlights:

- In March, Booz Allen announced its collaboration with Washington, DC-based incubator <u>1776</u>, which will help government and commercial organizations build cultures of innovation and entrepreneurship, create new and distinctive products and services and provide market access to enable high-promising start-ups to scale.
- In 2013, the firm established a Strategic Alliance program that allows it to foster relationships with technology vendors, such as Microsoft and Amazon, to build lasting value for joint clients.
- Booz Allen's military and law enforcement clients now also have access to rapid, tailored and engineered products, and commercial enterprises are better able to manage cyber risks through Booz Allen's combined advanced technology, big data analytics, workforce readiness and specialized tradecraft.
- The firm has introduced OBSERVE, a remote facial recognition tool that specializes in identifying subjects in disguise, in poor lighting or with obstructed faces.
- In 2013, the firm launched Cyber4Sight, a tailored, anticipatory threat intelligence product that provides actionable, nearreal time alerts of specific threat actors worldwide, and since then has introduced the complementary Global4Sight, Insider4Sight and Mission Platform products.
- To complement existing programs such as the annual Ideas Festival, Booz Allen created its own version of the "Shark Tank," called the "Combustion Chamber." Employees submit ideas, solutions and product innovations for consideration, and the best end up in the "Combustion Chamber"—an event where staff pitch a Booz Allen leadership panel to receive an investment from the firm for a future client solution.

"The federal government's shutdown in 2013, as well as ongoing uncertainty in the government marketplace, only served to reinforce the need for Booz Allen to reimagine its business model," said Dahut. "The competitive market will continue and the winners will be those who identify and take advantage of growth opportunities. Because of the flexibility and scale it creates, the SIG will help Booz Allen focus on our growth markets and continue to deliver superior service to clients."

This week, Booz Allen executives will participate in several innovation events that demonstrate the firm's commitment to bringing startups and entrepreneurial talent to solve real client challenges:

- <u>1776 Challenge Cup</u> (May 9-17, Washington) Booz Allen panelists will discuss how startups are becoming a critical strategy for corporations to stay competitive and how governments can be promoters of innovation.
- FOSE (May 13-14, Washington) Booz Allen panelists will discuss how corporations, startups and entrepreneurs can work in partnership to solve global-level challenges with emerging and disruptive technologies.
- Front End of Innovation 2014 (May 13-15, Boston) Booz Allen will explore how to define the elements necessary to increase innovation maturity across individuals, teams and businesses.

About Booz Allen Hamilton

Booz Allen Hamilton has been at the forefront of strategy and technology consulting for 100 years. Today, the firm provides business and technology solutions to major corporations in the financial services, heath, and energy markets, leveraging capabilities and expertise developed over decades of helping US government clients in the defense, intelligence, and civil markets solve their toughest problems. Booz Allen is headquartered in McLean, Virginia, employs approximately 23,000 people, and had revenue of \$5.76 billion for the 12 months ended March 31, 2013. In 2014, Booz Allen celebrates its 100th anniversary year. To learn more, visit www.boozallen.com. (NYSE:BAH) BAHPR-GI

Booz Allen Hamilton Carrie Lake, 703-377-7785

Source: Booz Allen Hamilton

News Provided by Acquire Media