

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

MCKINSEY AND COMPANY  
AFRICA (PTY) LTD,

Defendant.

**DEFERRED PROSECUTION  
AGREEMENT**

24 Cr.

Defendant McKinsey and Company Africa (Pty) Ltd (the “Company” or “McKinsey Africa”), pursuant to authority granted by the Company’s Board of Directors reflected in Attachment B, the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”), and the United States Attorney’s Office for the Southern District of New York (“SDNY”) (collectively, the “Offices”) enter into this deferred prosecution agreement (the “Agreement”). McKinsey & Company, Inc. (“McKinsey”), which is not a defendant in this matter, also agrees, pursuant to the authority granted by McKinsey’s Board of Directors, to certain terms and obligations of the Agreement as described below. The terms and conditions of this Agreement are as follows:

**Criminal Information and Acceptance of Responsibility**

1. The Company acknowledges and agrees that the Offices will file the attached one-count criminal Information in the United States District Court for the Southern District of New York charging the Company with conspiracy to commit an offense against the United States, in violation of Title 18, United States Code, Section 371, that is, to violate the anti-bribery provisions of the Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Section 78dd-2. In so doing, the Company: (a) knowingly waives any right it may have to indictment on this charge, as well as all rights to a speedy trial pursuant to the Sixth

Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); (b) knowingly waives any objection with respect to venue to any charges by the United States arising out of the conduct described in the Statement of Facts attached hereto as Attachment A ("Statement of Facts") and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Southern District of New York; and (c) agrees that the charges in the Information and any charges arising from the conduct described in the Statement of Facts are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement. The Offices agree to defer prosecution of the Company pursuant to the terms and conditions described below.

2. The Company admits, accepts, and acknowledges that it is responsible under United States law for the acts of its officers, directors, employees, and agents as charged in the Information, and as set forth in the attached Statement of Facts, and that the allegations described in the Information and the facts described in the attached Statement of Facts are true and accurate. The Company and McKinsey agree that, effective as of the date the Company signs this Agreement, in any prosecution that is deferred by this Agreement, the Company and McKinsey will not dispute the Statement of Facts set forth in this Agreement, and, in any such prosecution, the Statement of Facts shall be admissible as: (a) substantive evidence offered by the government in its case-in-chief and rebuttal case; (b) impeachment evidence offered by the government on cross-examination; and (c) evidence at any sentencing hearing or other hearing. In addition, in connection therewith, the Company and McKinsey agree not to assert any claim under the United States Constitution, Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal Procedure, Section 1B1.1(a) of the United States Sentencing

Guidelines (“U.S.S.G” or “Sentencing Guidelines”), or any other federal rule that the Statement of Facts should be suppressed or is otherwise inadmissible as evidence in any form.

#### **Term of the Agreement**

3. This Agreement is effective for a period beginning on the date on which the Information is filed and ending three years from that date (the “Term”). The Company and McKinsey agree, however, that, in the event the Offices determine, in their sole discretion, that the Company or McKinsey has knowingly violated any provision of this Agreement or has failed to completely perform or fulfill each of the Company’s or McKinsey’s obligations under this Agreement, an extension or extensions of the Term may be imposed by the Offices, in their sole discretion, for up to a total additional time period of one year, without prejudice to the Offices’ right to proceed as provided in Paragraphs 15-19 below. Any extension of the Agreement extends all terms of this Agreement, including the terms of the reporting requirement in Attachment D, for an equivalent period. Conversely, in the event the Offices find, in their sole discretion, that there exists a change in circumstances sufficient to eliminate the need for the reporting requirement in Attachment D, and that the other provisions of this Agreement have been satisfied, the Agreement may be terminated early.

#### **Relevant Considerations**

4. The Offices enter into this Agreement based on the individual facts and circumstances presented by this case, including:
- a. the nature and seriousness of the offense conduct, as described in the Statement of Facts attached hereto as Attachment A, including a multi-year scheme to pay bribes benefitting South African officials employed at State-Owned Entities (“SOEs”) in order to obtain

and retain contracts, all of which resulted in profits of approximately \$85 million to the Company and McKinsey;

b. the Company did not receive voluntary disclosure credit pursuant to the Criminal Division's Corporate Enforcement and Voluntary Self-Disclosure Policy, or pursuant to U.S.S.G. § 8C2.5(g)(1), because it did not voluntarily and timely disclose to the Fraud Section the conduct described in the Statement of Facts;

c. the Company received credit for its and McKinsey's cooperation with the Offices' investigation pursuant to U.S.S.G. § 8C2.5(g)(2) because they cooperated with the investigation and demonstrated recognition and affirmative acceptance of responsibility for the criminal conduct; the Company also received credit for its and McKinsey's cooperation and remediation pursuant to the Criminal Division's Corporate Enforcement and Voluntary Self-Disclosure Policy. Such cooperation included: (i) immediately and proactively cooperating from the inception of the Offices' investigation; (ii) making numerous factual presentations to the Offices over the course of their investigation, derived from information obtained through the Company's internal investigation; (iii) collecting, reviewing, and producing voluminous records, including those located abroad, in response to requests from the Offices; (iv) promptly reporting the discovery of document-deletion efforts by the McKinsey partner involved in the conduct found during its internal investigation, taking additional investigative steps to uncover information and evidence regarding those efforts, and producing such information and evidence to the Offices; (v) reporting, in real time, newly discovered information and documents which allowed the Offices to preserve and obtain evidence as part of their independent investigation; (vi) tracing complex internal accounting money-flows and currency exchange-information in response to requests from the Offices; (vii) preserving, collecting, and producing to the Offices

documents located abroad, and engaging a third-party forensics consultant to analyze key electronic devices and providing to the Offices the results of that analysis; (viii) collecting and producing to the Offices personal email and bank account information of the McKinsey partner involved in the conduct relevant to the Offices' investigation; (ix) engaging with the Offices in response to a deconfliction request to preserve the integrity of the Offices' investigation; and (x) making Company officers and employees available for interviews.

d. the Company and McKinsey provided to the Offices all relevant facts known to it, including information about the individuals involved in the conduct described in the attached Statement of Facts and conduct disclosed to the Offices prior to the Agreement;

e. the Company also received credit pursuant to the Criminal Division Corporate Enforcement and Voluntary Self-Disclosure Policy because McKinsey and its affiliates, including the Company, engaged in timely remedial measures, including (i) putting the McKinsey partner involved in the criminal scheme on leave when it learned of the partner's role in the scheme, subsequently separating that partner from McKinsey after discovering his deletion activity, and requiring that partner's continued cooperation post-separation; (ii) conducting additional anti-corruption training for employees in South Africa and elsewhere in Africa, and ceasing work with all SOEs for a period of time while it conducted its internal investigation; (iii) enhancing due diligence processes for third-party partners, including instituting controls to ensure that due diligence is completed before work begins on an engagement and imposing a more rigorous risk-review for public sector clients; (iv) carrying out an enhanced review process for all sole-source work that requires advance approval before the engagement can begin; and (v) voluntarily repaying, in 2018 and 2021, all revenues the Company and McKinsey received from

potentially tainted contracts to the SOEs in South Africa from which it received contracts as a result of the criminal scheme;

f. McKinsey has enhanced and has committed to continuing to enhance its compliance program and internal controls (which apply to all McKinsey companies, including the Company), including ensuring that its compliance program satisfies the minimum elements set forth in Attachment C to this Agreement (Corporate Compliance Program);

g. based on the Company's and McKinsey's remediation and the state of their compliance program, and the Company's and McKinsey's agreement to report to the Offices as set forth in Attachment D to this Agreement (Corporate Compliance Reporting), the Offices determined that an independent compliance monitor was unnecessary;

h. the Company and McKinsey have no prior criminal history; McKinsey and its subsidiaries have had prior civil settlements;

i. the Company's anticipated resolution with the National Prosecuting Authority of South Africa concerning conduct related to and described in the Statement of Facts; and

j. the Company's and McKinsey's agreement to continue to cooperate with the Offices in any ongoing investigation of the conduct of the Company or McKinsey and their officers, directors, employees, agents, business partners, distributors, and consultants relating to violations of the FCPA;

k. accordingly, after considering (a) through (j) above, the Company received an aggregate discount of 35 percent off the fifth percentile of the otherwise-applicable Sentencing Guidelines fine range.

