



Alumni newsletter

Staying connected

December 2023

kpmg.bm

Contents

03

Welcome note

Firm update from James Berry, Chief Executive Officer

Bermuda: Third public consultation related to proposed corporate income tax

04

The government of Bermuda on 15 November 2023 released its third public consultation paper regarding the introduction of a corporate income tax.

06

Working together to earn digital trust

Why trust matters more than ever in this hyperconnected world

09

Alumni profile: Julie McDonald

Update from Julie McDonald, KPMG Alumnus who is now the Chief Risk Officer at Global Atlantic Bermuda

11

KPMG School Outreach Program

Learn about KPMG's new outreach school initiative

13

What's happening around KPMG

KPMG updates and insights

Welcome

I hope this message finds you well. As the world and the environment changes around us, the firm has continued to evolve and adapt. Since our last communication, we have a new and more diverse leadership team, have said farewell to our restructuring colleagues and pivoted some of our service offerings to the needs of the market. Our client conversations are focusing more and more on technology and transformation, governance and the proposed corporate income tax. Our team is working hard across these and other areas and our credentials are impressive!

Despite this change, the firm has maintained its focus on its historical strengths including the Values that bind us together, development of our people and future leaders, to our island community and the environment in which we operate.

Many of these strengths are showcased in our [2022 Impact Report](#), "Diving into the Future," which underscores our commitment to Governance, People, Planet, and Prosperity while showcasing our continuous efforts for positive change.

It was a pleasure connecting with many of you at our Alumni social in October. I hope you enjoy reading about the recent happenings within the firm. I am excited about what we have accomplished and the direction of our firm.

I look forward to staying connected with you in 2024. For any contact information updates, please email info@kpmg.bm.

Sincerely,
James Berry
Chief Executive Officer



Bermuda: Third public consultation related to proposed corporate income tax



By: Sarah Robey
Partner*, Tax

Bermuda: Third public consultation related to proposed corporate income tax

The government of Bermuda on 15 November 2023 released its third public consultation paper regarding the introduction of a corporate income tax.

The [third public consultation paper](#) builds upon the general policy framework outlined in the first and second public consultation papers (read [TaxNewsFlash](#)) and includes 68 pages of draft Bermuda income tax legislation, providing a first look at many of the detailed technical provisions. Key elements of the policy proposals include:

- The corporate income tax law would be enacted during 2023 and would be effective for fiscal years beginning on or after 1 January 2025.
- As previously indicated, the Bermuda income tax rules are intended to align as closely as possible to the global anti-base erosion (GloBE) rules to support consistent and predictable tax outcomes.
- The Bermuda corporate income tax would apply to each Bermuda tax resident entity and Bermuda permanent establishment that is a constituent entity of a multinational entity (MNE) group that has consolidated revenue of at least €750 million in at least two of the four preceding fiscal years, subject to certain exemptions.
- The calculation of taxable income begins with “financial accounting net income or loss” determined in accordance with the acceptable financial accounting standard used in preparing the consolidated financial statements of the ultimate parent entity of the MNE group or, at the election of the Bermuda constituent entity, another approved financial accounting standard.

- Financial accounting net income or loss would be subject to various adjustments to arrive at taxable income, including adjustments intended to mitigate potential distortions arising from the application of certain financial accounting standards and to support a fair and equitable transition into the Bermuda corporate income tax regime.
- The Bermuda corporate income tax liability would be calculated based on a statutory tax rate of 15%, subject to reductions for foreign tax credits.
- The government of Bermuda intends to introduce qualified refundable tax credits that will be determined by reference to substance-based factors (e.g., existing and expanded employment opportunities for Bermudians and Bermuda residents, training, infrastructure, innovation) with further details to be released in 2024.

The third consultation period runs from 15 November to 30 November 2023.

