



Message from our global managing partner

Accelerating sustainable and inclusive growth for the world



Bob (center) speaking to colleagues at a town hall in Poznań, Poland.

A letter to all our stakeholders

The events of 2022—the start of a tragic war, food and energy crises, severe climate events, global supply chain issues, and continuing market volatility—challenged governments, businesses, and citizens alike, requiring the world’s immediate and focused attention. As always, we partnered with our clients and our communities to respond—remaining ever committed to our firm’s long-term aspiration: **accelerating sustainable and inclusive growth for the world.**

We have done the analysis to assess how we are actually doing against this aspiration. I am incredibly proud of how—together with our clients—we are driving measurable, society-wide impact. Our clients contribute **20 percent to global GDP growth**, create **one million jobs per year**, and make up **80 percent of reported CO₂ emissions reductions**. While we are excited by this, we are even more motivated by it.

Seeing the measurable impact in the societies where we live and work is what compels us to accelerate. We are continually raising our sights, with every client engagement, every day: How can we engage even more deeply with our clients on decarbonizing? How many more people can we help reskill or upskill? How can we drive even more economic growth and innovation?

We are catalyzing decarbonization

In 2022, 3,500 of our colleagues worked on more than 1,600 sustainability engagements with 600 clients across nearly 60 countries and in every industry. We are unashamed to say that this includes working with heavy emitters—*because that’s where the emissions are*. We also continue to make progress against our own net-zero goals (including the introduction of a carbon fee on all air travel) while convening leaders and other organizations to embark on fresh solutions like Frontier, an advance market commitment for carbon removal, and Catalyst Zero, for calculating carbon footprints.

We are accelerating inclusive growth

Last year, our Leap by McKinsey colleagues helped our clients build nearly 200 new businesses—creating more than 20,000 jobs and \$140 billion in value. Our 10 Actions toward racial equity, launched in 2020, have accelerated change within our firm and are helping combat racism worldwide. Among the many advances this year: we’ve engaged more than 67,000 Black, Asian, Hispanic, and Latino professionals in our Connected Leaders Academy and published 30 insight pieces through the newly established McKinsey Institute for Black Economic Mobility. And, to ensure we are doing what we can to create a more inclusive economy, we have committed \$2 billion to social responsibility efforts by 2030 and have so far contributed nearly \$620 million in cash and in-kind support toward that commitment (more than \$275 million this year). Individually, our colleagues have spent nearly a half million hours on volunteering, board service, and pro bono engagements.



In our own firm, we are doubling down on diversity, tripling our number of Black hires, and electing twice the number of women partners in five years. Our global workforce is 48 percent women, and 52 percent of our client-serving colleagues in the US are from racial or ethnic minority groups. We take great pride in our progress, but we want to make sure we are *distinctively* diverse and have more than tripled our talent recruitment sources from 540 in 2021 to more than 1,700 this past year to ensure that everyone with the skills and talent has a shot at our firm.

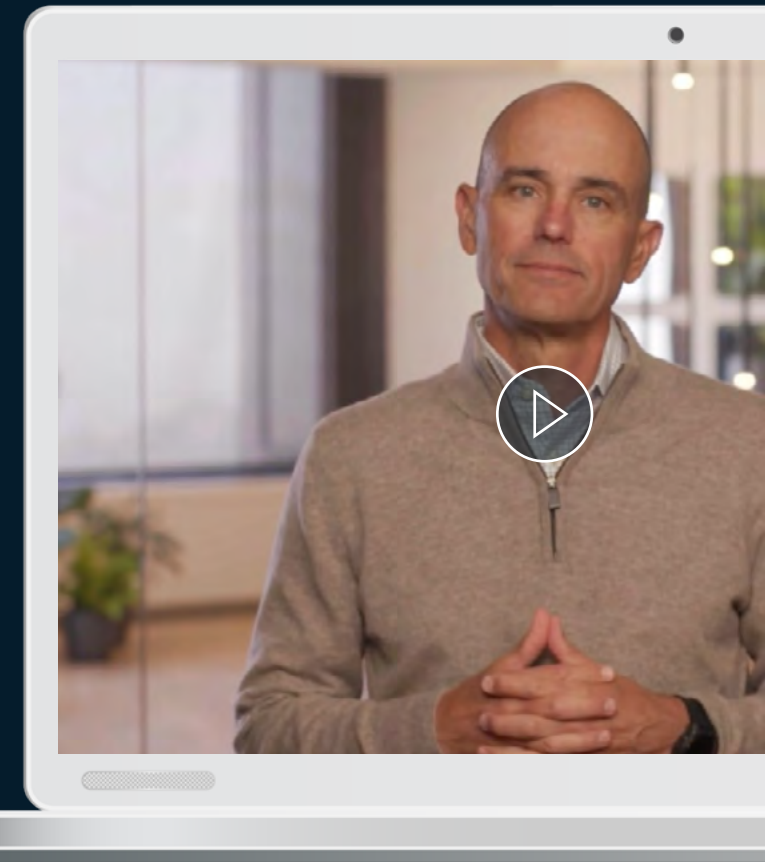
We are setting the standard on accountability and compliance

