



Labor and Human Rights Policy

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Version 0

KEARNEY

Purpose and responsibilities

Inspired by our founder, Tom Kearney, and his principle of “essential rightness,” Kearney is dedicated to making a positive impact. At Kearney, our people are the key to our success. Employee engagement, human rights, and worker health and wellness are core to the long-term success of our business.

Our firm strives to provide a workplace where our employees can fulfill their potential in an open and inspirational working environment and feel engaged and committed to the firm and its objectives. We maintain a strong commitment to high standards that deliver a fair, respectable, and safe workplace for all our employees.

At Kearney, we respect the rights of our people across all groups, departments, and functions, and throughout our business relationships. Within our business, we respect the rights of our employees by the implementation of this policy and our Code of Conduct.

Kearney supports the protection of human rights and the advancement of social justice around the world. We are guided by fundamental principles such as those in the United Nations Universal Declaration of Human Rights and the International Labour Organisation (ILO) Core Conventions.

The purpose of this policy is to define the labor and human rights standards and principles to which all employees at Kearney are entitled, irrespective of the country in which they work. We seek to support human rights and social justice throughout our supply chain by encouraging behaviors and practices that are consistent with these principles.

This policy complements the human rights-related statements in other Kearney policies. These related policies are:

- Kearney Code of Conduct
- Kearney Supplier Code of Conduct
- Kearney Equal Employment and Anti-Sexual Harassment Policy
- Kearney Sustainability Policy

Line management is responsible for human rights and labor rights along with individual employees. All incidents must be reported as instructed by Kearney’s Code of Conduct. This policy statement has the complete support of Kearney’s Managing Partner Leadership Team (MPLT).



Stephen Parker

Chief Human Resources Officer

Working conditions

Wages and working hours

At Kearney, we provide our workforce with a fair remuneration that is consistent with applicable wage laws and based on local market benchmarks. Our firm's principle is to provide a living wage, which means wages should at a minimum meet the basic needs of employees and their dependents. Remuneration at Kearney is determined in an objective, merit-based manner that is based on equal remuneration regardless of gender, with employees also typically eligible for a discretionary performance bonus. We take actions where appropriate to ensure that compensation is free from bias and is strongly linked to individual and team performance, while taking into account factors such as experience and tenure. We established a non-partner equity-based award program in 2022 that creates wealth opportunities tied to long-term firm performance for a broader set of colleagues, beginning at the consulting manager level. By offering equity awards earlier in an employee's career, Kearney is building an ownership-minded firm where both employees and the firm grow together.

We work to ensure full compliance with applicable wage, work hours, overtime, and benefits laws. Overtime should be an exception to meet short-term business demand and always be both voluntary, from the employee's standpoint, and necessary, from the firm's standpoint. We provide our employees with workplace flexibility and flexible working hour options aimed at supporting a healthy work-life balance (i.e., working fewer days or hours per week and/or working from home).

We expect our business partners to provide similar working conditions as well as clear information on how they ensure fair wages, working hours, and benefits.

Kearney is also committed to the continuous improvement of our internal policies, including the exploration of flexible working modes, alternative part-time options, and other alternate schedules (i.e., working fewer days or hours per week, working from home, and job-sharing).

Employee contracts

In most countries where we operate, all Kearney employees are provided with a written, understandable, and legally binding employment contract. In certain countries where employment-at-will is legally permissible and customary in our industry, Kearney employees receive a written, understandable offer of employment in the form of a letter and a legally binding non-disclosure and intellectual property agreement. In the event of termination of employment or major layoffs, Kearney would endeavor to meet or exceed applicable laws and industry standards.

Healthcare coverage and benefits

At Kearney, we strive to take care of the whole person. This means taking care of the well-being of our employees as well as their dependents. We understand that everyone at the firm has different needs, and it is Kearney's aim to provide a suite of benefits that can help each employee. We strive to provide benefits packages and programs that are inclusive and valued by our people in every location. As a global firm, we recognize the needs of our colleagues may differ by location due to local legislation and offerings.

Global leave policies

At Kearney, we are committed to promoting workplace support programs aimed at improving retention while proving a compelling value proposition for our employees and candidates.