[Want to know more about this initiative? Contact:](#)

Sarah Robey

Director, Tax

sarahrobey@kpmg.bm



© 2023 KPMG, a group of Bermuda limited liability companies which are member firms of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Working together to earn digital trust

Why trust matters more than ever in this hyperconnected world



By: Akhilesh Tuteja

Leadership, Global Cyber
Security Leader



Local contact: Troy Dort

Director, Advisory





Working together to earn digital trust

Why trust matters more than ever in this hyperconnected world

Trust in your business is pivotal to success in today's data-driven digital economy. In an uncertain, ever-evolving environment — where the pace of change is accelerating — customers, employees and investors are choosing organisations they can rely on to provide trusted services.

Amid the rapid emergence of technologies such as 5G networks, artificial intelligence (AI), machine learning (ML), virtual reality and quantum computing, modern cybersecurity and privacy strategies have a vital role to play in creating and maintaining digital trust.

A timely new report from the World Economic Forum (WEF) — developed in collaboration with KPMG as part of the WEF's Digital Trust Initiative — warns of a “widening trust gap” between the public and today's technology providers amid the pervasive adoption of modern digital tech and the proliferation of customer data.

As the WEF report — Earning Digital Trust: Decision-Making for Trustworthy Technologies — states: “From artificial intelligence to connected devices, from the security of personal information to algorithmic predictions,

technology developers' and digital service providers' failures have eroded confidence at an unprecedented scale and rate.”

The report notes that recent trust surveys have all registered an alarming decrease in the public's trust in technology use — and the loss of trust “is increasing year by year, just as our reliance on digital networks and technologies is accelerating.”

As the research findings of KPMG's own CyberTrust Insights 2022 report indeed shows, an unprecedented ‘data deluge’ is underway as businesses mine data at scale and increase investment in data-driven initiatives. And as businesses embrace data for timely insights to shape modern customer experiences, concerns are on the rise over how effectively that data is being protected, used and shared.

More than three-quarters (78 percent) of business leaders KPMG surveyed this year, agreed that adoption of AI and ML solutions for big-data analysis is creating unique cybersecurity challenges. Three-quarters also believe


the rising use of AI and ML raises fundamental ethics and privacy questions.

Declining trust undermines brands, customer relationships, profitability

There is no mistaking the reality that trust is critical today and to every organisation's brand, reputation, profitability, and long-term relationships. Rapidly evolving business systems need to be resilient, dependable, and positioned to respond instantly when things go wrong amid the soaring threat of data breaches and sophisticated cyber attacks.

But the WEF warns in no uncertain terms that businesses are not meeting public expectations for effective technology and data use.

“Citizens and consumers are beginning to demand that companies and technology developers take their values — around privacy, data use and inclusion — seriously. Where companies are unable to produce technology that meets those expectations, they can no longer expect widescale adoption,” the report states. “People expect better privacy



protection, better cybersecurity, better transparency and more-ethical technologies. Right now, companies are not ready to meet this challenge.”

The WEF report also provides an instructive framework it has developed in collaboration with the world’s largest technology and consumer-focused companies, all working alongside government representatives from the US, European Commission and Singapore, as well as leading consumer advocates.

The WEF’s Digital Trust Framework urges businesses to commit to earning digital trust and to making better decisions on technology use in order to reverse today’s alarming trend. As the report states: “Trust is not about the specific technologies developed or deployed, it’s about the decisions that leaders make.”

The framework stresses how commitments to key areas such as cybersecurity, privacy, transparency, fairness and safety can improve waning public trust in new technologies and the companies delivering them. The WEF framework provides detailed goals to support digital trust, plus a roadmap showing companies how to become more trustworthy in their use and development of technology via digital trust programs.