Accountability and compliance are deeply embedded in our processes, mindsets—and in our culture. Since 2018, we have spent nearly \$700 million on strengthening our risk management teams, capabilities, and processes as part of our ambition to lead our industry—and we have recruited some of the world’s best talent to help (from companies like Apple, Walmart, Microsoft, and Uber). Among other enhancements, we introduced an industry-leading client service framework (CITIO), which helps us vet each new client and guides our approach to engagements. Our commitment extends to our suppliers and internal systems, where we have improved cybersecurity controls, data and document retention, and process management. Annually, our colleagues participate in a rigorous Professional Standards and Risk training program, and we have a 100 percent completion rate. We will never rest in our pursuit to set the standard.

Our firm’s purpose is to help create positive, enduring change in the world. We aspire to do this by accelerating sustainable and inclusive growth through direct and measurable impact in partnership with our clients. Throughout this report, we have shared stories about the many ways in which we are doing just that. We are sharing them not only because we are proud of what we have achieved so far, but because we hope that they are a source of inspiration for even bolder aspirations and innovations in the years ahead. For us, this work is never really done.

Bob Sternfels Global Managing Partner, McKinsey & Company

Hear more from Bob: **Key highlights from our** **2022 ESG Report**





About McKinsey

Since 1926, McKinsey has been united by a strong set of values and the drive to deliver positive, enduring change. In a world facing growing inequality and the impact of climate change, our aspiration is to accelerate sustainable and inclusive growth everywhere we operate.

We partner for impact

We strive to be more than advisers to our clients; we are partners. Together, we aspire to go beyond financial and operational results. Working alongside our clients, we identify potential for growth, lead with transformative technologies, innovate to net zero, and build workforces that will thrive for this generation and the next.

We are inclusive and distinctive

When it comes to our people, we value potential more than pedigree. We create opportunities for roles and advancement based on skills and demonstrated impact, not just a college degree. Today, 50 percent of our new members are experienced professionals, and we sourced talent from 1,700 institutions in 2022, up from 540 in 2021.

We are proudly global

Today's biggest challenges don't stop at borders, and solutions require global collaboration. Therefore, we operate as a single global partnership, with nearly 160 nationalities represented across our firm. More than two-thirds of our client engagements draw on teams working across multiple countries. This assures we bring clients the world's best assets and solutions, wherever they may be.

We are setting the standard for our profession

We also apply the best of our insights and client counsel to our own efforts to create a more sustainable and inclusive world. This includes our efforts on accountability and compliance as we continue to invest in our internal risk, legal, and compliance functions. To learn more, visit our [Governance webpage](#).