5. The Company and McKinsey shall cooperate fully with the Offices in any and all matters relating to the conduct described in this Agreement and the attached Statement of Facts and other conduct under investigation by the Offices at any time during the Term until the later of the date upon which all investigations and prosecutions arising out of such conduct are concluded, or the end of the Term. At the request of the Offices, the Company and McKinsey shall also cooperate fully with other domestic or foreign law enforcement and regulatory authorities and agencies, as well as the Multilateral Development Banks (“MDBs”), in any investigation of the Company or McKinsey or their subsidiary companies or affiliates, or any of their present or former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to the conduct described in this Agreement and the attached Statement of Facts and other conduct under investigation by the Offices or any other component of the Department of Justice at any time during the Term. The Company’s and McKinsey’s cooperation pursuant to this Paragraph is subject to applicable law and regulations, as well as valid claims of attorney-client privilege or attorney work product doctrine; however, the Company and McKinsey must provide to the Offices a log of any information or cooperation that is not provided based on an assertion of law, regulation, or privilege, and the Company and McKinsey bear the burden of establishing the validity of any such assertion. The Company and McKinsey agree that cooperation pursuant to this paragraph shall include, but not be limited to, the following:

a. The Company and McKinsey represent that they have timely and truthfully disclosed all factual information with respect to their activities, those of their subsidiaries and affiliates, and those of their present and former directors, officers, employees, agents, and consultants relating to the conduct described in this Agreement and the attached

Statement of Facts, as well as any other conduct under investigation by the Offices at any time about which the Company or McKinsey have any knowledge. The Company and McKinsey further agree that they shall promptly and truthfully disclose all factual information with respect to their activities, those of their subsidiary companies and affiliates, and those of their present and former directors, officers, employees, agents, and consultants about which the Company and McKinsey shall gain any knowledge or about which the Offices may inquire. This obligation of truthful disclosure includes, but is not limited to, the obligation of the Company and McKinsey to provide to the Offices, upon request, any document, record or other tangible evidence about which the Offices may inquire of the Company or McKinsey, including evidence that is responsive to any requests made prior to the execution of this Agreement.

b. Upon request of the Offices, the Company and McKinsey shall designate knowledgeable employees, agents or attorneys to provide to the Offices the information and materials described in Paragraph 5(a) above on behalf of the Company or McKinsey. It is further understood that the Company and McKinsey must at all times provide complete, truthful, and accurate information.

c. The Company and McKinsey shall use their best efforts to make available for interviews or testimony, as requested by the Offices, present or former officers, directors, employees, agents and consultants of the Company or McKinsey. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with domestic or foreign law enforcement and regulatory authorities. Cooperation under this Paragraph shall include identification of witnesses who, to the knowledge of the Company or McKinsey, may have material information regarding the matters under investigation.



d. With respect to any information, testimony, documents, records or other tangible evidence provided to the Offices pursuant to this Agreement, the Company and McKinsey consent to any and all disclosures, subject to applicable laws and regulations, to other governmental authorities, including United States authorities and those of a foreign government, as well as the MDBs, of such materials as the Offices, in their sole discretion, shall deem appropriate.

6. In addition to the obligations in Paragraph 5, during the Term, should the Company or McKinsey, or any of its subsidiary companies or affiliates, learn of any evidence or allegation of conduct that may constitute a violation of the FCPA's anti-bribery provisions or the Foreign Extortion Prevention Act ("FEPA") had the conduct occurred within the jurisdiction of the United States, the Company and McKinsey shall promptly report such evidence or allegation to the Offices.

#### **Payment of Monetary Penalty**

7. The Offices and the Company agree that application of the Sentencing Guidelines to determine the applicable fine range yields the following analysis:

a. The November 1, 2024 Sentencing Guidelines are applicable to this matter.

b. Offense Level. Based upon U.S.S.G. § 2C1.1, the total offense level is 42, calculated as follows:

§ 2C1.1(a)(2) Base Offense Level	12
§ 2C1.1(b)(1) Multiple Bribes	+2
§§ 2C1.1(b)(2), 2B1.1(b)(1)(M) Benefit (more than \$65,000,000)	+24
§ 2C1.1(b)(3) Involvement of High-Level Public Official	<u>+4</u>
<b>TOTAL</b>	<b>42</b>

- a. Base Fine. Based upon U.S.S.G. § 8C2.4(d), the base fine is \$150,000,000
- b. Culpability Score. Based upon U.S.S.G. § 8C2.5, the culpability score is 6, calculated as follows:

§ 8C2.5(a)	Base Culpability Score	5
§ 8C2.5(b)(3)	Unit had 200 or more employees and high-level personnel	+3
§ 8C2.5(g)(2)	Cooperation, Acceptance	<u>-2</u>
<b>TOTAL</b>		<b>6</b>

Calculation of Fine Range:

Base Fine	\$150,000,000
Multipliers	1.2 (min) / 2.4 (max)
Fine Range	\$180,000,000 / \$360,000,000

8. The Offices and the Company agree, based on the application of the Sentencing Guidelines, that the appropriate criminal penalty is \$122,850,000 (the “Total Criminal Penalty”). This reflects a 35 percent discount off the fifth percentile of the Sentencing Guidelines range.

9. The Company agrees to pay a monetary penalty in the amount of \$61,425,000, equal to approximately 50 percent of the Total Criminal Penalty, to the United States Treasury no later than ten business days after the Agreement is fully executed. The Offices agree to credit toward the Total Criminal Penalty the amount paid by the Company to authorities in South Africa for violations of South African law related to the same conduct described in the Statement of Facts, up to a maximum of \$61,425,000 (the “Penalty Credit Amount”), within twelve months of the execution of this Agreement. Should any amount of the Penalty Credit Amount not be paid within twelve months of the execution of this Agreement, or be returned to

the Company or any affiliated entity for any reason, the remaining balance of the Penalty Credit Amount will be paid to the United States Treasury. The Company and the Offices agree that this penalty is appropriate given the facts and circumstances of this case, including the Relevant Considerations described in Paragraph 4. The Total Criminal Penalty is final and shall not be refunded. Furthermore, nothing in this Agreement shall be deemed an agreement by the Offices that the Total Criminal Penalty is the maximum penalty that may be imposed in any future prosecution, and the Offices are not precluded from arguing in any future prosecution that the Court should impose a higher fine, although the Offices agree that, under those circumstances, they will recommend to the Court that any amount paid under this Agreement should be offset against any fine the Court imposes as part of a future judgment. The Company and McKinsey acknowledge that no tax deduction may be sought in connection with the payment of any part of the Total Criminal Penalty. The Company and McKinsey shall not seek or accept directly or indirectly reimbursement or indemnification from any source with regard to the Total Criminal Penalty or disgorgement amounts that the Company pays pursuant to this Agreement or any other agreement entered into with an enforcement authority or regulator concerning the facts set forth in the attached Statement of Facts.

#### **Conditional Release from Liability**

10. Subject to Paragraphs 15-19, the Offices agree, except as provided in this Agreement, that they will not bring any criminal or civil case against the Company or McKinsey relating to any of the conduct described in the attached Statement of Facts or the criminal Information filed pursuant to this Agreement. The Offices, however, may use any information related to the conduct described in the attached Statement of Facts against the Company or McKinsey: (a) in a prosecution for perjury or obstruction of justice; (b) in a prosecution for

making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code.

a. This Agreement does not provide any protection against prosecution for any future conduct by the Company or McKinsey or any of their subsidiaries or affiliates.

b. In addition, this Agreement does not provide any protection against prosecution of any individuals, regardless of their affiliation with the Company or McKinsey or any of their subsidiaries or affiliates.

#### **Corporate Compliance Program**

11. The Company and McKinsey represent that they have implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the FCPA and other applicable anti-corruption laws throughout their operations, including those of their affiliates, agents, and joint ventures, and those of their contractors and subcontractors whose responsibilities include interacting with foreign officials or other activities carrying a high risk of corruption, including, but not limited to, the minimum elements set forth in Attachment C.

12. In order to address any deficiencies in their internal accounting controls, policies, and procedures, the Company and McKinsey represent that they have undertaken, and will continue to undertake in the future, in a manner consistent with all of their obligations under this Agreement, a review of their existing internal accounting controls, policies, and procedures regarding compliance with the FCPA and other applicable anti-corruption laws. Where necessary and appropriate, the Company and McKinsey agree to adopt a new compliance program, or to modify their existing program, including internal controls, compliance policies,

and procedures in order to ensure that they maintain: (a) an effective system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance program that incorporates relevant internal accounting controls, as well as policies and procedures designed to effectively detect and deter violations of the FCPA and other applicable anti-corruption laws. The compliance program, including the internal accounting controls system will include, but not be limited to, the minimum elements set forth in Attachment C.

#### **Corporate Compliance Reporting**

13. The Company and McKinsey agree that they will report to the Offices annually during the Term regarding remediation and implementation of the compliance measures described in Attachment C. These reports will be prepared in accordance with Attachment D.

14. On the date the Term expires, the Company and McKinsey, by McKinsey Africa's Chairman of the Board of Directors and McKinsey's Global Chief Ethics and Compliance Officer on behalf of the Company, and McKinsey's Global Managing Partner and Global Chief Ethics and Compliance Officer on behalf of McKinsey, will certify to the Offices, in the form of executing the document attached as Attachment F to this Agreement, that the Company and McKinsey have met their compliance obligations pursuant to this Agreement. Each certification will be deemed a material statement and representation by the Company and McKinsey to the executive branch of the United States for purposes of Title 18, United States Code, Sections 1001 and 1519, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

### **Deferred Prosecution**

15. In consideration of the undertakings agreed to by the Company and McKinsey herein, the Offices agree that any prosecution of the Company for the conduct set forth in the attached Statement of Facts be and hereby is deferred for the Term. To the extent there is conduct disclosed by the Company or McKinsey that is not set forth in the attached Statement of Facts, such conduct will not be exempt from further prosecution and is not within the scope of or relevant to this Agreement.