Kearney will ensure that all employees have the right to sick leave and annual paid holidays, as well as parental leave for employees who must care for a newborn or newly adopted child, as provided by national legislation. Employees will not face dismissal or threat of dismissal as a result of taking such leave, and subject to business conditions and applicable law, will be able to return to their former employment or equivalent employment on comparable terms. Specific details of parental leave and support programs may differ based on region- or country-specific legislation.

Health, safety, well-being, and security

Kearney is committed to providing its employees with a safe and secure work environment. Each employee needs to be alert to safety risks while performing their jobs. Kearney's occupational health and safety standards are described in further detail within the global Occupational Health and Safety Policy.

If an employee is on-site at a client's facilities, he or she should be sure to follow the health and safety requirements that apply there. Employees should also review travel-related policies and security updates before traveling to high-risk areas; managers and others in authority must also follow these policies as they apply to their teams.

Employee feedback

Providing employees with a safe space to voice their concerns and share feedback is critical and helps us improve life at the firm, ensuring everyone can bring their best selves to work. Kearney conducts a biannual Global Engagement Survey (GES) to solicit feedback from all employees that is voluntary, anonymous, and confidential. Leadership uses the insights gathered to assess strengths and opportunity areas and determine where actions need to be taken. Kearney also conducts an annual Code of Conduct certification process, through which all employees can notify leadership of any conduct they may be aware of that is not consistent with our Code. Kearney maintains an anonymous reporting hotline that employees may use to report concerns of this kind as well.

Forced and child labor

Kearney does not tolerate any form of forced labor, including bonded labor, indentured labor and slave labor, or human trafficking. Workers must be allowed to move around freely and leave their place of work when their working hours end.

Kearney does not tolerate the hiring of child labor under any circumstances. We comply with all local laws on the minimum age of employment, as provided in the ILO Convention 138. We prohibit the hiring of individuals that are under 18 years of age for positions in which hazardous work is required, as provided for in ILO Convention 182.

We expect our business partners to comply with the above-mentioned principles with respect to forced and child labor.

Modern Slavery Act

Kearney maintains a longstanding commitment to respecting human rights and to continually improving our practices. We welcome the transparency that the Modern Slavery Act encourages to combat slavery and human trafficking. Kearney works hard to ensure there is absolutely no modern slavery or human trafficking occurring in our supply chains or in any part of our business. Our internal policies reflect our promise to act ethically and with integrity in all our business relationships. Through our social impact efforts, we are committed to assisting organizations outside of our own firm that promote human rights and actively work against modern slavery and human trafficking. We actively collaborate with diverse organizations, including nonprofits, businesses, and governments, that work to address these issues. Examples of our client engagements and pro bono projects include institutionalizing fair-trade practices across supply chains and encouraging transparency and empowerment for the millions working in the informal economy.

Labor relations

Freedom of association and collective bargaining

We recognize and respect the freedom of our employees to choose to establish or associate with any organization of their own choosing, including labor unions, in line with the ILO Conventions and to bargain collectively in support of their mutual interests. Employment by Kearney is not made subject to the condition that the employee will not join a union or must relinquish their union membership. Neither will Kearney prejudice their employment with punitive actions such as intimidation, harassment, or termination of employment by reason of the employee's union membership.

Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. We are committed to bargaining in good faith with such representatives. Where national laws restrict the implementation of these international standards, Kearney will facilitate initiatives to establish internal means to achieve effective representation of worker's interests and a good forum for dialogue between employees and management. Kearney expects its business partners to respect the right of freedom of association.

Career management

At Kearney, we strive to attract industry-leading talent and support the development of our people. Our recruitment processes are transparent and unbiased.

With an end-to-end holistic and comprehensive global learning curriculum, we are committed to continuously developing employee skills and capabilities, and we provide opportunities for career growth and advancement via other formal and informal programs, such as our Global Mobility and Apprenticeship programs. All employees have access to a clearly defined career path, designed to provide direction and ongoing feedback.

One hundred percent of our employees receive an annual performance review based on individual performance against mutually defined goals and objectives.¹ Additionally, every consultant's performance is formally evaluated at the end of each project.

Equal employment opportunity, diversity, equity, and inclusion

In the words of Tom Kearney, "The true strength of this firm, as in any organization, lies in the fact that we are all different. The strength inherent in this firm rests upon these collective and diverse interests. They are all we have."

Kearney is committed to ensuring a diverse, equitable, and inclusive workplace. We embrace and encourage our colleagues' differences and strive to create an environment where all colleagues can meaningfully contribute. We reject all forms of racism, discrimination, and bigotry.