1926

Founded by James O. McKinsey

45,000+

colleagues globally

65+

countries

130+

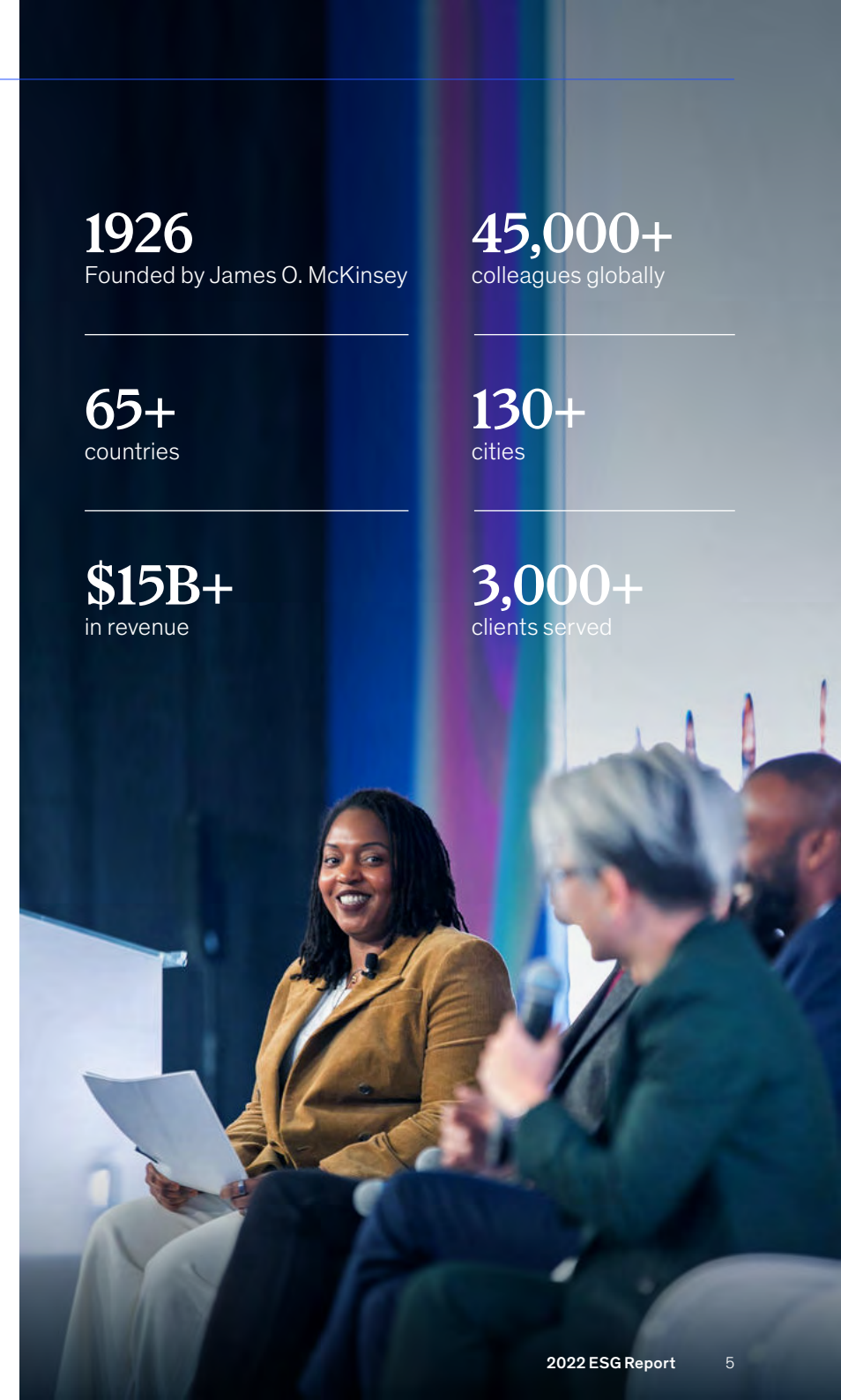
cities

\$15B+

in revenue

3,000+

clients served





This is our moment to accelerate sustainable and inclusive growth

Leaders today have a rare opportunity. By tackling defining challenges of our time—the net-zero transition and global inequality—they can shape the future for generations to come.

Embracing the “and”

For many organizations, the simultaneous pursuit of growth and sustainability and inclusion presents trade-offs. We believe leaders today can and must pursue all three in concert. So, every day, around the world, we partner with our clients to embrace the “and” for the benefit of people, planet, and organizational health.

We’re helping our clients¹ lead on sustainable and inclusive growth. They have:

