



KPMG Transparency Report

January 2025

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Our Values

We are committed to quality and excellence in everything we do, offering the best to our clients and earning the public's trust through actions and behaviors, both professionally and personally.

Our Values guide our daily behaviors, directing how we act, the decisions we make, and how we work with each other, with our clients, and all stakeholders.



Our Values are:



Integrity

We do what is right.



Excellence

We never stop learning and improving.



Courage

We think and act boldly.



Together

We respect each other and draw strength from our differences.



For Better

We do what matters.

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Leadership message

We are pleased to present the **2024 Transparency Report of KPMG in Brazil**, a valuable opportunity to demonstrate our ongoing commitment to quality, innovation, and building trust in the capital markets.

The quality of our audit and assurance work continues to be the cornerstone of trust in financial markets. Our commitment to excellence, ethics, and integrity guides every aspect of our activities, reinforcing our role as leaders in professional services. We are determined to serve our clients, stakeholders, and society with the highest standards of professionalism.

As the needs of organizations evolve, especially in light of the growing demands for ESG reporting and the impact of artificial intelligence, we continue to lead with innovation and sustainability. We continuously invest in advanced technologies to equip our professionals with the necessary tools to tackle complex challenges. An example of this is the integration of generative artificial intelligence into our solutions, such as the KPMG Clara platform, which enables us to conduct more effective, transparent, and real-time audits. We were pioneers in Brazil, launching seven new digital assets for auditing, utilizing generative artificial intelligence.

Our governance reflects an unwavering commitment to transparency and accountability, operating with a robust System of Quality Management aligned with regulatory requirements. These efforts foster greater confidence in disclosures, decision-making, and sustainability practices in the organizations we serve.

Furthermore, we recognize the urgency of addressing global issues, such as climate emergencies, and we are committed to supporting our clients on their journeys towards decarbonization. Aligned with social and regulatory expectations, we prioritize sustainable practices that go beyond mere compliance, focusing on creating positive impact.

Driven by continuous investment and a mindset of constant improvement, we strive to learn from challenges and continuously evolve our processes. Our goal is to operate with rigor, reliability, and quality in all our deliverables, protecting the public interest and building trust in a constantly changing world.

This report reflects how we are shaping the future of KPMG in Brazil, always guided by our Values and the dedication of our professionals. We are committed to continuing to be a trusted and reference organization for our clients, stakeholders, and society.

We invite you to explore this report and learn how we are building the KPMG of the future, dedicated to excellence, innovation, and positive impact.

Our sincere thanks to everyone who shares this journey with us!



Charles Krieck
Charman of KPMG
in Brazil and South
America



Carlos A. Pires
Head of Audit and
Assurance of KPMG
in Brazil and South America

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Audit quality definition

Audit quality is fundamental to maintaining public trust and is the key measure upon which our professional reputation rests.

We define “audit quality” as the outcome when audits are consistently performed in compliance with the requirements and intent of applicable professional standards, within a strong system of System of Quality Management.

All of our related activities are undertaken in an environment with the highest level of objectivity, independence, ethics, and integrity.

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1. A System of Quality Management that sustains audit and assurance quality

Consistent and strong controls within our Firm's System of Quality Management (SOQM) help reduce quality issues, drive operational efficiencies, and enhance transparency and accountability. We are committed to continuously strengthening the consistency and robustness of our SOQM.

Across the global organization, KPMG Firms have strengthened the consistency and robustness of their System of Quality Management (SOQM) to meet the requirements of the International Standard on Quality Management 1 (ISQM 1), issued by the International Auditing and Assurance Standards Board (IAASB).

KPMG International's Global Approach to SoQM and ISQM 1



Sets policies and **procedures to support** the effective System of Quality Management of KPMG Firms in accordance with ISQM 1, issued by the IAASB.



Establishes quality objectives, risks, and globally consistent responses, including controls, **for each component of the System of Quality Management.**



Provides KPMG Firms with a **risk assessment framework** that they have agreed to use to identify additional specific quality objectives, risks, and controls.



Supports KPMG Firms with **guidance, tools, and training** to drive the consistent and effective operation of the System of Quality Management and its annual evaluation.



Includes **monitoring activities** over the System of Quality Management of KPMG Firms to drive global consistency.



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The globally consistent approach to ISQM 1 is used by all KPMG Firms across global organization to drive consistency, robustness, and accountability in KPMG Firms' processes.

To provide greater transparency on what drives KPMG audit and assurance quality, this report is structured around KPMG's Global Quality Framework.