16. The Offices further agree that if the Company and McKinsey fully comply with all of their obligations under this Agreement, the Offices will not continue the criminal prosecution against the Company described in Paragraph 1 and, at the conclusion of the Term, this Agreement shall expire. Within six months after the Agreement's expiration, the Offices shall seek dismissal with prejudice of the criminal Information filed against the Company described in Paragraph 1, and agree not to file charges in the future against the Company based on the conduct described in this Agreement and the attached Statement of Facts. If, however, the Offices determine during this six-month period that the Company or McKinsey breached the Agreement during the Term, as described in Paragraph 17, the Offices' ability to extend the Term, as described in Paragraph 3, or to pursue other remedies, including those described in Paragraphs 17 to 19, remains in full effect.

### **Breach of the Agreement**

17. If, during the Term, the Company or McKinsey (a) commits any felony under U.S. federal law; (b) provides in connection with this Agreement deliberately false, incomplete, or misleading information, including in connection with its disclosure of information about individual culpability; (c) fails to cooperate as set forth in Paragraphs 5 and 6 of this Agreement;

(d) fails to implement a compliance program as set forth in Paragraphs 11-14 of this Agreement and Attachment C; (e) commits any acts that, had they occurred within the jurisdictional reach of the FCPA, would be a violation of the FCPA; or (f) otherwise fails to completely perform or fulfill each of the Company's and McKinsey's obligations under the Agreement, regardless of whether the Offices become aware of such a breach after the Term is complete, the Company and McKinsey shall thereafter be subject to prosecution for any federal criminal violation of which the Offices have knowledge, including, but not limited to, the charges in the Information described in Paragraph 1, which may be pursued by the Offices in the U.S. District Court for the Southern District of New York or any other appropriate venue. Determination of whether the Company or McKinsey has breached the Agreement and whether to pursue prosecution of the Company or McKinsey shall be in the Offices' sole discretion. Any such prosecution may be premised on information provided by the Company, McKinsey, or their personnel. Any such prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Company or McKinsey, notwithstanding the expiration of the statute of limitations, between the signing of this Agreement and the expiration of the Term plus one year. Thus, by signing this Agreement, the Company and McKinsey agree that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term plus one year. In addition, the Company and McKinsey agree that the statute of limitations as to any violation of federal law that occurs during the Term will be tolled from the date upon which the violation occurs until the earlier of the date upon which the Offices are made aware of the violation or the duration of the Term plus

five years, and that this period shall be excluded from any calculation of time for purposes of the application of the statute of limitations.

18. In the event the Offices determine that the Company or McKinsey has breached this Agreement, the Offices agree to provide the Company and McKinsey with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty days of receipt of such notice, the Company and McKinsey shall have the opportunity to respond to the Offices in writing to explain the nature and circumstances of such breach, as well as the actions the Company and McKinsey have taken to address and remediate the situation, which explanation the Offices shall consider in determining whether to pursue prosecution of the Company or McKinsey.

19. In the event that the Offices determine that the Company or McKinsey has breached this Agreement: (a) all statements made by or on behalf of the Company and McKinsey to the Offices or to the Court, including the attached Statement of Facts, and any testimony given by the Company or McKinsey before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Offices against the Company or McKinsey; and (b) the Company and McKinsey shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that any such statements or testimony made by or on behalf of the Company or McKinsey prior or subsequent to this Agreement, or any leads derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, the



Company or McKinsey, will be imputed to the Company or McKinsey for the purpose of determining whether the Company or McKinsey has violated any provision of this Agreement shall be in the sole discretion of the Offices.

20. The Company and McKinsey acknowledge that the Offices have made no representations, assurances, or promises concerning what sentence may be imposed by the Court if the Company or McKinsey breaches this Agreement and this matter proceeds to judgment. The Company and McKinsey further acknowledge that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of such discretion.

21. On the date that the period of deferred prosecution specified in this Agreement expires, the Company and McKinsey, by McKinsey Africa's Chairman of the Board of Directors and McKinsey's Global Chief Ethics and Compliance Officer on behalf of the Company, and McKinsey's Global Managing Partner and Global Chief Ethics and Compliance Officer on behalf of McKinsey, will certify to the Offices, in the form of executing the document attached as Attachment E to this Agreement, that the Company and McKinsey have met their disclosure obligations pursuant to Paragraphs 5 and 6 of this Agreement. Each certification will be deemed a material statement and representation by the Company and McKinsey to the executive branch of the United States for purposes of Title 18, United States Code, Sections 1001 and 1519, and it will be deemed to have been made in the judicial district in which this Agreement is filed.

**Sale, Merger, or Other Change in Corporate Form of Company**

22. Except as may otherwise be agreed by the parties in connection with a particular transaction, the Company and McKinsey agree that in the event that, during the Term, they undertake any change in corporate form, including if they sell, merge, or transfer business

operations that are material to the Company's or McKinsey's consolidated operations, or to the operations of any subsidiaries or affiliates involved in the conduct described in the attached Statement of Facts, as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, transfer, or other change in corporate form, they shall include in any contract for sale, merger, transfer, or other change in corporate form a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement. The purchaser or successor in interest must also agree in writing that the Offices' ability to determine a breach under this Agreement is applicable in full force to that entity. The Company and McKinsey agree that failure to include these provisions in the transaction will make any such transaction null and void. The Company and McKinsey shall provide notice to the Offices at least 30 days prior to undertaking any such sale, merger, transfer, or other change in corporate form. The Offices shall notify the Company and McKinsey prior to such transaction (or series of transactions) if they have determined that the transaction or transactions will have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined in the sole discretion of the Offices. If, at any time during the Term, the Company or McKinsey engages in a transaction(s) that has the effect of circumventing or frustrating the enforcement purposes of this Agreement, the Offices may deem it a breach of this Agreement pursuant to Paragraphs 17-19 of this Agreement. Nothing herein shall restrict the Company or McKinsey from indemnifying (or otherwise holding harmless) the purchaser or successor in interest for penalties or other costs arising from any conduct that may have occurred prior to the date of the transaction, so long as such indemnification does not have the effect of circumventing or frustrating the enforcement purposes of this Agreement, as determined by the Offices.

### **Public Statements**

23. The Company and McKinsey expressly agree that they shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for the Company or McKinsey make any public statement, in litigation or otherwise, contradicting the acceptance of responsibility by the Company set forth above or the facts described in the attached Statement of Facts. Any such contradictory statement shall, subject to cure rights of the Company and McKinsey described below, constitute a breach of this Agreement, and the Company thereafter shall be subject to prosecution as set forth in Paragraphs 17-19 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the attached Statement of Facts will be imputed to the Company or McKinsey for the purpose of determining whether it has breached this Agreement shall be at the sole discretion of the Offices. If the Offices determine that a public statement by any such person contradicts in whole or in part a statement contained in the attached Statement of Facts, the Offices shall so notify the Company and McKinsey, and the Company and McKinsey may avoid a breach of this Agreement by publicly repudiating such statement(s) within five business days after notification. The Company and McKinsey shall be permitted to raise defenses and to assert affirmative claims in other proceedings relating to the matters set forth in the attached Statement of Facts provided that such defenses and claims do not contradict, in whole or in part, a statement contained in the attached Statement of Facts. This Paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of the Company or McKinsey in the course of any criminal, regulatory, or civil case initiated against such individual, unless such individual is speaking on behalf of the Company or McKinsey.

24. The Company and McKinsey agree that if they, or any of their direct or indirect subsidiaries or affiliates, issue a press release or hold any press conference in connection with this Agreement, the Company and McKinsey shall first consult with the Offices to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Offices and the Company and McKinsey; and (b) whether the Offices have any objection to the release.

25. The Offices agree, if requested to do so, to bring to the attention of law enforcement and regulatory authorities the facts and circumstances relating to the nature of the conduct underlying this Agreement, including the nature and quality of the Company's and McKinsey's cooperation and remediation. By agreeing to provide this information to such authorities, the Offices are not agreeing to advocate on behalf of the Company or McKinsey, but rather are agreeing to provide facts to be evaluated independently by such authorities.

#### **Limitations on Binding Effect of Agreement**

26. This Agreement is binding on the Company and McKinsey and the Offices, but specifically does not bind any other component of the Department of Justice, other federal agencies, or any state, local or foreign law enforcement or regulatory agencies, or any other authorities, although the Offices will bring the cooperation of the Company and McKinsey, and their compliance with their other obligations under this Agreement, to the attention of such agencies and authorities if requested to do so by the Company and McKinsey. If the Court refuses to grant exclusion of time under the Speedy Trial Act, Title 18, United States Code, Section 3161(h)(2), all the provisions of this Agreement shall be deemed null and void, and the Term shall be deemed to have not begun, except that the statute of limitations for any prosecution relating to the conduct described in the Statement of Facts shall be tolled from the

date on which this Agreement is signed until the date the Court refuses to grant the exclusion of time plus six months, and except for the provisions contained within Paragraph 2 of this Agreement.