Contributed

20%

to global GDP growth

Created

1M

jobs per year

Contributed

80%

of reported CO₂ emissions reductions

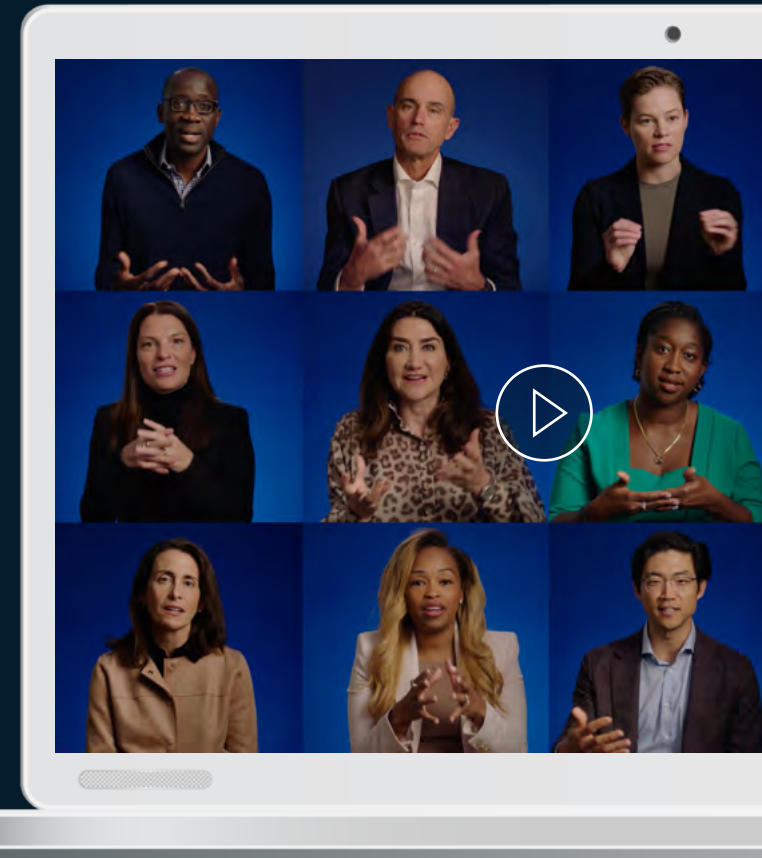
Starting with growth, creating value for all

We always begin with growth. Growing companies and economies are resilient. They spur prosperity, which provides the resources necessary to address climate change and lift up communities through economic opportunity.

Our ambition is to help bold leaders seize this moment in measurable ways. This report shares progress on our aspirations:

- **To be the leading private sector catalyst for decarbonization**, through our sustainability work with over 600 clients, our investment of more than \$400 million in the last two years, and our firm’s progress toward reaching net zero by 2030.
- **To fuel economic growth and prosperity for all**, through more than 5,000 annual growth engagements, engaging more than 67,000 Black, Asian, Hispanic, and Latino professionals in our Connected Leaders Academy, and diversifying our firm’s own recruiting, adding more than 1,000 new sources of talent in 2022.

What does it mean to **accelerate sustainable and inclusive growth**? McKinsey partners from around the world weigh in.



¹ The following numbers are based on our ongoing analysis of publicly held companies between 2015–2021. We assess the percentage of global gross domestic product (GDP) growth driven by our clients, relative to total global GDP growth. In the same time period, we look at total Scope 1 and Scope 2 CO₂ emissions reductions reported by these publicly held companies, and the percentage of those achieved by our clients. We also establish the average net new jobs created by our publicly held clients during this period.



Our approach to impact

Our clients are always pushing forward. Striving for the change that changes everything.

We partner with bold leaders every step of the way. We help them improve financial and operational performance—and create lasting stakeholder benefits that can be measured across customers, employees, the environment, and investors.

We call this holistic impact.

To achieve holistic impact, we help leaders:

- **Pinpoint the strategy that will reshape tomorrow.** Together, we find new opportunities for growth, reimagining organizations for success, and designing, building, and scaling new businesses.
- **Transform through technology.** Artificial intelligence (AI) and technology suffuse all our work, forming the engine for sustainable and inclusive growth. Today, nearly 40 percent of our consultants are digital practitioners.
- **Harness innovation to reach net zero.** We help clients set their net-zero strategy and reach it by building new green businesses, investing sustainably, and applying the latest in climate technology.
- **Develop skills and capabilities across their organization.** Collaborating side by side with our clients from idea to impact, we help build the teams, skills, systems, and culture needed to thrive.

By partnering in this way with our clients, who include the world's boldest and most influential leaders, we're accelerating toward a more sustainable, inclusive, and growing future for all.

Read more about sustainable inclusive growth

- » [Toward a sustainable, inclusive, growing future: The role of business](#) 
- » [The path to sustainable and inclusive growth](#) 



McKinsey's Green Business Building Summit in Stockholm, Sweden.



Our client capabilities

We continually strengthen our capabilities to anticipate and meet our clients' evolving needs. Here, we highlight four areas of client service we are rapidly scaling up and two critical ways we collaborate to improve outcomes for our clients. These are core to the way we partner with clients, and to accelerating sustainable and inclusive growth.

McKinsey Sustainability

More than 3,500 colleagues spent over 30 percent of their time on sustainability work.

1,600+

sustainability-related engagements with 600+ clients.

McKinsey Digital

We have supported 80 percent of the largest tech companies in digital and AI transformations.

500+

clients partnered with us on tech delivery in 2022, and Forrester ranked us a Leader for our work in digital transformation and AI.

People & Organizational Performance

In five years, we've helped 9,000+ clients engage and enable their talent, reshape organizations, and change behaviors at scale.