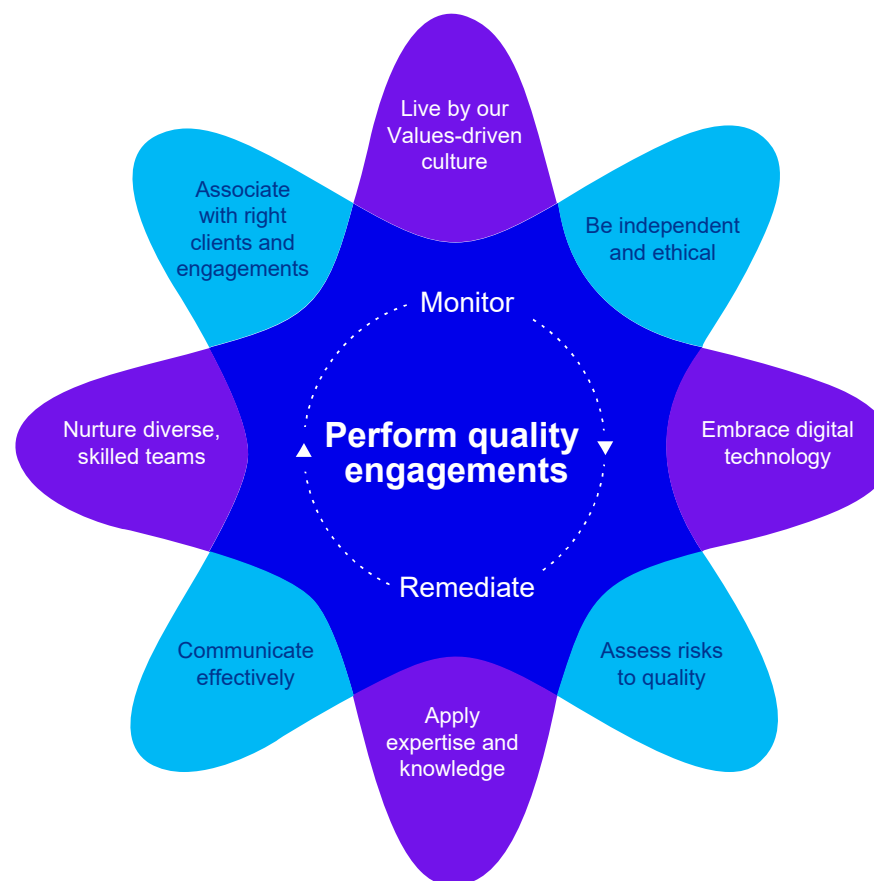
For KPMG, the Global Quality Framework establishes how we deliver quality and how each KPMG professional contributes to its delivery. The drivers established in the Global Quality Framework align with the ten components of KPMG Firms' System of Quality Management and with ISQM 1.

In compliance with ISQM 1, our System of Quality Management is also aligned with the International Code of Ethics for Professional Accountants (including International Independence Standards), issued by the International Ethics Standards Board for Accountants (IESBA).

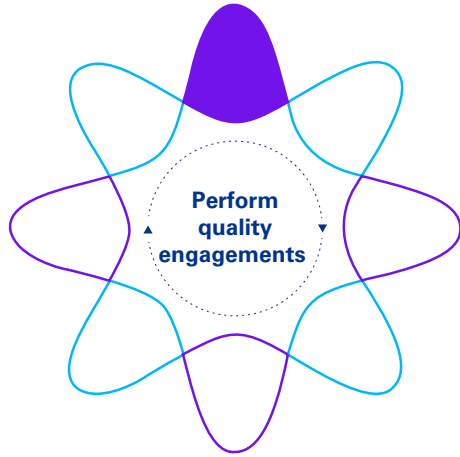
Sections 2-11 of the Transparency Report describe how we operate each driver in the Global Quality Framework aligned with the System of Quality Management components. Combined with our Firm's System of Quality Management Statement of Effectiveness (see Section 15), this Transparency Report summarizes how our System of Quality Management effectively supports the consistent execution of quality engagements.

This report may also be useful for stakeholders in the tax and advisory services of KPMG Firms, as certain aspects of our Firm's System of Quality Management are cross-functional and equally apply as the foundation of quality for all services offered

KPMG's Global Quality Framework



Throughout this document, "KPMG", "we", "our" and "us" refers to KPMG Auditores Independentes Ltda. Any references to the KPMG global organization mean the member firms of KPMG International Limited, each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International Limited or any other member firm vis-à-vis third parties, nor does KPMG International Limited have any such authority to obligate or bind any member firm. KPMG International means KPMG International Limited unless the context requires the reference to mean KPMG International Services Ltd (which provides services, products and support to, or for the benefit of, member firms or KPMG International Limited but not services, products or support to clients) or KPMG International Cooperative (which owns and licenses the KPMG brand). Throughout this document, references to "Firm", "KPMG firm", "member firm" and "KPMG member firm" refer to firms which are either: members of KPMG International Limited; sublicensee firms of KPMG International Limited; or entities that are wholly or dominantly owned and controlled by an entity that is a member or a sublicensee. The overall governance structure of KPMG International Limited is provided in the [About Us](#) page of kpmg.com '.