**Notice**

27. Any notice to the Offices under this Agreement shall be given by electronic mail and/or personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to Chief, FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, 1400 New York Avenue NW, Washington, DC 20005 and Co-Chiefs, Complex Frauds and Cybercrime Unit, U.S. Attorney's Office for the Southern District of New York, 26 Federal Plaza, 37th Floor, New York, NY 10278. Any notice to the Company and McKinsey under this Agreement shall be given by electronic mail and/or personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to Charles E. Duross of Morrison & Foerster LLP, 2100 L Street, NW, Suite 900, Washington, DC 20037. Notice shall be effective upon actual receipt by the Offices or the Company and McKinsey.

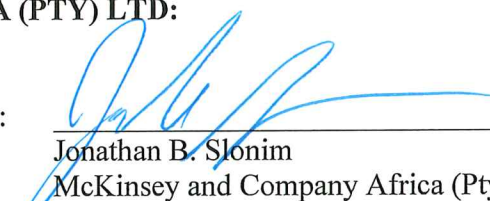
**Complete Agreement**

28. This Agreement, including its attachments, sets forth all the terms of the agreement between the Company and McKinsey and the Offices. No amendments, modifications or additions to this Agreement shall be valid unless they are in writing and signed by the Offices, the attorneys for the Company and McKinsey, and a duly authorized representative of the Company and McKinsey.

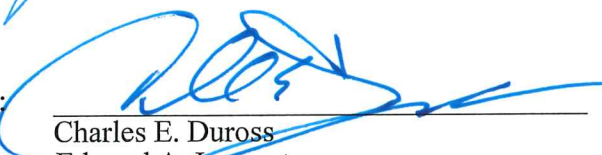
**AGREED:**

**FOR MCKINSEY AND COMPANY AFRICA (PTY) LTD:**

Date: 12/5/24

By:   
Jonathan B. Slonim  
McKinsey and Company Africa (Pty) Ltd

Date: 12/5/24

By:   
Charles E. Duross  
Edward A. Imperatore  
Morrison & Foerster LLP  
Counsel for McKinsey and Company  
Africa (Pty) Ltd

**FOR MCKINSEY & COMPANY, INC.:**

Date: 12/5/24

By:   
Pierre M. Gentin  
McKinsey & Company, Inc.

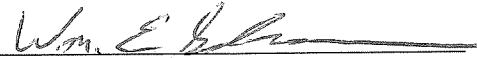
Date: 12/5/24

By:   
Charles E. Duross  
Edward A. Imperatore  
Morrison & Foerster LLP  
Counsel for McKinsey & Company, Inc.

**FOR THE DEPARTMENT OF JUSTICE:**


GLENN S. LEON  
Chief, Fraud Section  
Criminal Division

Date: 12/05/2024

BY:   
William E. Schurmann  
Alexandra Swain  
Trial Attorneys

DAMIAN WILLIAMS  
United States Attorney  
Southern District of New York

Date: 12/5/24

BY:   
Andrew K. Chan  
Nicholas Chiuchiolo  
Assistant United States Attorneys

**COMPANY OFFICER'S CERTIFICATE  
FOR MCKINSEY AND COMPANY AFRICA (PTY) LTD**

I have read this Agreement and carefully reviewed every part of it with outside counsel for McKinsey and Company Africa (Pty) Ltd (the "Company" or "McKinsey Africa"). I understand the terms of this Agreement and voluntarily agree, on behalf of the Company, to each of its terms. Before signing this Agreement, I consulted outside counsel for the Company. Counsel fully advised me of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed the terms of this Agreement with the Directors of the Company. I have advised and caused outside counsel for the Company to advise the Directors fully of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in this Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Agreement on behalf of the Company, in any way to enter into this Agreement. I am also satisfied with outside counsel's representation in this matter. I certify that I am the Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey and appointed representative for the Company and that I have been duly authorized by the Company to execute this Agreement on behalf of the Company.

Date: 12/5/24

MCKINSEY AND COMPANY AFRICA (PTY) LTD

By:   
Jonathan B. Slonim  
Deputy General Counsel, Head of Legal, Americas,  
Partner and Vice President of McKinsey & Company, Inc.  
Representative of McKinsey and Company Africa (Pty) Ltd



**COMPANY OFFICER'S CERTIFICATE FOR MCKINSEY & COMPANY, INC.**

I have read this Agreement and carefully reviewed every part of it with outside counsel for McKinsey & Company, Inc. ("McKinsey"). I understand the terms of this Agreement and voluntarily agree, on behalf of McKinsey, to each of its terms. Before signing this Agreement, I consulted outside counsel for McKinsey. Counsel fully advised me of the rights of McKinsey, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.


I have carefully reviewed the terms of this Agreement with the Board of Directors of McKinsey. I have advised and caused outside counsel for McKinsey to advise the Board of Directors fully of the rights of McKinsey, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in this Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Agreement on behalf of McKinsey, in any way to enter into this Agreement. I am also satisfied with outside counsel's representation in this matter. I certify that I am the Chief Legal Officer and Senior Partner for McKinsey and that I have been duly authorized by McKinsey to execute this Agreement on behalf of McKinsey.

Date: 12/5/24

MCKINSEY & COMPANY, INC.


By:

  
\_\_\_\_\_  
Pierre M. Gentin  
Chief Legal Officer, Senior Partner  
McKinsey & Company, Inc.

**CERTIFICATE OF COUNSEL**  
**FOR MCKINSEY AND COMPANY AFRICA (PTY) LTD**

I am counsel for McKinsey and Company Africa (Pty) Ltd (the “Company” or “McKinsey Africa”) in the matter covered by this Agreement. In connection with such representation, I have examined relevant Company documents and have discussed the terms of this Agreement with the Company’s Directors. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of the Company has been duly authorized to enter into this Agreement on behalf of the Company and that this Agreement has been duly and validly authorized, executed, and delivered on behalf of the Company and is a valid and binding obligation of the Company. Further, I have carefully reviewed the terms of this Agreement with the Directors and Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey, Jonathan B. Slonim, who is a duly authorized representative of the Company. I have fully advised them of the rights of the Company, of possible defenses, of the Sentencing Guidelines’ provisions and of the consequences of entering into this Agreement. To my knowledge, the decision of the Company to enter into this Agreement, based on the authorization of the Directors, is an informed and voluntary one.

Date: 12/5/24

By:   
Edward A. Imperatore  
Morrison & Foerster LLP  
Counsel for McKinsey and Company Africa (Pty) Ltd

**CERTIFICATE OF COUNSEL FOR MCKINSEY & COMPANY, INC.**

I am counsel for McKinsey & Company, Inc. ("McKinsey") in the matter covered by this Agreement. In connection with such representation, I have examined relevant McKinsey documents and have discussed the terms of this Agreement with the McKinsey Board of Directors. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of McKinsey has been duly authorized to enter into this Agreement on behalf of McKinsey and that this Agreement has been duly and validly authorized, executed, and delivered on behalf of McKinsey and is a valid and binding obligation of McKinsey. Further, I have carefully reviewed the terms of this Agreement with the Board of Directors and the Chief Legal Officer and Senior Partner of McKinsey, Pierre M. Gentin. I have fully advised them of the rights of McKinsey, of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into this Agreement. To my knowledge, the decision of McKinsey to enter into this Agreement, based on the authorization of the Board of Directors, is an informed and voluntary one.

Date: 12/5/24

By: 

Charles E. Duross  
Morrison & Foerster LLP  
Counsel for McKinsey & Company, Inc.

## **ATTACHMENT A**

### **STATEMENT OF FACTS**

The following Statement of Facts is incorporated by reference as part of the Deferred Prosecution Agreement (the “Agreement”) between the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”) and the United States Attorney’s Office for the Southern District of New York (“SDNY”) (collectively, the “Offices” or the “United States”) and McKinsey and Company Africa (Pty) Ltd (“McKinsey Africa”). Certain of the facts herein are based on information obtained from third parties by the United States through its investigation and described to McKinsey & Company, Inc. (“McKinsey”) and McKinsey Africa. McKinsey and McKinsey Africa hereby agree and stipulate that the following information is true and accurate. McKinsey and McKinsey Africa admit, accept, and acknowledge that they are responsible for the acts of their officers, directors, employees, and agents as set forth below. Should the United States pursue the prosecution that is deferred by this Agreement, McKinsey and McKinsey Africa agree that they will neither contest the admissibility of, nor contradict, this Statement of Facts in any such proceeding. The following facts took place during the relevant time period and establish beyond a reasonable doubt the charges set forth in the criminal Information attached to the Agreement:

#### **The Defendant McKinsey Africa, and Relevant Entities and Individuals**

1. McKinsey was an international consulting firm, headquartered in New York, New York, that operated with offices around the world, including in South Africa as described below. McKinsey was a “domestic concern” as that term is used in the Foreign Corrupt Practices Act (“FCPA”), Title 15, United States Code, Section 78dd-2(h)(1)(B).

2. McKinsey Africa was a wholly owned and wholly controlled subsidiary of McKinsey, incorporated in South Africa and located in Sandton, South Africa. McKinsey Africa was an agent of a domestic concern, McKinsey, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(a).

