

Modern Slavery Act 2015: Statement

McKinsey & Company is a values-driven organisation, and we aspire to meet the highest professional, legal and ethical standards.

As a participant in the United Nations Global Compact, McKinsey supports the protection of internationally proclaimed human rights, the elimination of all forms of forced and compulsory labour and the effective abolition of child labour.

We are committed to ensuring that there is no modern slavery or human trafficking in our supplier base or in any part of our business.

This statement sets out our approach to modern slavery. For more information see our [2023 ESG Report](#).

Our firm

McKinsey is a global management consulting firm committed to partnering with organizations to accelerate sustainable and inclusive growth. We work with clients across the private, public and social sectors to solve complex problems and create positive change for all stakeholders. To do that, we operate a “one firm” global partnership that fully embodies our values and our high standards of ethical conduct and social and environmental responsibility.

Given the nature of the services we provide and the professional workforce we employ, we assess the risk of modern slavery or human trafficking in our own organisation to be low.

Supplier Management

As a professional services firm, our supplier base includes professional advisory services, technology, travel, real estate, research & data, and facilities. We have reviewed our supply chain and believe the overall risk of modern slavery is low, owing to:

- The nature of the goods and services that we procure (mostly services, mostly skilled professions);
- The locations from which we procure them (mostly in developed markets);
- Our procurement practices (for example, we agree to reasonable terms and ensure timely payment); and

- Our supplier due diligence processes (which include risk analysis specific to modern slavery)

While the overall level of risk is low, these criteria also enable us to identify where the risk may be higher.

Our policies on slavery and human trafficking

We are committed to ensuring there is no modern slavery or human trafficking in our supply chain or in any part of our business. Our internal policies reflect our commitment to acting ethically and with integrity in all of our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking are not taking place anywhere in our supply chain.

Our [Code of Conduct](#) (Our Code) defines a set of expectations for the behaviour of all firm members and for others working on our behalf. It also addresses modern slavery elements and outlines grievance mechanisms. As outlined in Our Code, our commitment to human rights informs whom we serve and on what topics, and we will not do work that supports or enables human rights violations.

Our [Human Rights Statement](#) affirms our established commitment to human rights and our commitment against contributing to, participating in or enabling the use of child, forced or exploited labour or forced or exploitative conditions and against assisting our clients in doing so in any way.

Training and grievance mechanisms

We continue to implement our human rights-related policies such as our Workplace Conduct Policy and Our Code on an ongoing basis, while supporting these with regular awareness building and training. New colleagues must adhere to Our Code and participate in an onboarding session that informs them about our firm's values. Annually, all colleagues must certify they comply with our firm's core policies and complete Risk training.

Every firm member is responsible for raising concerns about values, ethics, professional conduct, and any potential violation of laws or firm policies and has the right to do so without fear of retaliation. In addition to clearly defined internal channels, we have a global hotline that allows colleagues to raise concerns relating to potential violations of laws and our firm's policies, professional standards and values in a confidential manner and, where

legally permissible, anonymously. We do not tolerate retaliation of any kind against firm members who in good faith report potential or actual ethics or legal violations.

Due diligence processes for slavery and human trafficking

We have embedded checks for modern slavery in our routine supplier due diligence process and have raised awareness of these issues with colleagues who manage this supplier vetting process.

The due diligence process reflects the relative risk for potential suppliers and includes:

- Checks against global sanctions and enforcement databases (for example, OFAC Sanctions List and World Bank Debarment List) and adverse media review to identify risks, including human rights abuses, human trafficking and labour violations.
- Further vetting and evaluation of suppliers identified as potentially high risk, including higher spend suppliers, who are asked as part of a questionnaire, about their policies and procedures in place regarding human rights, modern slavery, forced labour, child labour or human trafficking. Certain suppliers may also be asked to further complete an evidence-based assessment on a third-party platform requiring document verification and review by an independent expert, and McKinsey may request corrective actions to address environmental, social (including human rights) and governance (ESG) improvement areas.
- A [Supplier Code of Conduct](#) that all suppliers are expected to comply with. As part of our Supplier Code of Conduct, McKinsey requires suppliers to fully comply with the applicable legal requirements of slavery, forced labour and human trafficking laws (including the Modern Slavery Act 2015) and expects suppliers to enact practices to ensure compliance with such laws.

Ongoing steps

McKinsey does not tolerate slavery, forced labour or human trafficking in any form and expects its suppliers to adhere to the same standards.

Since our last published slavery and human trafficking statement dated June 2023, we have:

- Maintained a cross-functional Human Rights Working Group to operationalize our approach to human rights due diligence and management, including on modern slavery.
- Continued to include in our contractual arrangement with suppliers, a standard contract clause to confirm compliance with the Modern Slavery Act 2015 as well as

other applicable global laws relating to modern slavery; to warrant that they have not been convicted of any offences relating to slavery or human trafficking; and to ensure they implement due diligence procedures in their own supply chains.

- Continued to use a supplier vetting and onboarding process and technology platform that embeds in its risk assessment an evaluation of modern slavery based on criteria such as the country of operation and government response, as assessed by the Global Slavery Index.
- Periodically reviewed and updated our Supplier Code of Conduct to include new supplier expectations and requirements to align with emerging regulations.
- Conducted annual training for all colleagues on our procurement team. The training covers information on sustainable procurement fundamentals and expectations of our procurement colleagues related to our Sustainable Procurement and Responsible Buying Policy.
- Trained selected colleagues on the evidence-based assessment platform we use to evaluate certain suppliers' human rights and labor policies and practices.
- Hosted a supplier summit to share our Supplier Code expectations, commitment to the UNGC, and explore areas for further collaboration and innovation on sustainability.
- Continued to use a supplementary human rights-specific risk analysis tool and collaborate with a third-party supplier assessment platform, both of which were added in 2022. The supplier assessments conducted through this platform require document verification and review by an independent third party against globally recognized human rights standards and frameworks. Based on assessment results, McKinsey may request corrective actions from suppliers to address any identified risks or ESG improvement areas and confirm completion of the action.
- Maintained our membership of the World Economic Forum's Stakeholder Capitalism Metrics initiative, reflecting our commitment to transparency on our performance on ESG topics, including on human rights and modern slavery.
- Maintained our membership of the United Nations Global Compact and submitted our annual Communication on Progress, reflecting our progress on the Ten Principles of the UN Global Compact, including on human rights and modern slavery.
- Continued to make *Got a Concern?* available to all external parties, including suppliers. *Got a Concern?* enables both McKinsey colleagues and external parties to confidentially raise concerns about potential misconduct or violations of laws, policies, values or professional conduct. Firm members are responsible for reporting

any potential violation with the law or our own policies. Details of this confidential process are available on the *Got a Concern?* webpage.

- Updated our Guidance on Reportable Concerns to include rules of procedure to describe how information can be reported through our complaints procedure and the steps that a complaint may undergo.

We remain committed to continually improving our practices to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

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This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2023. This statement applies to McKinsey & Company, Inc. United Kingdom and its subsidiary QuantumBlack Visual Analytics Limited. This statement has been approved by the Directors of McKinsey & Company, Inc. United Kingdom, on behalf of McKinsey & Company, Inc. United Kingdom, in June 2024 and the Directors of QuantumBlack Visual Analytics Limited, on behalf of QuantumBlack Visual Analytics Limited, in June 2024.



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On behalf of McKinsey & Company, Inc. United Kingdom
June 2024



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June 2024