2. Live by our Values-driven culture

It's not just what we do at KPMG that matters; how we do it is equally important. Our Values are our fundamental beliefs, guiding and unifying our actions and behaviors. Shared with all our professionals, they form the foundation of our unique culture.

2.1 Foster the right culture, starting with Tone at the top

2.1.1 Tone at the top

KPMG International leadership, working with regional and KPMG firm leadership and, plays a critical role in establishing our commitment to quality and the highest standards of professional excellence and ethics. A culture based on integrity, accountability, quality, objectivity, independence, and ethics is essential in an organization that provides audit, assurance, and other professional services in which users place their trust.



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Clear Values and a Strong Code of Conduct

At KPMG, our [Values](#) lie at the heart of the way we do things. Doing the right thing, the right way. They form the foundation of a resilient and ethical culture, ready to meet challenges with integrity, so never lose sight of our primary responsibility to serve the public interest.

To disseminate and reinforce our Purpose and Values at KPMG, we maintain a network of Culture Champions, with over 1,000 professionals dedicating time and energy to being ambassadors of our culture in their daily work.

We are committed to the highest standards of professional behavior in everything we do. Ethics and integrity are fundamental to who we are, and within our [Global Code of Conduct](#) ("the Code"), we define the responsibilities that everyone at KPMG has to each other, to our clients, and to the public. This demonstrates how our Values and Purpose inspire our highest ambitions and guide our behaviors and actions. It defines what it means to work at and be part of KPMG, as well as our individual and collective responsibilities.

Everyone at KPMG is expected to be accountable for their behavior consistent with the Code and is required to confirm that they are in compliance with the provisions included therein. Individuals are strongly encouraged to speak up if they see something that makes them uncomfortable or that is not in compliance with the Code or our Values . Everyone at KPMG is required to report any activity that may be potentially illegal or that violates our Values, KPMG policies, professional standards, and applicable laws or regulations.

To safeguard this principle of mutual accountability, each KPMG member firm has agreed to establish, communicate, and maintain clearly defined channels to allow KPMG people and third parties to ask questions, raise concerns, provide insights and report reportable matters without fear of retaliation, in accordance with applicable law or regulation.

[KPMG International's hotline](#) is a mechanism for KPMG people, clients, and other third parties to confidentially report concerns they have relating to KPMG International, KPMG member firm activities, or KPMG people. KPMG International considers how to respond to each report received through the hotline and, when necessary, investigates and takes appropriate action.

All KPMG member firms and KPMG people are prohibited from retaliating against individuals who have the courage to speak up in good faith. Retaliation is a serious violation of the Code of Conduct, and any person who takes retaliatory action will be subject to the Firm's disciplinary policy .

In addition to the processes outlined above, the Global People Survey (GPS) provides our leadership and KPMG International leadership with insights related to upholding KPMG Values, employee and partner attitudes towards quality, leadership, and tone at the top.

KPMG's Global Values Week – Building a values-led Firm of the future

At the start of fiscal year 2024, the global KPMG network came together to celebrate our Values during a week-long series of events. The Global Values Week engaged our people in a dialogue about our five Values and the role they play in our daily work. This organization-wide celebration was followed by the launch of a Values immersion initiative within our Firm, which included group sessions focused on living our Values even when under pressure.



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2.1.2 The KPMG multidisciplinary model

The global KPMG organization is at its strongest when its more than 275,000 people in 142 countries and territories, aligned behind a common set of values, work together to deliver quality services to some of the world's most important organizations, from the public sector to finance and healthcare. Regardless of the sector or industry in which they operate, KPMG professionals leverage multidisciplinary knowledge and experiences from across the organization to independently and rigorously provide audit and assurance, tax, and advisory services to clients and stakeholders, earning their trust by fulfilling our commitment to delivering professional excellence. We firmly believe that our multidisciplinary model is the best way to serve clients and is essential for delivering high quality.

2.2 Clearly articulated strategy focused on quality, consistency, trust, and growth

2.2.1 Our business

We are a global network of independent Firms providing professional services in audit, assurance, tax, and advisory. We operate in 142 countries and territories, with over 275,000 partners and professionals working in member firms worldwide — in Brazil, we have around five thousand professionals.