3. Vikas Sagar (“Sagar”) was a citizen of India, a lawful permanent resident of the United States, a resident of South Africa, a partner and senior partner of McKinsey working in the Company’s office in Johannesburg, South Africa, and a stockholder, employee, and agent of McKinsey. Sagar was a “domestic concern” and an employee, agent, and stockholder of a “domestic concern,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(a).

4. Company 1, the identity of which is known to the United States, McKinsey, and McKinsey Africa, was a consulting firm incorporated in South Africa, with its principal place of business in South Africa. Company 1 was an agent of McKinsey Africa.

5. Company 2, the identity of which is known to the United States, McKinsey, and McKinsey Africa, was a consulting firm incorporated in South Africa, with its principal place of business in South Africa. Company 2 was an agent of McKinsey Africa.

6. Transnet SOC Ltd. (“Transnet”) was a South African state-owned and state-controlled company headquartered in Johannesburg, South Africa, that operated as the custodian of South Africa’s ports, rails, and pipelines. Transnet was controlled by the government of South Africa and performed government functions. Transnet was an “instrumentality” of the South African government and Transnet’s officers and employees were “foreign officials,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2)(A).

7. Foreign Official 1, an individual whose identity is known to the United States, McKinsey, and McKinsey Africa, was a high-ranking official and board member at Transnet with responsibility over procurement and contracting during the relevant time. Foreign Official 1 was a “foreign official” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2)(A).

8. Eskom Holdings SOC Ltd. (“Eskom”) was a South African state-owned and state-controlled company headquartered in Sandton, South Africa, that operated as South Africa’s public power utility. Eskom was controlled by the government of South Africa and performed government functions. Eskom was an “instrumentality” of the South African government and Eskom’s officers and employees were “foreign officials,” as those terms are used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2)(A).

9. Foreign Official 2, an individual whose identity is known to the United States, McKinsey, and McKinsey Africa, was a high-ranking official at Eskom with responsibility over procurement and contracting during the relevant time. Foreign Official 2 was a “foreign official” as that term is used in the FCPA, Title 15, United States Code, Section 78dd-2(h)(2)(A).

10. Co-conspirator 1 (“CC 1”), an individual whose identity is known to the United States, McKinsey, and McKinsey Africa, was a South African national and businessperson who worked in South Africa.

11. Co-conspirator 2 (“CC 2”), an individual whose identity is known to the United States, McKinsey, and McKinsey Africa, was a South African national and businessperson who worked in South Africa at Company 1 and Company 2.

### **Overview of the Bribery Scheme**

12. From at least in or around 2012, up to and including in or around 2016, McKinsey Africa, acting through Sagar and for and on behalf of McKinsey, agreed with others to bribe foreign officials in South Africa to obtain and retain business for McKinsey and McKinsey Africa and partner firms, Company 1 and Company 2. In furtherance of the scheme, McKinsey Africa, together with co-conspirators, among other things: (a) obtained sensitive confidential and non-public information from Transnet and Eskom through CC 1, CC 2, and others, regarding the award of consulting contracts; and (b) submitted proposals for multimillion-dollar consulting contracts to Transnet and Eskom on behalf of McKinsey Africa and partner firms, Company 1, and Company 2, knowing that a portion of the proposed consulting fees from the contracts would be used to pay bribes to Foreign Official 1 and Foreign Official 2.

13. In carrying out the scheme described herein, McKinsey and McKinsey Africa, through Sagar, engaged in communications with co-conspirators, relying on email, messaging apps, and other forms of communication that used the means and instrumentalities of interstate commerce, and in total, McKinsey and McKinsey Africa earned profits of approximately \$85,000,000 as a result of the bribery scheme.

#### **A. Bribes Involving Transnet**

14. In or around 2011, in an effort to obtain business for McKinsey Africa with Transnet, Sagar began meeting with Foreign Official 1, a former acquaintance of Sagar. Sagar knew that Foreign Official 1 was a board member at Transnet with the ability and authority to influence the award of consulting contracts.

15. McKinsey, McKinsey Africa, and Sagar were aware that, pursuant to South Africa's Broad-based Black Economic Empowerment Act of 2003 and the South African

government policies implementing it, and other subsequently promulgated policies, including the Supplier Development & Localization Plan (collectively, the “BEE program”), McKinsey Africa’s ability to obtain contracts with Transnet depended, in part, on McKinsey Africa’s engagement of certain local South African subcontractors as BEE program partners. Pursuant to the requirements of the BEE program, McKinsey Africa agreed to split the fees that were payable on contracts for which it partnered with South African companies. Accordingly, McKinsey Africa’s client would pay a portion to McKinsey Africa and a portion directly to McKinsey Africa’s BEE partner.

16. In or around 2012, Foreign Official 1 suggested to Sagar that McKinsey Africa engage Company 1 as its BEE program partner for future consulting engagements at Transnet, and Sagar agreed to the request.

17. In approximately the latter half of 2012, Foreign Official 1 helped arrange a meeting between Sagar and representatives of Company 1 at a restaurant in Sandton, South Africa. Following this meeting, Sagar exercised his influence within McKinsey Africa to encourage the selection of Company 1 as McKinsey Africa’s BEE partner for consulting work at Transnet, and McKinsey Africa selected Company 1 in or around late 2012.

18. Also in the latter half of 2012, Foreign Official 1 introduced Sagar to CC 1—an individual with no apparent connection to Transnet—and indicated that CC 1 would serve as Sagar’s intermediary for communications with Foreign Official 1 relating to McKinsey Africa’s contracts with Transnet moving forward.

19. Following CC 1’s introduction by Foreign Official 1, CC 1 acted as Sagar’s primary point of contact regarding McKinsey Africa and Company 1’s efforts to obtain consulting contracts from Transnet, and the division of fees between McKinsey Africa and



Company 1 (a portion of which Sagar understood to continue to be paid to or for the benefit of CC 1 and Foreign Official 1). In return for the bribes, Foreign Official 1 acted as McKinsey Africa's "inside man" at Transnet, providing confidential, inside information from Transnet through CC 1 and orchestrating the award of multiple lucrative contracts to McKinsey Africa over a period of years.

20. To avoid detection, Sagar and CC 1 conducted meetings at coffee shops, restaurants, and other locations in and around Johannesburg, South Africa, instead of meeting at McKinsey Africa or Transnet offices. Sagar and CC 1 also limited their use of written communications over the course of the scheme, and when they did correspond via email, they often used private personal email addresses rather than Sagar's McKinsey email address.

21. As part of the scheme, McKinsey Africa, through Sagar, received sensitive non-public information from Transnet, which was transmitted to Sagar by CC 1. Such information included confidential, inside information regarding McKinsey Africa's competitors for contracts, and Transnet's decision-making for such contracts. For example, CC 1 advised Sagar as to the identities of potential competitors for consulting contracts that McKinsey Africa sought at Transnet and provided advance assurances that McKinsey Africa would receive the award of a contract focusing on Transnet's acquisition of certain locomotives. Also in furtherance of the scheme, Sagar shared confidential McKinsey Africa information and work product with CC 1 regarding the work that McKinsey Africa sought to conduct at Transnet and its proposed engagement with Company 1. For example, on or about February 10, 2014, Sagar sent an email to CC 1 containing confidential internal McKinsey Africa information regarding a specific project at Transnet, proposed division of work between McKinsey Africa and Company 1, and

the proposed division of fees between McKinsey Africa and Company 1 of nearly 50 percent. CC 1 subsequently forwarded the information to CC 2.

22. At CC 1's urging—which Sagar understood to be coming from Foreign Official 1—the fee split between McKinsey Africa and Company 1 shifted over time, increasing the share of fees that were being paid to Company 1, even though Company 1's contributions to the work being done for Transnet diminished.

23. Nevertheless, and repeatedly, McKinsey Africa, through Sagar, submitted and caused proposals for multimillion-dollar consulting contracts to be submitted to Transnet, understanding that a portion of the consulting fees from the contracts would be used to pay bribes to Foreign Official 1. McKinsey Africa personnel, including Sagar and others whom Sagar did not advise of the bribery scheme, also participated in the drafting of Transnet and, later, Eskom, Requests for Proposals and internal memoranda that justified the award of contracts to McKinsey Africa without a public tender process. These efforts were intended to prevent McKinsey Africa's competitors from competing fairly for awards of contracts, and they had the effect of ensuring that Transnet and Eskom's awards of contracts occurred on a sole-source basis.

#### **B. Bribes Involving Eskom**

24. In or around 2015, multiple Transnet executives who had worked with McKinsey Africa transitioned to leadership positions at Eskom. Around that same time, CC 2 advised Sagar of CC 2's intent to spin off a new consulting entity, Company 2.

25. McKinsey Africa was seeking to obtain consulting contracts at Eskom at that time, and Sagar joined McKinsey Africa's client service team for Eskom. Between in or around 2015 and continuing until in or around 2016, as McKinsey Africa sought business with Eskom,

Sagar continued to work with CC 1 and CC 2, with the understanding that the bribery scheme at Transnet would continue at Eskom.