1.25M+

people have been up/reskilled through our client work and pro bono programs.

McKinsey Transformation

Nearly 1,000 of our colleagues are experts in holistic transformation, including experienced chief transformation offices and restructuring specialists.

1,200+

successful, at-scale, end-to-end transformations across 93 countries and over 30 industries.

Collaborating for impact

Our **Client Capability Network** includes more than 5,000 dedicated people around the world who work alongside our consultants to bring top expertise and proprietary tools to our clients every day.

A dynamic **ecosystem of alliances and acquisitions** enables us accelerate and scale our impact.

This ecosystem comprises the following:

- Collaborations with more than 500 external companies, including key alliances with Amazon Web Services, Google, Microsoft, Salesforce, SAP, and Workday.
- Tech-forward acquisitions that span cloud, data, analytics, sustainability, and implementation and change acceleration, including five new acquisitions in 2022: Caserta, IncepTech, LOBO, SCM Connections, and S4G.





Our purpose

To help create positive, enduring change in the world

Our mission

To help our clients make distinctive, lasting, and substantial improvements in their performance and to build a great firm that attracts, develops, excites, and retains exceptional people

Our aspiration

To accelerate sustainable and inclusive growth that can be measured in the societies in which we operate

Our values

- Adhere to the highest professional standards
- Improve our clients' performance significantly
- Create an unrivaled environment for exceptional people

Learn more about [our purpose, mission, and values on our website](#) 