Five key steps to building digital trust

The WEF’s insightful report should be on every CEO’s reading list as businesses everywhere navigate today’s fast-changing technology landscape amid the widening trust gap. In KPMG firms work with clients, we offer

close collaboration and guidance on this critical challenge. KPMG identifies five crucial steps to building trust through cybersecurity:

- **Weave trust and security into the business as a golden thread.** Smart businesses are weaving cybersecurity and data protection into every aspect of their operations — strategy, planning, investment, customer interactions, governance and culture.
- **Build internal alliances.** Work with colleagues such as the Chief Data Officer and the Chief Privacy Officer to establish, embed and sustain digital trust. Clearly define and reinforce everyone’s roles and responsibilities. This includes the need for CISOs to gain a deeper appreciation of how the entire business works beyond its security requirements.
- **Reimagine the CISO role.** In our data-driven reality, CISOs need to embrace a broader agenda and recognize their ability to make significant contributions in areas ranging from the ethics of AI to ESG. One-third of leaders we surveyed believe their CISO currently lacks the influence needed to protect the organisation and its data.
- **Secure leadership support.** CISOs gaining C-suite and board support will find it easier to drive the trust agenda. This means transforming the CISO’s duties from a traditionally narrow technical role into a strategic enabler for the organisation. Half of the executives we

surveyed doubt the relationship between the board and CISO is currently characterised by ‘high trust.’

- **Reach out to the ecosystem.** Collaborate closely with key partners and suppliers to improve trust and resilience within a ‘trusted community.’ As our research shows, 79 percent of businesses say constructive collaboration with suppliers and clients is vital today — but only 42 percent report doing so.

“A critical decision we can make in the 21st century is whether we will work together to build trust, or watch innovation fail,” says Daniel Dobrygowski, the WEF’s head of Governance and Trust. “By focusing on the values and expectations of individuals, and by committing to security and reliability, accountability and oversight, and inclusive, ethical, and responsible use of technology, we can make the technology we develop more trustworthy.”

If you are interested in learning more about how we can assist with your cyber questions in this digital economy, contact:

Troy Dort

Director, Advisory

tdort@kpmg.bm

Alumni profile

Julie McDonald

Chief Risk Officer, Global Atlantic Bermuda





Alumni profile

What does your current role entail?

As Chief Risk Officer (CRO) for Global Atlantic Bermuda, I am responsible for risk management across all Bermuda entities. I directly report to the Group CRO and work closely with all units in the risk team including asset risk, liability risk, liquidity risk, operational risk, and capital risk. The risk team monitors Global Atlantic's risk exposures in relation to the level of risk that it is willing to take on. I am responsible for challenging the processes and controls in place to manage risk across key areas of the Bermuda business including new business, valuation, and reporting. I am also involved in the external reporting of Bermuda risk either publicly, in the Financial Condition Report, or directly to the Bermuda Monetary Authority (BMA).

What has been the highlight of your career thus far?

When I was working at KPMG in Bermuda, I had the opportunity to facilitate a session on Life Insurance Risk at the Bermuda Executive Forum in New York. The event had 400+ registrants with Michael Bloomberg speaking. Although I was nervous in the lead up, the chance to work with senior management in insurers/brokers/law firms on the island was exciting. I don't think I would have been given exposure to that level of management across the insurance industry if I was working anywhere else in the world at that point in my career.

What advice would you provide to aspiring Actuaries?

My advice is not specific to actuaries, but the best advice that I was ever given is to remember that I don't know it all. It was a pretty hard pill to swallow at the time and I sometimes forget it (you can ask my husband), but I think it's a good reminder to listen to everyone in the room and give them a chance to voice their view and ideas. I'm a big believer in open communication.

What are your future plans and ambitions?

I don't have a specific job title in mind, but I want to continue to work hard and not take any opportunity, whether in my personal or professional life, for granted.

How do you manage your work life along with your wellness and family time?

I don't think you will always be able to achieve the level of success you want in your personal and professional life, whilst also prioritising wellness. You need to work hard in all areas, at times you will need to prioritise work, and at other times it will be family. I'm recently married and organising a wedding definitely took priority for a while, but currently my focus is on my career. I've also signed up to the 24 May 2024 Bermuda Half Marathon to try and make sure my fitness goals don't slip, it also allows me to have some time to tune out from the everyday responsibilities.

If you can do it all over again, would you take the same path for yourself and if not, what would you change?