26. At Eskom, McKinsey Africa's bribery scheme proceeded in a very similar manner as it had at Transnet, but with Company 2 ultimately replacing Company 1, and with at least Foreign Official 2 receiving the bribes rather than Foreign Official 1. CC 1 worked on McKinsey Africa's behalf to orchestrate the award of contracts to McKinsey Africa. In exchange for these efforts, CC 1 and Foreign Official 2 would receive a portion of the fees paid to Company 2 as McKinsey Africa's BEE partner for Eskom work.

27. In communications with Sagar, Foreign Official 2 focused heavily on the proposed fee split between McKinsey Africa and its BEE partner, insisting that fees be split 50/50. For Eskom engagements, McKinsey Africa's BEE partner was initially Company 1, but McKinsey Africa was in the process of formally retaining Company 2 as its BEE partner after CC 2 spun off the entity. CC 1 and personnel from Company 2 again pressured Sagar to deliver an even split of fees between Company 2 and McKinsey.

28. On or about November 16, 2015, in connection with the negotiation of a potentially highly lucrative contract with Eskom, personnel from Company 2—copying CC 1 and CC 2—emailed Sagar at his McKinsey business email address, also copying Sagar's personal email address, (i) requesting proof that fees from the engagement would be subject to a "50/50 fee split" and (ii) noting that CC 1 needed such proof in advance of setting up a meeting with key Eskom executives.

29. On or about November 18, 2015, using the means and instrumentalities of interstate commerce, Sagar responded to the email referenced in paragraph 28 above, using his personal email address, copying CC 1, and attaching a confidential internal McKinsey Africa

spreadsheet showing a near-50 percent split for Company 2 from the project: the equivalent of hundreds of millions of U.S. dollars in projected revenue. Sagar understood that a portion of the contract split for Company 2 would be paid to Foreign Official 2 in exchange for Eskom awarding the contract to McKinsey Africa and its potential BEE partner, Company 2. In or around December 2015, Eskom awarded the contract to McKinsey Africa.

30. In or around late 2015 and early 2016, McKinsey Africa conducted due diligence on Company 2, but did not complete its due diligence process before beginning work on the Eskom contract with Company 2. In or around March 2016, McKinsey Africa rejected Company 2 as a BEE partner after Company 2 failed to respond adequately to McKinsey Africa's due diligence inquiries. McKinsey Africa notified Eskom that McKinsey Africa would not engage Company 2 as its BEE partner, but McKinsey Africa continued to work alongside Company 2 at Eskom, until Eskom notified McKinsey Africa in June 2016 that the contract would be terminated. Separately, in or around March 2016, McKinsey Africa terminated Company 1 as its BEE partner, and provided notice to Transnet, after public reporting regarding the involvement of a recently departed Company 1 executive in a scandal, and linking the Company 1 executive to politically exposed persons.

31. On October 5, 2016, Sagar travelled to New York City to meet with a senior executive of Eskom and others to discuss the Company's work under the contract in furtherance of the bribery scheme. McKinsey Africa's work for Eskom ended in or around November 2016.

## **ATTACHMENT B**

### **CERTIFICATE OF CORPORATE RESOLUTIONS FOR MCKINSEY AND COMPANY AFRICA (PTY) LTD**

WHEREAS, McKinsey and Company Africa (Pty) Ltd (the “Company” or “McKinsey Africa”) has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”) and the United States Attorney’s Office for the Southern District of New York (“SDNY”) (collectively, the “Offices”) regarding issues arising in relation to certain improper payments to foreign officials to facilitate the award of contracts and assist in obtaining business for the Company; and

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a certain agreement with the Offices (the “Agreement”); and

WHEREAS, Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey & Company, Inc. (“McKinsey”), and duly authorized representative of the Company, Jonathan B. Slonim, together with outside counsel for the Company, have advised the Directors of the Company of its rights, possible defenses, the Sentencing Guidelines’ provisions, and the consequences of entering into such agreement with the Offices;

Therefore, the Directors of the Company have RESOLVED that:

1. The Company (a) acknowledges the filing of the one count criminal Information charging the Company with conspiracy to commit an offense against the United States, in violation of Title 18, United States Code, Section 371, that is, to violate the anti-bribery provisions of the Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Section 78dd-2; (b) waives indictment on such charge and enters into a Deferred Prosecution Agreement with the Offices; and (c) agrees to accept a monetary penalty against

Company totaling \$122,850,000, and to pay such penalty to the United States Treasury with respect to the conduct described in the Information, as set forth in the Agreement;

2. The Company accepts the terms and conditions of this Agreement, including, but not limited to, (a) a knowing waiver of its rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) a knowing waiver for purposes of this Agreement and any charges by the United States arising out of the conduct described in the attached Statement of Facts of any objection with respect to venue and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Southern District of New York; and (c) a knowing waiver of any defenses based on the statute of limitations for any prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement;

3. The Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey, Jonathan B. Slonim, is hereby authorized, empowered and directed, on behalf of the Company, to execute the Deferred Prosecution Agreement substantially in such form as reviewed by the Directors at this meeting with such changes as the Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey, and duly authorized representative of the Company, Jonathan B. Slonim, may approve;

4. The Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey, and duly authorized representative of the Company, Jonathan B. Slonim,

is hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of the Deputy General Counsel, Head of Legal, Americas, Partner and Vice President of McKinsey, and duly authorized representative of the Company, Jonathan B. Slonim, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: 04 DECEMBER 2024

By:



Adolf Makgatho  
Chairman of the Board of Directors  
McKinsey and Company Africa (Pty) Ltd

**CERTIFICATE OF CORPORATE RESOLUTIONS  
FOR MCKINSEY & COMPANY, INC.**

WHEREAS, McKinsey & Company, Inc. (“McKinsey”) has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”) and the United States Attorney’s Office for the Southern District of New York (“SDNY”) (collectively, the “Offices”) regarding issues arising in relation to certain improper payments to foreign officials to facilitate the award of contracts and assist in obtaining business for McKinsey and Company Africa (Pty) Ltd; and

WHEREAS, in order to resolve such discussions, it is proposed that McKinsey enter into a certain agreement with the Offices (the “Agreement”); and

WHEREAS, McKinsey’s Chief Legal Officer and Senior Partner, Pierre M. Gentin, together with outside counsel for McKinsey, have advised Board of Directors of McKinsey of its rights, possible defenses, the Sentencing Guidelines’ provisions, and the consequences of entering into such agreement with the Offices;

Therefore, the Board of Directors has RESOLVED that:

1. McKinsey (a) acknowledges the filing of the one count criminal Information charging McKinsey and Company Africa (Pty) Ltd with conspiracy to commit an offense against the United States, in violation of Title 18, United States Code, Section 371, that is, to violate the anti-bribery provisions of the Foreign Corrupt Practices Act of 1977 (“FCPA”), as amended, Title 15, United States Code, Section 78dd-2; (b) undertakes certain obligations under the Agreement among McKinsey and Company Africa (Pty) Ltd and the Offices; and (c) agrees to accept a monetary penalty against McKinsey and Company Africa (Pty) Ltd totaling \$122,850,000, and to pay such penalty to the United States Treasury with respect to the conduct



described in the Information as set forth in the Agreement if McKinsey and Company Africa (Pty) Ltd does not pay such monetary penalty within the time period specified in the Agreement;

2. McKinsey accepts the terms and conditions of this Agreement, including, but not limited to, (a) a knowing waiver of McKinsey and Company Africa (Pty) Ltd's rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) a knowing waiver for purposes of this Agreement and any charges by the United States arising out of the conduct described in the attached Statement of Facts of any objection with respect to venue and consents to the filing of the Information against McKinsey and Company Africa (Pty) Ltd, as provided under the terms of this Agreement, in the United States District Court for the Southern District of New York; and (c) a knowing waiver of any defenses based on the statute of limitations for any prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Offices prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement;

3. The Chief Legal Officer and Senior Partner of McKinsey, Pierre M. Gentin, is hereby authorized, empowered and directed, on behalf of McKinsey, to execute the Deferred Prosecution Agreement substantially in such form as reviewed by the Board of Directors at this meeting with such changes as the Chief Legal Officer and Senior Partner, Pierre M. Gentin of McKinsey, may approve;

4. The Chief Legal Officer and Senior Partner of McKinsey, Pierre M. Gentin, is hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents

as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of the Chief Legal Officer and Senior Partner of McKinsey, Pierre M. Gentin, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of McKinsey.

Date:

12/4/24

By:



Robert Sternfels  
President of McKinsey & Company, Inc.

## ATTACHMENT C

### **CORPORATE COMPLIANCE PROGRAM**

In order to address any deficiencies in their internal controls, compliance code, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act (“FCPA”), 15 U.S.C. §§ 78dd-1, *et seq.*, and other applicable anti-corruption laws, McKinsey and Company Africa (Pty) Ltd and McKinsey & Company, Inc. (the “Companies”) agree to continue to conduct, in a manner consistent with all of their obligations under this Agreement, appropriate reviews of their existing internal controls, policies, and procedures.