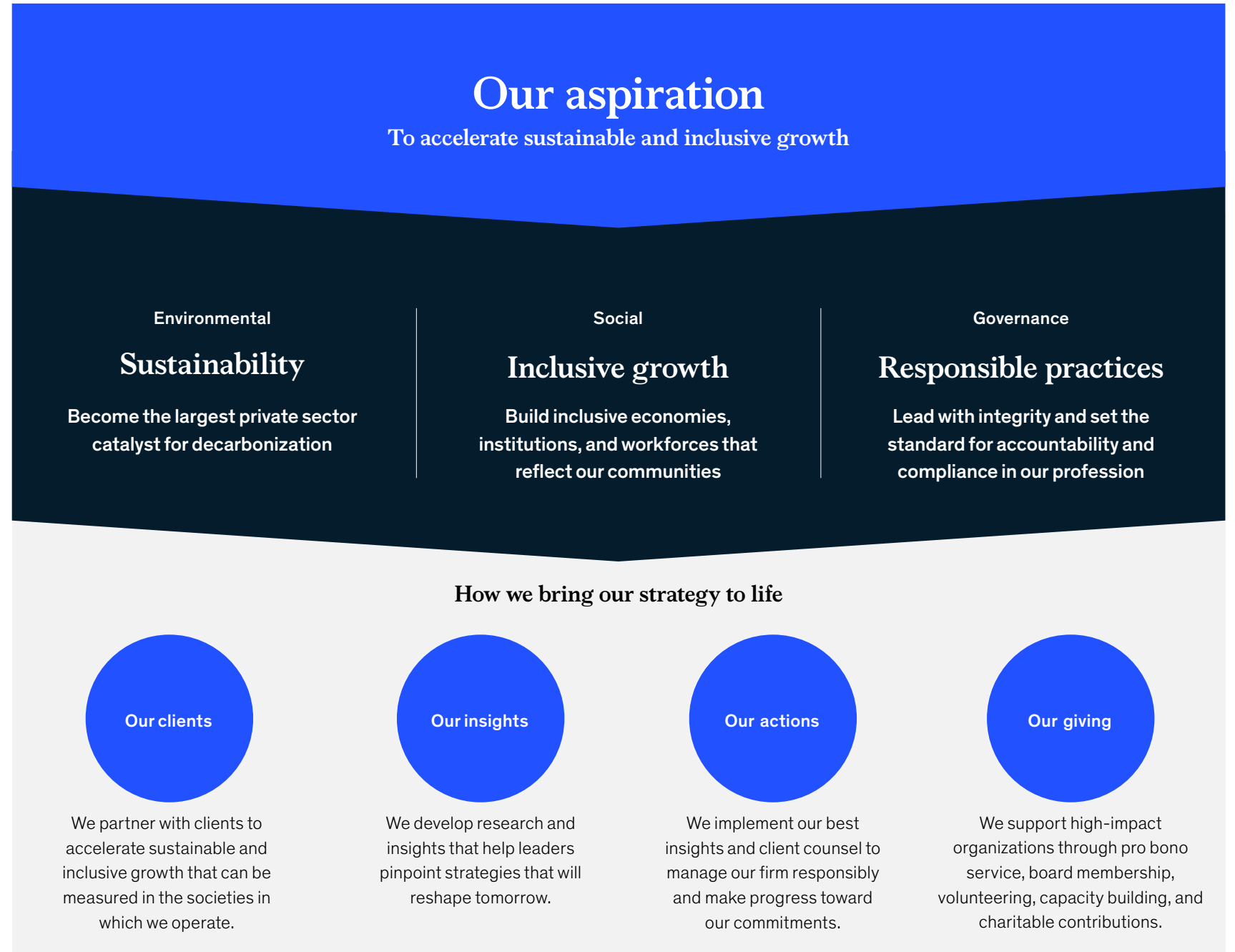


Our approach to ESG

At McKinsey, our commitment to accelerating sustainable and inclusive growth informs and guides our Environmental, Social, and Governance (ESG) agenda.

Our ESG priorities, identified through periodic [materiality assessments](#) , are integral to the firm's broader sustainable and inclusive growth strategy, all of which is underpinned by our commitment to responsible business practices.

Sustainable and inclusive growth is our “North Star” for articulating and delivering on our ESG priorities. We use our insights to inform how we manage our firm, which in turn impacts how we serve clients and guides how we contribute to communities.





Accountability and transparency

We are committed to continually enhancing our transparency and accountability—to our clients, our colleagues, and our stakeholders. We support the World Economic Forum’s Stakeholder Capitalism Metrics initiative and serve as a member of the World Business Council for Sustainable Development (WBCSD). We also participate in CDP’s environmental impact measurement program and receive annual ratings from EcoVadis, the leading sustainability ratings organization. Our climate reporting is aligned with the Task Force on Climate-related Financial Disclosures (TCFD) and with the four recommendations for Limited Disclosures as outlined by Accounting for Sustainability. Read our [TCFD index](#).

Our voice and platform can also help inform public debates on environmental and social issues. To do this, we take an approach that is guided by our purpose, mission, and values. Drawing on our research and insights, we contribute to debates on pressing issues and support broad-based solutions while maintaining our professional independence and objectivity.

The United Nations Sustainable Development Goals

McKinsey is committed to advancing the United Nations Sustainable Development Goals (UN SDGs), the global framework for driving progress toward a more sustainable future. Advancing the SDGs is critical to our firm’s strategy to accelerate sustainable and inclusive growth.

Through our client service, our research and insights, our pro bono activities, and on-the-ground support for communities, we are contributing in varying degrees to all 17 SDGs. However, we believe we can make the most sustainable and scalable impact in the SDG areas that reflect McKinsey’s unique strengths and capabilities. These goals represent where we have the greatest capacity for impact and action.

Our governance

McKinsey operates as “one firm”—united globally by our collective purpose, mission, and values. We are led by our global managing partner, our elected board of directors known as the Shareholders’ Council, a global leadership team known as the Acceleration Team, and the leaders of our offices and practices. Learn more about [our leadership](#).

The Shareholders’ Council includes the managing partner and 30 senior partners who are elected by their peers to serve three-year terms. Its committees cover topics such as client service; firm finance and infrastructure; our People model; risk, audit, and governance; and our technology, knowledge, and capabilities.

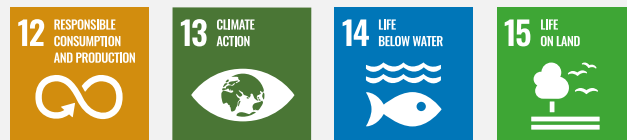
In addition to their technical competencies across a range of domains and industries, our Shareholders’ Council members include experts on environmental sustainability; inclusive economic growth; diversity, equity, and inclusion; and other environmental, social, and governance topics.

The Acceleration Team, composed of the managing partner and firm leaders representing regions, industries, client capabilities, finance, people, technology, legal, reputation, and risk functions, aims to support and accelerate the execution of our strategies.

We also convene an [External Advisory Group](#) composed of senior leaders from various industries to provide diverse and objective perspectives to inform the overall strategy of the firm, help identify macro risks, and guide our efforts of continuous improvement.