I was 17 years old when I decided to take this path, after completing a search on a careers program for "highest paid graduate salaries". I also wanted to ultimately work in a field that would allow me grow as much as possible. I was good at Math in school, but not so good at English and Science. A degree in Actuarial Science seemed to fit my criteria and I'm pretty happy with where it has taken me.

What advice would you give someone considering a career in the Actuarial field?

If you are willing to continue with exams for a few years after University, when your friends don't have a textbook in sight, then go for it! Your hard work will be rewarded and the range of job opportunities is continuously growing.

KPMG school outreach program



By: Jamila Godwin
Manager, Markets



The KPMG School Outreach Program

Many may know KPMG as a BIG 4 accounting firm and may think that the organisation is only about numbers. However, KPMG is more than that. The firm is heavily involved in the Bermuda community providing services to assist and support various charities.

KPMG is now taking it one step further. As part of the firm's commitment to ESG, we have a particular focus on youth and education. As such, outside of the current commitment we have made to students, like the KPMG Scholarship, Co-op placements, internships or even the KPMG Investment Challenge, KPMG is not stopping there. The firm is now targeting students at the middle school level through to College. The aim of the program is to raise KPMG's profile in the school system by bringing awareness to the importance of financial literacy, strengthening the relationship with students prior to reaching high school and creating a rapport with education stakeholders to keep KPMG top of mind.

With this program, we want to build a roadmap for students that cultivates a longstanding relationship with KPMG that will assist them to hone their full potential as a local and global citizen. Additionally, we want to spark an interest for opportunities they may not be aware of, that align with their future career development within the firm's [Lift Off Program](#).

With the KPMG School Outreach Program initiative, KPMG will be providing:

- 01 tips for job and scholarship interviews;
- 02 scholarship application guidance;
- 03 resume writing tips;
- 04 professional etiquette awareness;
- 05 soft skills and leadership development trainings and
- 06 mentorship opportunities.

Different to previous years, KPMG will also be introducing the *Above and beyond award*. This award will be in the form of a monetary gift for the student(s) who has demonstrated that they are a well-rounded individual in the areas of academic excellence, leadership, gives back to the community and exhibits KPMG's five (5) Values – Integrity, Excellence, Courage, Together and For Better.

Building a strong relationship with the teachers, students and parents further reinforces how KPMG is investing in the development of our future leaders of Bermuda. Not only do we want to be seen as one of the top BIG 4 firms, but as a company that is committed to engaging and enhancing how we help mold the minds of the youth in our community.

[Want to know more about this initiative? Contact:](#)

Jamila Godwin

Manager, Markets

jamilagodwin@kpmg.bm



© 2023 KPMG, a group of Bermuda limited liability companies which are member firms of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.



What's happening around KPMG

Spotlight on promotions



Felicia Wilsen
Partner, Audit



Anam Khan
Partner, Advisory



Sarah Robey
Partner*, Tax

In August 2023, an official announcement was made confirming the promotion of Felicia Wilsen, Sarah Robey*, and Anam Khan to the position of Partner at KPMG, effective 1 October 2023.

We are thrilled to recognise the outstanding achievements of Felicia, Sarah and Anam. They bring expertise from each area of our business, adding great breadth and depth to our leadership team. As they advance in their careers, the entire KPMG family extends heartfelt congratulations and best wishes for their continued success.

About our newly appointed partners

Felicia brings extensive experience in leading audit engagements for both local and international clients. She joined KPMG in South Africa in 2004 and came to Bermuda in 2007. Felicia embodies our Values both in delivering audit services and her community involvement through mentorship, pro-bono services leadership, and various roles like representing KPMG on the CPA Bermuda Board and serving as assistant treasurer for the Bermuda Aquarium Museum and Zoo.

Sarah, with 15 years of public accounting experience in the US and Bermuda, has established herself as a senior leader in the firm's US tax team. She advises (re)insurance and alternative investment clients on intricate US federal, state, and international tax considerations.

