

Introduction

The Commonwealth Modern Slavery Act 2018 (**Act**) established Australia's national Modern Slavery Reporting Requirement applicable to entities with annual consolidated revenue of \$100 million and above.

This modern slavery statement is prepared and issued by The Boston Consulting Group Pty Ltd (ACN 007 347 131). For the purposes of this statement, The Boston Consulting Group Pty Ltd is referred to as 'BCG', 'our' or 'we'.

The title of the 2023 Boston Consulting Group Modern Slavery Statement was updated on 19 July 2024 to the "2022 Boston Consulting Group Modern Slavery Statement". This updated statement covers the period 1 January 2022 to 31 December 2022 to align with the Boston Consulting Group's reporting period. Except for the update to the reporting period and the title of the statement, all other terms of the statement remain unchanged.

About BCG

Our Structure and Operations

The Boston Consulting Group is a global management consulting firm and the world's leading advisor on business strategy. We partner with clients from the private, public and not-for-profit sectors in all regions to identify their highest value opportunities, address their most critical challenges and transform their enterprises. Our customised approach combines deep insight into the dynamics of companies and markets with close collaboration at all levels of the client organisation. This ensures that our clients achieve sustainable competitive advantage, build more capable organisations and secure lasting results.

Incorporated in Australia more than thirty years ago, and now known as BCG, we have over 500 employees working in our offices in Sydney, Melbourne, Canberra and Perth, and in our New Zealand branch in Auckland. We work with our associated entity, BCG Digital Ventures (Aus) Pty Ltd (ACN 134 654 747) under an ultimate holding company, The Boston Consulting Group, Inc. The associated entity is not owned or controlled by The Boston Consulting Group Pty Ltd, nor does The Boston Consulting Group Pty Ltd own or control any other entity for the purposes of the Act. The associated entity referred to in this section is neither regulated by the Act nor required to submit a modern slavery statement.

Our Supply Chains

BCG is committed to running its business responsibly and to the highest ethical standards. As a professional services practice, our principal activities involve the provision of consulting and advisory services to our clients. We require certain goods and services to conduct our operations and deliver services to our clients.

The majority of suppliers that we engage with are based in Australia. The main categories of goods and services that we procure are:

- Information technology and software: This includes computer hardware and software, cloud services, printers, audio/visual equipment and services, desk phones and mobile phones;
- Business services: This includes the supply of office furniture and fit outs, stationery items, document management services, courier/postal services, printer maintenance and document printing services;
- Professional services: This includes consulting and advisory services, professional and personal development, and welfare training programs;
- Office facilities management: This includes services that we use to maintain our office, including leasing, office maintenance services, utility, cleaning and security;
- Accommodation and travel: Including bookings for airplane travel, and accommodation bookings; and
- Hospitality and catering: This includes onsite and offsite catering and events.

Assessment of Modern Slavery Risks

BCG has identified the risk of modern slavery in BCG's operations as low due to having a highly skilled workforce, implementation of and general compliance with our global Supplier Code of Conduct ("SCOC"), BCG's values and a commitment to ethical conduct. Our approach to identifying modern slavery risk was to establish a Modern Slavery Working Group to guide the process and provide oversight to our procurement process. The Working Group includes members from

the Board of Directors, legal services, finance, procurement, risk and our Senior Leaders who meet regularly to ensure we are addressing issues that arise.

To assess vendor risk, we categorise vendors based on key factors identified as creating a modern slavery risk, which include industry risk, product/service risk, geographic risk and entity risk using information published by the Walk Free Foundation (The Global Slavery Index 2018).

For the current financial year, the key areas of potential risk identified include:

- Business services, in particular cleaning work, office fit outs and travel where services are contracted out and the low-skilled nature of the work could make employees vulnerable to exploitation.
- Hospitality and catering, as above mentioned the employment of low-skilled workers could make catering and events staff vulnerable; and
- Information technology and software, the supply chain could expose us to risks of conflict minerals, child exploitation and employee exploitation.

Actions to Assess and Address Modern Slavery Risks

BCG Policies

BCG's culture is rooted in outstanding professional standards and whilst we do not currently have a specific Modern Slavery Policy, we have a number of policies which govern our conduct, values and behaviour.

Our Code of Conduct ("Code") sets out that all colleagues in the BCG community are personally accountable for behaving in a manner that is professional, lawful, and in accordance with our values and policies. We encourage people to report any behaviours or activities that they believe to be unethical or unlawful either to a trusted member of staff or via our Ombudsman process. Our Code of Conduct is distributed annually to all employees who must confirm they understand and are compliant with the Code. We work in adherence to our company values, which include Integrity, Respect for the Individual and Diversity. Through our Code, our Values and the full range of our policies, BCG is committed to ethical conduct in every aspect of its business.