Where necessary and appropriate, the Companies agree to modify their compliance program, including internal controls, compliance policies, and procedures in order to ensure that they maintain: (a) an effective system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) a rigorous compliance program that incorporates relevant internal accounting controls, as well as policies and procedures designed to effectively detect and deter violations of the FCPA and other applicable anti-corruption laws (collectively, the “anti-corruption laws”). At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Companies’ existing internal controls, compliance code, policies, and procedures:

#### ***Commitment to Compliance***

1. The Companies will ensure that their directors and senior management provide strong, explicit, and visible support and commitment to compliance with their corporate policy against violations of the anti-corruption laws, their compliance policies, and their Code of

Conduct, and demonstrate rigorous support for compliance principles via their actions and words.

2. The Companies will ensure that mid-level management throughout their organization reinforce leadership's commitment to compliance policies and principles and encourage employees to abide by them. The Companies will create and foster a culture of ethics and compliance with the law in their day-to-day operations at all levels of the Companies.

#### ***Periodic Risk Assessment and Review***

3. The Companies will implement a risk management process to identify, analyze, and address the individual circumstances of the Companies, in particular the foreign bribery risks facing the Companies.

4. On the basis of their periodic risk assessment, the Companies shall take appropriate steps to design, implement, or modify each element of their compliance program to reduce the risk of violations of the anti-corruption laws, their compliance policies, and their Code of Conduct.

#### ***Policies and Procedures***

5. The Companies will develop and promulgate a clearly articulated and visible corporate policy against violations of the anti-corruption laws, which shall be memorialized in a written compliance policy or policies.

6. The Companies will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of the anti-corruption laws and the Companies' compliance policies and Code of Conduct, and the Companies will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against

violation of the anti-corruption laws by personnel at all levels of the Companies. These anti-corruption policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of the Companies in a foreign jurisdiction, including all agents and business partners. The Companies shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the Companies. Such policies and procedures shall address:

- a. gifts;
- b. hospitality, entertainment, and expenses;
- c. customer travel;
- d. political contributions;
- e. charitable donations and sponsorships;
- f. facilitation payments; and
- g. solicitation and extortion.

7. The Companies will ensure that they have a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that:

- a. transactions are executed in accordance with management's general or specific authorization;
- b. transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;

- c. access to assets is permitted only in accordance with management's general or specific authorization; and
  - d. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.
8. The Companies shall review their anti-corruption compliance policies and procedures as necessary to address changing and emerging risks and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving international and industry standards.

#### ***Independent, Autonomous, and Empowered Oversight***

9. The Companies will assign responsibility to one or more senior corporate executives of the Companies for the implementation and oversight of the Companies' anti-corruption compliance policies and procedures. Such corporate official(s) shall have the authority to report directly to independent monitoring bodies, including internal audit, the Companies' Boards of Directors, or any appropriate committee of the Companies' Boards of Directors, and shall have an adequate level of autonomy from management as well as sufficient resources, authority, and support from senior leadership to maintain such autonomy.

#### ***Training and Guidance***

10. The Companies will implement mechanisms designed to ensure that their Code of Conduct and anti-corruption compliance policies and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in positions of leadership or trust, positions that require such training

(e.g., internal audit, sales, legal, compliance, finance), or positions that otherwise pose a corruption risk to the Companies, and, where necessary and appropriate, agents and business partners; and (b) metrics for measuring knowledge retention and effectiveness of the training. The Companies will conduct training in a manner tailored to the audience's size, sophistication, or subject matter expertise and, where appropriate, will discuss prior compliance incidents.

11. The Companies will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with the Companies' anti-corruption compliance policies and procedures, including when they need advice on an urgent basis or in any foreign jurisdiction in which the Companies operate.

***Confidential Reporting Structure and Investigation of Misconduct***

12. The Companies will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of the Companies' Code of Conduct or anti-corruption compliance policies and procedures and protection of directors, officers, employees, and, where appropriate, agents and business partners who make such reports. To ensure effectiveness, the Companies commit to following applicable anti-retaliation and whistleblower protection laws, and to appropriately training employees on such laws.

13. The Companies will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting

allegations of violations of the anti-corruption laws or the Companies' anti-corruption compliance policies and procedures.

#### ***Compensation Structures and Consequence Management***

14. The Companies will implement clear mechanisms to incentivize behavior amongst all directors, officers, employees, and, where necessary and appropriate, parties acting on behalf of the Companies, in compliance with their corporate policy against violations of the anti-corruption laws, their compliance policies, and their Code of Conduct. These incentives shall include, but shall not be limited to, the implementation of criteria related to compliance in the Companies' compensation and bonus system.

15. The Companies will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and the Companies' Code of Conduct and anti-corruption compliance policies and procedures by the Companies' directors, officers, and employees. Such procedures should be applied consistently and fairly, regardless of the position held by, or perceived importance of, the director, officer, or employee. The Companies shall implement procedures to ensure that, where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, Code of Conduct, and compliance policies and procedures and making modifications necessary to ensure the overall anti-corruption compliance program is effective.



### *Third-Party Management*

16. The Companies will institute appropriate risk-based due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

- a. properly documented due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;
- b. informing agents and business partners of the Companies' commitment to abiding by anti-corruption laws, and of the Companies' Code of Conduct and anti-corruption compliance policies and procedures; and
- c. seeking a reciprocal commitment from agents and business partners.

17. The Companies will understand and record the business rationale for using a third party in a transaction and will conduct adequate due diligence with respect to the risks posed by a third-party partner such as a third-party partner's reputations and relationships, if any, with foreign officials. The Companies will ensure that contract terms with third parties specifically describe the services to be performed, that the third party is actually performing the described work, and that its compensation is commensurate with the work being provided in that industry and geographical region. The Companies will engage in ongoing monitoring and risk management of third-party relationships through updated due diligence, training, audits, and/or annual compliance certifications by the third party.

18. Where necessary and appropriate, the Companies will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are reasonably calculated to prevent violations of the anti-corruption laws, which may,

depending upon the circumstances, include: (a) anti-corruption representations and undertakings relating to compliance with the anti-corruption laws; (b) rights to conduct audits of the books and records of the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach of the anti-corruption laws, the Companies' Code of Conduct or compliance policies, or procedures, or the representations and undertakings related to such matters.

### *Mergers and Acquisitions*

19. The Companies will develop and implement policies and procedures for mergers and acquisitions requiring that the Companies conduct appropriate risk-based due diligence on potential new business entities, including appropriate FCPA and anti-corruption due diligence by legal, accounting, and compliance personnel.

20. The Companies will ensure that the Companies' Code of Conduct and compliance policies and procedures regarding the anti-corruption laws apply as quickly as is practicable to newly acquired businesses or entities merged with the Companies and will promptly:

a. train the directors, officers, employees, agents, and business partners consistent with Paragraph 10 above on the anti-corruption laws and the Companies' compliance policies and procedures regarding anti-corruption laws;

b. where warranted, conduct an FCPA-specific audit of all newly acquired or merged businesses as quickly as practicable;

c. where warranted, establish a plan to integrate the acquired businesses or entities into the Companies' enterprise resource planning systems as quickly as practicable.

### ***Monitoring and Testing***

21. The Companies will conduct periodic reviews and testing of all elements of their compliance programs to evaluate and improve their effectiveness in preventing and detecting violations of anti-corruption laws and the Companies' Code of Conduct and anti-corruption compliance policies and procedures, taking into account relevant developments in the field and evolving international and industry standards.

22. The Companies will ensure that compliance and control personnel have sufficient direct or indirect access to relevant sources of data to allow for timely and effective monitoring and/or testing of transactions.

### ***Analysis and Remediation of Misconduct***

23. The Companies will conduct a root cause analysis of misconduct, including prior misconduct, to identify any systemic issues and/or any control failures. The Companies will timely and appropriately remediate the root causes of misconduct. The Companies will ensure that root causes, including systemic issues and controls failures, and relevant remediation are shared with management as appropriate.

## **ATTACHMENT D**

### **ENHANCED COMPLIANCE REPORTING REQUIREMENTS**

McKinsey and Company Africa (Pty) Ltd and McKinsey & Company, Inc. (the “Companies”) agree that they will report to the United States Department of Justice, Criminal Division, Fraud Section (the “Fraud Section”) and the United States Attorney’s Office for the Southern District of New York (“SDNY”) (together, the “Offices”) periodically.

During the Term, the Companies shall review, test, and update their compliance program and internal controls, policies, and procedures described in Attachment C. The Companies shall be required to: (i) conduct an initial (“first”) review and submit a first report and (ii) conduct and prepare at least two follow-up reviews and reports, as described below. Prior to conducting each review, the Companies shall be required to prepare and submit a workplan for the review. The Companies shall also, at no less than three-month intervals during the Term, meet with the Offices regarding remediation, implementation and testing of their compliance program and internal controls, policies, and procedures described in Attachment C.

In conducting the reviews, the Companies shall undertake the following activities, among others: (a) inspection of relevant documents, including the Companies’ current policies, procedures, and training materials concerning compliance with the FCPA and other applicable anti-corruption laws; (b) inspection and testing of the Companies’ systems, procedures, and internal controls, including record-keeping and internal audit procedures at sample sites; (c) meetings with, and interviews of, relevant current and, where appropriate, former directors, officers, employees, business partners, agents, and other persons; and (d) analyses, studies, and, comprehensive testing of the Companies’ compliance program.