Anam joined KPMG in 2018, having previously worked in London. With a distinguished 14-year career in the insurance sector, Anam leads KPMG's Actuarial and Management Consulting teams in Bermuda. Over the past five years, she has successfully led strategy and capital optimisation projects and spearheaded the development of the firm's insurance start-up services.

KPMG Global New Partner Conference class of 2023

Our new partners had the opportunity to travel to Singapore to take part in the Global New Partner Conference. This event brought together the latest generation of new partners from 2023, creating a platform for valuable networking and a celebration of this career milestone.

At the event, they delved into the essence of being a KPMG partner, gaining a comprehensive understanding of KPMG's Collective Strategy and how it relates to the dynamic changes occurring in our world.

Other leadership changes

In addition to these promotions, KPMG in the summer of 2023 made the following leadership changes. Adam Smith, who has been with the firm for 15 years, has been named Head of Advisory and Sector Lead for Insurance. Meanwhile, Steve Woodward is now Head of People. Steve has been with the firm for 17 years and has been actively involved in driving our people strategy. In addition to leading our Enterprise practice, Steve also chairs our Corporate Citizenship Committee.

**Certain promotions are subject to immigration approval.*



2023 KPMG alumni social

Highlights

We would like to extend our heartfelt gratitude to each and every one of you for joining us at our Alumni event in October. It was truly heartwarming to see so many familiar faces and to witness the camaraderie and nostalgia that filled the venue.

Your presence and active participation made the event truly memorable. The opportunity to reconnect with former colleagues and reminisce about old stories not only strengthened our existing bonds, but also created new connections. It was inspiring to hear about the diverse paths each of you have taken since your time at the firm.

We appreciate the time you took out of your busy schedules to attend our Alumni event. Your stories, experiences, and insights added immense value and depth to our gathering. We hope you found the event as enjoyable as we did.



James Berry
Chief Executive Officer



Felicia Wilsen
Partner, Audit

For those that were unable to join us, we hope you are able to be in attendance at our next gathering so we can catch up with you.

Once again, thank you for your enthusiastic participation. We look forward to more such socials in the future and to staying connected with each of you.



Around the office

Office renovations

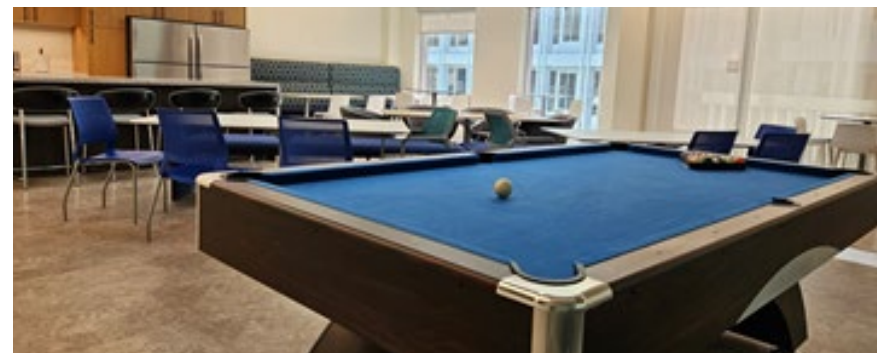
Our office space in Crown House has undergone a transformative renovation aimed at fostering a modern and collaborative work environment. The design overhaul includes increased access to natural light, a refreshing and energising atmosphere for our team and the removal of all the dark wood furniture that many of you will remember!

The introduction of multi-purpose workstations enhances flexibility and encourages teamwork, promoting a dynamic and interactive work culture. Additionally, private phone booths have been integrated, offering personal spaces for focused tasks or confidential conversations. To promote a healthy work-life balance, a recreational area featuring a pool table has been added, providing a casual space for relaxation and team bonding.

Notably, the office footprint has been optimised by condensing our operations from four floors to three, a strategic move that not only enhances team cohesion, but also aligns with our commitment to sustainability by reducing electricity consumption. This renovation reflects our dedication to creating a progressive and efficient workspace that meets the evolving needs of our dynamic team.