At Kearney, we do not tolerate any form of discrimination against our employees based on race, color, gender, language, religion, political or other opinion, caste, national or social origin, property, birth, union affiliation, sexual orientation, age, disability, or other distinguishing characteristics.

Fostering a diverse, equitable, and inclusive environment, to achieve a sense of belonging and fairness for all, is a vital part of leadership's responsibility. We recruit, hire, train, promote, and provide other conditions of employment without regard to a person's race, color, religion, gender, gender identity, age, national origin, sexual orientation, veteran status, marital status, or disability. This includes providing reasonable accommodation for disabilities or religious beliefs and practices. We recognize that to make a difference, we must commit to be the difference.

Kearney's equal opportunity standards are described in more detail in the Equal Employment and Anti-Sexual Harassment Policy.

Harassment-free work environment

Decades before today's legal requirements were enacted, Tom Kearney knew that "no one, it can be truthfully said, ever succeeded in building enduringly into this firm by belittling the values brought by others. It is in the nature of teamwork that this can never be." Discriminatory conduct, jokes, slurs, verbal remarks, or physical contact of an intimate or sexual nature, or other derogatory remarks that create an offensive or hostile environment undermine the workplace and have no place anywhere Kearney conducts business. Similarly, implicit or explicit threats, intimidation, and violence will not be allowed.

Grievance mechanisms: our Integrity Helpline

If Kearney employees ever feel unsure about where to go or are uncomfortable using one of the other resources identified in the Code of Conduct, [the Integrity Helpline](#) provides a confidential way to report a concern or suspected misconduct, or to obtain information or advice regarding the application of laws or the firm's policies.

Employees may report a concern via the Integrity Helpline's [web-based portal](#) or may call the Helpline 24 hours/7 days a week using the telephone [number listed here](#) for their respective country. External stakeholders can raise a concern or report suspected misconduct or irregularities directly with their contact person in the business.

¹ Employees who are on leave of absence and new employees at the BA through manager level joining on or after June 1 do not receive an annual review for that performance cycle.

Kearney commits to investigate, address, and respond to the concerns of employees and external stakeholders and will take appropriate corrective action in response to violations.

Kearney will monitor the effectiveness of our grievance mechanism, including for human rights-related topics, and adapt, where appropriate. We expect our business partners to also have such grievance mechanisms in place for human rights, including processes to handle complaints from external stakeholders

Going forward

The efficacy of this policy and the ongoing improvement of Kearney in the areas of labor and human rights must be achieved with the involvement of all management levels and the support and contribution of all Kearney employees, suppliers, and other stakeholders.

Additional information

Document availability	Public
Policy scope	Kearney employees, contractors, premises, and suppliers
Initial document publication	March 2023
Present document publication	March 2023
Version	Version 0
Policy review timeline	Annually – All policies and procedures will be reviewed at least annually. Kearney may decide to review its health and safety risk assessments, policies, or procedures if it feels there is a need or if legislation demands.
Next date of review	March 2024
Policy owner and contact	Stephen Parker, Chief Human Resources Officer
Approval	Stephen Parker

Definitions

For the purposes of this policy, brief definitions are given below.

Child – A person of less than 15 years of age (International Labour Office, Declaration on Fundamental Principles and Rights at Work, 1998)

Collective bargaining – All negotiations that take place between one or more employers or employers' organizations, on the one hand, and one or more workers' organizations (e.g., trade unions), on the other, for determining working conditions and terms of employment or for regulating relations between employers and workers (International Labour Organization (ILO), Collective Bargaining Convention, 1981 (No. 154); modified)

Grievance – Perceived injustice evoking an individual's or a group's sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness of aggrieved communities (United Nations (UN), Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework, 2011)

Grievance mechanisms – Routinized process through which grievances can be raised and remedy can be sought (United Nations (UN), Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework, 2011; modified)

Forced labor – Work undertaken by a person involuntarily and obtained under threat of penalty (International Labour Office, Forced Labour Convention, 1930)

Modern slavery – Modern slavery is used to describe situations where coercion, threats, or deception are used to exploit victims and undermine or deprive them of their freedom.

Our people – All employees of A.T. Kearney Holding and its subsidiaries (but which does not include non-controlled joint venture entities)