### ***Written Work Plans, Reviews and Reports***

1. The Companies shall conduct a first review and prepare a first report, followed by at least two follow-up reviews and reports.

2. Within sixty (60) calendar days of the date this Agreement is executed, the Companies shall, after consultation with the Offices, prepare and submit a written work plan to address the Companies' first review. The Offices shall have thirty (30) calendar days after receipt of the written work plan to provide comments.

3. With respect to each follow-up review and report, after consultation with the Offices, the Companies shall prepare a written work plan within forty-five (45) calendar days of the submission of the prior report, and the Offices shall provide comments within thirty (30) calendar days after receipt of the written work plan.

4. All written work plans shall identify with reasonable specificity the activities the Companies plan to undertake to review and test each element of their compliance program, as described in Attachment C.

5. Any disputes between the Companies and the Offices with respect to any written work plan shall be decided by the Offices in their sole discretion.

6. No later than one year from the date this Agreement is executed, the Companies shall submit to the Offices a written report setting forth: (1) a complete description of their remediation efforts to date; (2) a complete description of the testing conducted to evaluate the effectiveness of the compliance program and the results of that testing; and (3) their proposals to ensure that their compliance program is reasonably designed, implemented, and enforced so that the program is effective in deterring and detecting violations of the FCPA and other applicable anti-corruption laws. The report shall be transmitted to:

Chief, FCPA Unit  
Chief, CECF Unit  
Criminal Division, Fraud Section  
United States Department of Justice  
1400 New York Avenue NW  
Washington, DC 20005

Co-Chiefs, Complex Frauds and  
Cybercrime Unit  
U.S. Attorney's Office for the  
Southern District of New York  
26 Federal Plaza, 37<sup>th</sup> Floor  
New York, NY 10278

The Companies may extend the time period for issuance of the first report with prior written approval of the Offices.

### ***Follow-up Reviews and Reports***

7. The Companies shall undertake at least two follow-up reviews and reports, incorporating the views of the Offices on the Companies' prior reviews and reports, to further monitor and assess whether the Companies' compliance program is reasonably designed, implemented, and enforced so that it is effective at deterring and detecting violations of the FCPA and other applicable anti-corruption laws.

8. The first follow-up ("second") review and report shall be completed by no later than one year after the first report is submitted to the Offices.

9. The second follow-up ("third") report shall include a plan for ongoing improvement, testing, and review of the compliance program to ensure the sustainability of the program. The third report shall be completed and delivered to the Offices no later than thirty (30) days before the end of the Term.

10. The Companies may extend the time period for submission of any of the follow-up reports with prior written approval of the Offices.

### ***Meetings During the Term***

11. The Companies shall meet with the Offices within thirty (30) calendar days after providing each report to the Offices to discuss the report.

12. At least quarterly, and more frequently if the Offices deem it appropriate in their sole discretion, representatives from the Companies and the Offices will meet to discuss the status of the review and enhanced self-reporting obligations, and any suggestions, comments, or improvements the Companies may wish to discuss with or propose to the Offices.

***Confidentiality of Submissions***

13. Submissions by the Companies, including the work plans and reports, will likely include proprietary, financial, confidential, and competitive business information. Moreover, public disclosure of the submissions could discourage cooperation, impede pending or potential government investigations and thus undermine the objectives of the reporting requirement. For these reasons, among others, the submissions and the contents thereof are intended to remain and shall remain non-public, except as otherwise agreed to by the parties in writing, or except to the extent the Offices determine in their sole discretion that disclosure would be in furtherance of the Offices' discharge of their duties and responsibilities or is otherwise required by law.

**ATTACHMENT E**

**CERTIFICATION**

To: United States Department of Justice  
Criminal Division, Fraud Section  
Attention: Chief of the Fraud Section

United States Department of Justice  
United States Attorney's Office for the Southern District of New York  
Attention: United States Attorney

Re: Deferred Prosecution Agreement Disclosure Certification

The undersigned certify, pursuant to Paragraph 21 of the Deferred Prosecution Agreement ("the Agreement") filed on December 5, 2024 in the United States District Court for the Southern District of New York, by and between the United States of America, McKinsey and Company Africa (Pty) Ltd, and McKinsey & Company, Inc. (the "Companies"), that the undersigned are aware of the Companies' disclosure obligations under Paragraphs 5 and 6 of the Agreement, and that the Companies have disclosed to the United States Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Southern District of New York (collectively, the "Offices") any and all evidence or allegations of conduct required pursuant to Paragraphs 5 and 6 of the Agreement, which includes evidence or allegations of any violation of the anti-bribery or accounting provisions of the Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, Title 15, United States Code, Section 78dd-1, *et seq.* or the Foreign Extortion Prevention Act ("FEPA"), Title 18 United States Code, Section 1352, had the conduct occurred within the jurisdiction of the United States, committed by the Companies' employees or agents ("Disclosable Information"). This obligation to disclose



information extends to any and all Disclosable Information that has been identified through the Companies' compliance and controls program, whistleblower channel, internal audit reports, due diligence procedures, investigation process, or other processes. The undersigned further acknowledge and agree that the reporting requirements contained in Paragraphs 5 and 6 and the representations contained in this certification constitute a significant and important component of the Agreement and of the Offices' determination whether the Companies have satisfied their obligations under the Agreement.

The undersigned hereby certify that they are respectively the Chairman of the Board of Directors of the Company and McKinsey's Global Chief Ethics and Compliance Officer, for McKinsey and Company Africa (Pty) Ltd, and the Global Managing Partner and Global Chief Ethics and Compliance Officer of McKinsey & Company, Inc., and that each has been duly authorized by the Companies to sign this Certification on behalf of the Companies.

This Certification shall constitute a material statement and representation by the undersigned and by, on behalf of, and for the benefit of, the Companies to the executive branch of the United States for purposes of Title 18, United States Code, Section 1001, and such material statement and representation shall be deemed to have been made in the Southern District of New York. This Certification shall also constitute a record, document, or tangible object in connection with a matter within the jurisdiction of a department and agency of the United States for purposes of Title 18, United States Code, Section 1519, and such record, document, or tangible object shall be deemed to have been made in the Southern District of New York.

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Chairman, Board of Directors  
McKinsey and Company Africa (Pty) Ltd

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Global Chief Ethics and Compliance Officer  
McKinsey and Company Africa (Pty) Ltd

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Global Managing Partner  
McKinsey & Company, Inc.

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Global Chief Ethics and Compliance Officer  
McKinsey & Company, Inc.

**ATTACHMENT F**  
**COMPLIANCE CERTIFICATION**

To: United States Department of Justice  
Criminal Division, Fraud Section  
Attention: Chief of the Fraud Section

United States Department of Justice  
United States Attorney's Office for the Southern District of New York  
Attention: United States Attorney

Re: Deferred Prosecution Agreement Disclosure Certification

The undersigned certify, pursuant to Paragraph 14 of the Deferred Prosecution Agreement filed on December 5, 2024 in the United States District Court for the Southern District of New York by and between the United States of America, McKinsey and Company Africa (Pty) Ltd, and McKinsey & Company, Inc. (the "Companies") (the "Agreement"), that the undersigned are aware of the compliance obligations of the Companies under Paragraphs 11 and 12 of the Agreement, and that, based on a review of the Companies' reports submitted to the Department of Justice, Criminal Division, Fraud Section and the United States Attorney's Office for the Southern District of New York pursuant to Paragraph 14 of the Agreement, the reports are true, accurate, and complete.

In addition, the undersigned certify that, based on the undersigned's review and understanding of the Companies' anti-corruption compliance program, the Companies have implemented anti-corruption compliance programs that meet the requirements set forth in Attachment C to the Agreement. The undersigned certify that such compliance programs are reasonably designed to detect and prevent violations of the anti-corruption laws throughout the Companies' operations.

The undersigned hereby certify that they are respectively the Chairman of the Board of Directors of the Company and McKinsey's Global Chief Ethics and Compliance Officer, for McKinsey and Company Africa (Pty) Ltd, and the Global Managing Partner and Global Chief Ethics and Compliance Officer of McKinsey & Company, Inc., and that each has been duly authorized by the Companies to sign this Certification on behalf of the Companies.

This Certification shall constitute a material statement and representation by the undersigned and by, on behalf of, and for the benefit of, the Companies to the executive branch of the United States for purposes of Title 18, United States Code, Section 1001, and such material statement and representation shall be deemed to have been made in the Southern District of New York. This Certification shall also constitute a record, document, or tangible object in connection with a matter within the jurisdiction of a department and agency of the United States for purposes of Title 18, United States Code, Section 1519, and such record, document, or tangible object shall be deemed to have been made in the Southern District of New York.

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Chairman, Board of Directors  
McKinsey and Company Africa (Pty) Ltd

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Global Chief Ethics and Compliance Officer  
McKinsey and Company Africa (Pty) Ltd

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Global Managing Partner  
McKinsey & Company, Inc.

Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_

Name (Signed): \_\_\_\_\_

Global Chief Ethics and Compliance Officer  
McKinsey & Company, Inc.