Our contribution to the UN SDGs

Sustainability



Inclusion



Growth





Our Governance Committees

Committee	Focus areas
Administrative	Handling administrative and ministerial functions, and assisting with implementation of actions previously approved by the Shareholders' Council or one of the Shareholders' Council committees.
Client	Setting strategic direction, policies, and standards for overall client service and monitoring performance.
Finance and Infrastructure	Overseeing financial policies and providing stewardship of the firm's financial and infrastructure resources.
People	Setting our People mission, strategy, and policies and monitoring performance. Developing standards and criteria for election to partner, and electing partners.
Risk, Audit, and Governance	Providing strategic direction to and oversight of the firm's risk management and compliance activities and overall governance. Providing oversight of internal audit.
Technology, Knowledge, & Capabilities	Setting strategic direction and policies to help build preeminent capabilities, technology assets, and knowledge to deliver against the firm's aspirations and mission, and further innovate the client service.

² Percentages may not sum to 100% due to rounding.
³ In previous reports, the Global Managing Partner (GMP) was not included in the total number of Shareholders' Council members. This year and going forward, we will include the GMP in the count. We have also restated historicals in this report to be consistent with this methodology.
⁴ The Acceleration Team was formerly known as the Partnership Service Team.

ESG oversight

The McKinsey ESG Council consists of senior firm function, client service, and regional leaders across sustainability, people, risk, communications, and legal. The ESG Council provides oversight of our agenda by defining our priorities, setting our direction, and monitoring progress. In 2022, the ESG Council met periodically to review progress against our ESG commitments and initiatives, approve updates to our Human Rights Policy and human rights program, and provide guidance on how to prepare the firm for compliance with upcoming ESG regulations.

At the board level, the Risk, Audit, and Governance Committee of the Shareholders' Council (RAGC) provides strategic direction to and oversight of our ESG priorities and commitments, including our environmental sustainability strategy and climate-related efforts, our social responsibility program, and our risk, ethics, and compliance programs. Our Global Managing Partner and several members of the RAGC and ESG Council review and approve the content of our annual ESG Report.

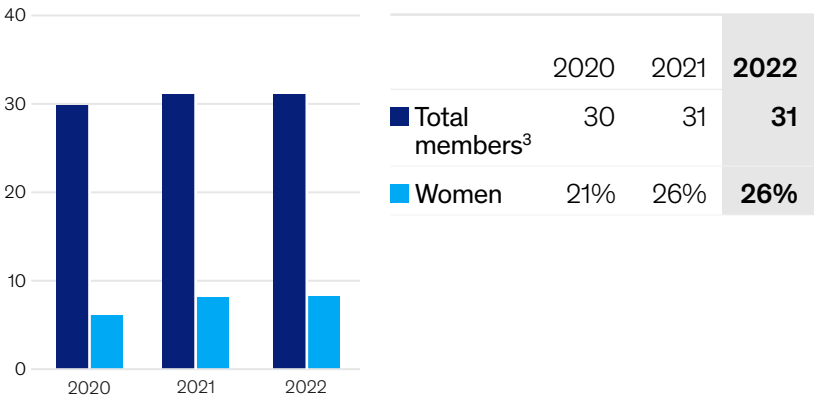
Read more about ESG

- » [Why ESG matters](#)
- » [How to make ESG real](#)

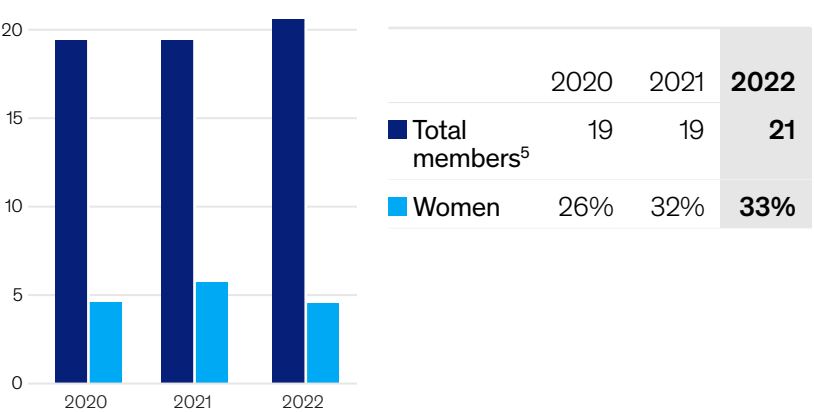
⁵ In previous reports, the Global Managing Partner (GMP) and Extended Acceleration Team (AT) were not included in the total number of Acceleration Team members. This year and going forward, we will include the GMP and the Extended AT in the count. We have also restated historicals in this report to be consistent with this methodology.

