

UN Global Compact

The following table provides an overview of how KPMG has implemented the Ten Principles across our business and service lines. More information is available on kpmg.com/citizenship.

| Principle | Commitment | Systems, procedures and values | Professional services | Performance highlights from FY 17 | Thought leadership |
|--|--|--|--|---|---|
| Human rights | | | | | |
| 1 Businesses should support and respect the protection of internationally proclaimed human rights; | KPMG International and KPMG member firms recognize that human rights are an integral part of corporate citizenship and we respect and support the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights: Implementing the United Nations' Protect, Respect and Remedy Framework'. KPMG International has a Human Rights Statement, in line with international best practice. | <ul style="list-style-type: none"> — Global Human Rights Statement — KPMG Core Values — Global Code of Conduct — Certain member firms' Supplier Code of Conduct — Global Quality & Risk Management manual — People, Performance and Culture manual | <ul style="list-style-type: none"> — International Development Assistance Services — Climate Change and Sustainability — Risk Consulting — Forensic Services — Aboriginal Client Services | <ul style="list-style-type: none"> — Following the issuance of a Human Rights Statement in 2012, KPMG has worked towards implementing the statement in the current reporting period. — We have not identified any instances of KPMG member firms causing or contributing to any adverse human rights incidents. — KPMG International hosted a series of discussions at KPMG in the UK's offices and at the UK House of Lords with clients, government and civil society around the opportunities and challenges surrounding the business and human rights agenda. — KPMG Australia launched its second Elevate Reconciliation Action Plan (RAP) 2017-2020, demonstrating its deep commitment to Indigenous economic and social development. | <ul style="list-style-type: none"> — Addressing human rights in business: Executive perspectives — Boardroom Questions: Addressing Human Rights and Business — KPMG Australia's Elevate Reconciliation Action Plan (RAP) 2017-2020 |



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| Labor standards | | | | | |
| 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | KPMG International and KPMG member firms do not use forced, compulsory or child labor. KPMG International and KPMG member firms support freedom of association and, where applicable, recognize the right to collective bargaining. | <ul style="list-style-type: none"> — Global Human Rights Statement — Global Code of Conduct — Global People, Performance and Culture team — Global Inclusion and Diversity team — Certain member firms Supplier Codes of Conduct — KPMG UK Modern Slavery Act Statement | <ul style="list-style-type: none"> — Climate Change and Sustainability — Risk Consulting — People and Change — Management Consultancy | <ul style="list-style-type: none"> — KPMG in the UK issued a Modern Slavery and Human Trafficking statement meeting the requirements of the UK Government's Modern Slavery Act 2015. — The Australian Human Rights Commission and KPMG in Australia co-hosted a roundtable on human rights and mega sporting events in the Commonwealth. | Ethical supply chains – investigation and risk prevention |
| 4 The elimination of all forms of forced and compulsory labor; | | | | | |
| 5 The effective abolition of child labor; | | | | | |
| 6 And the elimination of discrimination in respect of employment and occupation. | Our people want to work for an organization that encourages and respects individuals, and this is one of our Core Values across the KPMG network. Our drive to create a global culture of inclusion and diversity is fundamental to who we are, and critical to retaining our best people. KPMG International is a signatory of the UN's Women's Empowerment Principles . | <ul style="list-style-type: none"> — Global Code of Conduct — Global People, Performance and Culture team — Global Inclusion and Diversity team | <ul style="list-style-type: none"> — Climate Change and Sustainability — Risk Consulting — People and Change — Management Consultancy | <ul style="list-style-type: none"> — KPMG in the US was awarded the 2017 Best-of-the-Best Corporation for Inclusion. — KPMG in the US named 2017 Best Employer for Asian Pacific Americans by The Asia Society. — KPMG in the UK Number 10 in the UK Stonewall Workplace Equality Index Top 100 Employers 2017. — KPMG in the UK received a Queen's Award for Enterprise in the inaugural category of 'Promoting Opportunity' for our work on social mobility. — KPMG in Canada has appointed a Chief Mental Health Officer to focus on providing tools and resources to foster a mentally healthy workplace, while continuously trying to reduce stigma and break the silence. | Gender Pay Gap Reporting . Gender pay gap and its potential impact on a brand . |



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| Environment | | | | | |
| 7 Businesses should support a precautionary approach to environment challenges; | KPMG International and KPMG member firms are dedicated to managing our environmental impacts proactively and we are committed to working together across borders to make an even bigger difference. | — Global Climate Response — Select member firms have Environmental Management Systems certified to ISO 14001. | — Climate Change and Sustainability — Energy & Natural Resources — Energy and Sustainability Tax Services | — Phase III of KPMG's Global Climate Response launched with the aim to reduce environmental impact across the global network by a further emission reduction target of 10 percent net per full-time equivalent (FTE) between 2016-2020. — The next phase also includes a global renewable energy target of 60% of purchased electricity to come from renewable sources by 2020, against the 2016 baseline of 35% of purchase electricity coming from renewable sources. — KPMG participated in the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and stating that climate-related risks, like other risks, should be an integrated part of reporting. — For the third time, KPMG partnered with the UNFCCC to provide Climate Talks Live, a social media aggregator to COP23, the Bonn Climate Change meeting. | — KPMG Survey of Corporate Responsibility Reporting 2017 |



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| Anti corruption | | | | | |
| 10 Businesses should work against corruption in all its forms, including extortion and bribery. | <p>KPMG International and KPMG member firms are committed to achieving a high standard of ethical behavior in everything that we do.</p> <p>'We act with integrity' is one of our Core Values and is reflected in the Global Code of Conduct.</p> | <ul style="list-style-type: none"> — Global Code of Conduct — Anti-bribery Policy — Ethics and Compliance — Acceptance and Continuance of Clients and Engagements — KPMG International Hotline — Global Quality & Risk — Management manual — KPMG International Transparency Report | <ul style="list-style-type: none"> — Financial and other audit and assurance — Forensic: Third party risk management — Risk Consulting — Anti-Bribery and Corruption Services | <ul style="list-style-type: none"> — Bribery and Anti-Corruption website | <ul style="list-style-type: none"> — 2017 Change Readiness Index |



About KPMG International

KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. We operate in 152 countries and have 189,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

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