KPMG celebrates Values week

We recently celebrated our own first Global Values Week which was a vibrant tribute to our core values—Integrity, Excellence, Courage, Together and For Better. We had the honor of hosting a panel discussion with KPMG alumni—Elizabeth Breeze, Laura Taylor and Bernard Opoku. We also hosted Clyde Best, who shared his inspiring journey as a professional football player. His experiences resonated deeply with our commitment to Courage and Integrity, emphasising the importance of diversity and inclusion in our professional endeavors. In line with our Value of "For Better, Together," an International Food Day was organised, where the rich tapestry of our diverse workforce was showcased through a delightful array of cuisines from employees' home countries. This celebration not only satisfied our taste buds, but also reinforced the strength that comes from embracing our differences. Furthermore, we dedicated a portion of our festivities to inviting Home, an organisation devoted to eradicating homelessness, to give a presentation on how they help those in need. This celebration served as a testament to the strength and unity that arise when we embrace our Values and work together toward a better, more inclusive future.



Stay connected: KPMG insights



2023 CEO Outlook Survey

CEOs remain confident in the global economy, but their perception of business risks has changed due to ongoing shifts in global politics and trade dynamics. To adapt, they are reevaluating strategies, prioritizing generative AI, talent management, and meeting high stakeholder expectations on ESG issues.



Insurance transformation

Organizations are embracing a digital future, urging insurance leaders to modernize finance functions for growth and compliance. This report by KPMG explores how finance transformation, driven by business needs, enables value creation and regulatory facilitation in the evolving market.



A road well-traveled

KPMG Private Enterprise and the STEP Project Global Consortium came together to take a closer look at the routes to sustainability that family businesses are taking.



Global Economic Outlook

KPMG's Global Economic Outlook is based on detailed analysis of trends and models from KPMG firms' economic specialists across the world. This publication offers a good indication of what may lie ahead and should help to equip business leaders with a greater understanding of what lies behind today's complex marketplaces.



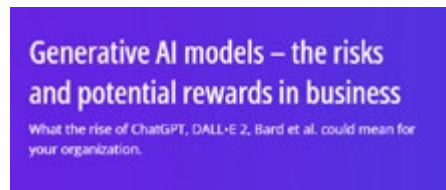
ESG metrics that matter

A new paper from KPMG, ESG metrics that matter, draws on KPMG's extensive ESG advisory and reporting experience to share insights and advice to help private equity stakeholders tackle a major industry challenge—making sense of the all-encompassing ESG data demands—and put a leading-edge approach to ESG metrics into practice.



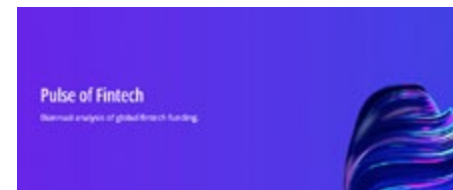
Taking risk management to the next level in banking

In this KPMG report, we provide an overview of how leading global banks utilise modern digital technology to meet the needs of today's ever-evolving reality.



Generative AI models – the risks and potential rewards in business

The report Generative AI models — the risks and potential rewards in business examines what the future holds for ChatGPT and other generative artificial intelligence (AI) applications, including how they work and the risks and potential benefits.



Pulse of Fintech

In this publication, KPMG shares insights by providing a biannual analysis of global fintech investments.

Let's stay in touch

Stay connected with KPMG and maintain relationships with current and former colleagues. If you're not already part of our online community, please join our alumni group on [LinkedIn](#).

We look forward to staying in touch.



James Berry
Chief Executive Officer
jamesberry@kpmg.bm
+1 441 294 2643



Felicia Wilsen
Partner, Audit
feliciawilsen@kpmg.bm
+1 441 294 2649

kpmg.bm

© 2023 KPMG, a group of Bermuda limited liability companies which are member firms of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

"Partner" is a stylistic designation referring to a shareholder, director or employee of equivalent standing of one or more KPMG group of companies in Bermuda. The use of the term "Partner" does not connote any partnership as a matter of law.

The information contained herein is of general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International.