We have zero-tolerance to slavery and human trafficking and, consistent with BCG's global Values and Code of Conduct, we have a specific global supplier code of conduct (SCOC). The SCOC has been included in BCG's standard contracts and responses to tendering opportunities with our clients, as well as publication on the [BCG website](#). All suppliers will be required to adhere to the SCOC while conducting business with or on behalf of BCG. The SCOC:

- Requires our suppliers to conduct their business activities and operations with integrity and in full compliance with applicable laws and regulations, with specific reference to the Act;
- Prohibits suppliers from using all forms of forced or compulsory labour, and from supporting any form of human trafficking of involuntary labour;
- Requires the maintenance and promotion of fundamental human rights, where employment decisions are based on free choice without any coerced or prison labour, use of physical punishment or threats of violence or other forms of physical, sexual, psychological or verbal abuse as a method of discipline or control; and
- Mandates compliance with all applicable wage, benefit and hour laws, health and safety legislation, local and national minimum working age laws and prohibits suppliers from using child labour.

Our local contractor agreement templates requires our suppliers to:

- Desist from engaging in modern slavery or any offences under the Act;
- Comply with any applicable modern slavery law and BCG policy concerning modern slavery law;
- Keep sufficient records to enable us to verify the source of the supplier's services;
- Report to us any actual or suspected instances of modern slavery; and
- To cooperate with us to facilitate training of our employees, suppliers and subcontractors on modern slavery law (if required).

BCG's contractor agreement template also requires suppliers (local, regional and global) to comply with applicable laws and regulations governing the supplier's activities under their respective agreement, including without limitation, securities laws,

modern slavery laws, and laws prohibiting bribery and corruption, including the US Foreign Corrupt Practices Act and the UK Bribery Act of 2010.

Due Diligence and Remediation

In those parts of our business and supplier service categories where we assess or believe the potential risks of modern slavery to be higher, such as facilities management, travel, utilities, and contractors we are taking a number of measures to reduce the risk. These include:

- An annual review of our Top 25 local suppliers that fall into the aforementioned higher risk service categories to understand what the supplier is doing to promote compliance within their own supply chain;
- Ensuring any breaches of the SCOC are internally escalated and managed accordingly;
- Assessing supplier commitment to eradicating Modern Slavery, when on-boarding new suppliers that are in the high-risk category or are for significant contracts;
- Plans to implement a procurement system which will provide us with a repository for managing supplier documentation regarding Modern Slavery and a robust supplier screening process for on boarding new suppliers.
- Continually monitoring sourcing of all BCG's critical suppliers; and
- Providing training to key stakeholders (buyers who procure services on behalf of BCG).

Across all supplier service categories, not just the higher risk categories BCG follows robust processes to assess human rights, ethical and environmental risks when sourcing suppliers. As a part of the Supplier onboarding process, new suppliers are requested to provide detailed information about their human rights policies, processes, and risk assessments, including the prevention of slavery and human trafficking within their own organisation and supply chains.

Recognising the complex nature of modern slavery, BCG continues to emphasise the importance of collaboration with budget owners and buyers to inform and educate them on the risk of Modern Slavery in our supply chain through its responsible purchasing policy and the Supplier Code of Conduct.

Given the outcomes of our risk assessment, no steps were required to remediate or mitigate the risks of modern slavery in our operations and supply chain.

Reporting any Grievance

Any modern Slavery grievances can be reported through BCG's existing grievance mechanisms set out in our current Whistle-blower Policy, which is available on the Company's Internal Navigator page, as well as on the external website. Any informal internal complaints may also be reported directly to any member of the Ombuds team as set out in the above-mentioned policy.

Assessing the Effectiveness of our Actions

The focus of this reporting period has been to continue our assessment of our key suppliers to detect and mitigate risks of modern slavery in our operations and supply chain as well as educating key stakeholders and buyers of the risks of modern slavery.

We will continue to assess the effectiveness of the actions we are taking and will be implementing in future reporting periods, we plan to take the following actions:


- Undertake periodic review of our policies and code of conduct to ensure that they remain current and adequately reflect the risks of modern slavery;
- Track internal compliance with our policies and code of conduct, particularly in relation to our modern slavery obligations;
- Including where necessary contractual inclusions in support of our modern slavery framework;
- Work with suppliers to check how they are progressing any actions that have been put into place to address modern slavery risks;
- Monitor suppliers where the potential risks of modern slavery are found to be higher; and
- Review cases reported through reporting mechanisms.

Other Information

With a commitment to running our business responsibly and to the highest ethical standards, our plan is to continue to take actions during our subsequent reporting periods to reduce the risk posed by modern slavery in our operations and supply chains by:

- Continually reviewing and updating our procurement policy and developing standards which set out the minimum expectations for our suppliers and third party labour providers to operate ethically, including to address modern slavery risks in their business and also in their suppliers;
- Capturing any reported incidents of modern slavery within BCG or within our supply chain, undertaking prompt investigation and reporting, and remediating and mitigating risk of repeated occurrence;
- Implementing specific training in relation to the modern slavery risk management; and
- Working with our global network where appropriate to establish processes, review and control.

The statement has been approved by the Board of Directors of The Boston Consulting Group Pty Ltd.



Grant McCabe
Managing Director and Senior Partner
19 July 2024