Global governance bodies: diversity, equity, and inclusion data²

Shareholders' Council (firm's board)



Acceleration Team (Executive Committee)⁴



2022 progress highlights



1,600+

sustainability engagements worked on by 3,500+ colleagues with 600+ clients across nearly 60 countries and in every industry

100%

of our air travel is subject to a global internal carbon fee to support our transition to net zero by 2030⁷

80%

of reported CO₂ emissions reductions were driven by our clients⁶

Launched

Frontier, an advance market commitment to purchase permanent carbon removal with fellow founders Alphabet, Meta, Shopify, and Stripe



\$140B

in value and 20,000+ jobs created by the 190+ new businesses imagined, scaled, and built through Leap by McKinsey

48%

global workforce were women, and 52% of client-serving US colleagues were from racial or ethnic minority groups⁸

~\$620M

contributed in cash and in-kind support since 2020 toward our \$2 billion commitment to social responsibility by 2030 (\$275+ million this year)

1M

jobs created and 20% of global GDP growth contributed by our clients annually⁶



~\$700M

invested in strengthening our risk management teams, capabilities, and processes since 2018

100%

of new clients were vetted against our industry-leading CITIO client service framework¹⁰

99%

pay equity for men and women colleagues globally⁹

100%

of our colleagues completed comprehensive training on our policies and professional standards¹¹

⁶ Numbers are based on our ongoing analysis of publicly held companies between 2015–2021. We assess the percentage of global gross domestic product (GDP) growth driven by our clients, relative to total global GDP growth. In the same time period, we look at total Scope 1 and Scope 2 CO₂ emissions reductions reported by these publicly held companies, and the percentage of those achieved by our clients. We also establish the average net new jobs created by our publicly held clients during this period.

⁷ Carbon fee was implemented in 2022 for official launch on all air travel January 1, 2023.

⁸ Equal Employment Opportunity (EEO) categories: Black or African American, Asian, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander (not Hispanic or Latino), Two or More Races. In previous reports, this group was referred to as “underrepresented” and is now referred to as “racial/ethnic minority.” Race/ethnicity percentages in performance tables may not add up to figure due to rounding.

⁹ The pay ratio was calculated using annualized 2022 total compensation of female to non-female firm members, weighted based on segments including employee grouping and level by country, including non-partners and partners. Segments with a total number of colleagues less than ten were excluded.

¹⁰ CITIO is the framework we use to assess a potential client or engagement consisting of five interrelated dimensions: Country, Institution, Topic, Individual, and Operational considerations.

¹¹ This figure does not include firm members exempted from the training because they weren’t actively working at the time of the program (for example, leave of absence, left the firm).



Our response to the war in Ukraine

Our people and firm

Russia's invasion of Ukraine in February 2022 ushered in a humanitarian crisis in Europe of a scale not seen since World War II and generated social and economic shocks to countries and sectors around the world. We responded quickly to relocate our more than 580 Ukraine- and Russia-based colleagues and their families, helping them settle into new locations and workplace roles. By May 13, 2022, we had exited the Russian market entirely.

Giving

Simultaneously, we coordinated resources that helped the broader humanitarian efforts of agencies providing support for refugees, including the relocation of families, strategic plans for economic recovery, and solutions for damaged supply chains.

We contributed \$28 million to relief efforts, including \$18 million in donations from our colleagues and firm to more than 1,600 organizations and \$10 million in pro bono support.

Pro bono support

We launched several pro bono projects in which more than 50 colleagues participated, including:

Refugee relief

- Supporting short-term refugee relief, including services for up to 30,000 refugees across more than 25 reception centers, as well as a survey analysis of 7,000 refugees to help prioritize support measures.
- Assisting with identifying 90,000 available places in schools, capacity for 200,000 people to receive healthcare, and 70,000 housing opportunities, and matching them to refugee needs.

Economic recovery

- Conducting workshops to support private sector recovery and investment.
- Working to restore food supply chains and solve critical deficits through the launch of a business-to-business marketplace, demand–supply model, and other measures.

Employment and reskilling

- Connecting more than three million refugees to an online job platform, resulting in 17,000 jobs posted and 65,000 job applications submitted.
- Launching [Together](#), an online platform that has helped more than 4,000 Ukrainian women in Europe gain access to jobs, language programs, mentorship, support groups, and professional development opportunities.

Read more about the war in Ukraine

- » [Twelve disruptions changing the world](#)
- » [Rising risk of a global food crisis](#)
- » [The net-zero transition in the wake of the war in Ukraine](#)

580+

Ukrainian and Russian colleagues relocated

May 13, 2022

exited the Russian market entirely

\$28M

contributed to relief efforts

530,000

reads of our Ukraine insights