Our audit and assurance services in Brazil are offered through KPMG Auditores Independentes Ltda., KPMG Assurance Services Ltda., and KPMG Assesores Ltda.

All details of the services we offer can be found on our website www.kpmg.com.br

2.2.2 Our strategy

Our strategy is defined by the Executive Committee and demonstrates a commitment to quality and trust. Our focus is on making significant investments in priorities that are part of executing a global strategy.

2.3 Functions and responsibilities related to quality and risk management

2.3.1 Leadership responsibilities for quality and risk management

KPMG in Brazil is committed to integrity, quality, objectivity, independence and ethics, and communicates its focus on quality to clients, users, and society.

Our leadership in Brazil plays a fundamental role in setting the right tone and leading by example, demonstrating a firm commitment to the highest standards of professional excellence, and championing and supporting key initiatives.

They are committed to building a culture based on integrity, quality, objectivity, independence, and ethics, as demonstrated through their actions.


KPMG in Brazil seeks input from the relevant Global Steering Groups or their representatives regarding the performance of certain KPMG leaders in Brazil who hold specific regional or global roles, ensuring alignment with the activities of these international groups. These contributions are part of the annual performance evaluation process, which includes public interest matters, audit quality, and risk management activities.

The Global Steering Groups guide the execution of the quality strategy. Each of these global groups has its specific areas of focus and works closely on quality issues with KPMG's regional and member firm leadership to:

- (i) Establish and ensure appropriate communication of audit, quality, and risk management policies;
- (ii) Establish and support effective and efficient processes to promote audit quality;
- (iii) Promote and support the implementation of the strategy in the audit functions of KPMG member firms, including audit quality standards; and


(iv) Evaluate and monitor the quality of audit work, including issues arising from quality reviews and regulators, and focus on best practices to enhance audit quality.

The following individuals have leadership responsibilities for quality and risk management at KPMG in Brazil:



Chairman


As defined by the International Standard on Quality Management, our Chairman has the ultimate responsibility for KPMG in Brazil's System of Quality Management. Measures to ensure that a culture of quality prevails within KPMG in Brazil are taken in conjunction with the Executive Committee. For more details, please refer to [Appendice 2 - Details of Governance Responsibilities at KPMG in Brazil](#).



Risk Management Partner (RMP)

The Risk Management Partner is responsible for establishing general risk management and quality control policies, and for monitoring their compliance within KPMG in Brazil. The Risk Management Partner is a member of the Executive Committee of KPMG in Brazil and has a direct reporting line to the Chairman. The Risk Management Partner consults with the Chairman, the Regional Risk Management Partner, Global Quality & Risk Management resources, and the Leader of the Office of General Counsel (OGC), as necessary.

At KPMG in Brazil, the Risk Management Partner has a designated partner who actively participates in the implementation and monitoring of our Firm's internal control processes. The Risk Management Partner is supported by a team of other partners and professionals for each function.




Leaders of Audit and Assurance, Tax, and Advisory Functions

The three leaders of the client service functions (Audit and Assurance, Tax, and Advisory) are accountable to the Chairman for the quality of service delivered within their respective functions. They are responsible for implementing risk management and quality control procedures for their specific functions within the framework defined by the Risk Management Partner. These procedures make it clear that, at the engagement level, risk management and quality control are ultimately the responsibility of all KPMG professionals.

Our Audit Leader is responsible for the effectiveness of the management and control of the audit practice. This includes:

- Setting a strong tone and culture that supports audit quality through communication, support for work and commitment to the highest standards of professional excellence, including professional skepticism, objectivity, ethics, and integrity.
- Developing and implementing an audit strategy that aligns with our firm's audit quality requirements.
- Working with the Risk Management Partner to monitor and address audit quality issues and risks related to the audit practice.




Audit Leadership Team

The Audit Leadership Team holds regular discussions to reach a consensus on actions regarding current and emerging audit quality issues arising from external and internal quality review processes, concerns raised by engagement teams, our System of Quality Management assessment, root cause analysis procedures, and other quality matters identified from various sources.


More complex issues that may require changes to KPMG's global audit methodology or audit tools are escalated to KPMG International's Global Audit Groups for consideration and development of potential solutions by the KPMG Global Solutions Group (KGSG) and the International Standards Group (ISG).

For more information on the KGSG, GAMG, and ISG, please refer to [section 8.1.2 of this report](#).



Audit Quality and Professional Practice Partner (AQPP)

The AQPP has operational responsibility and accountability for conducting and supporting monitoring activities within our System of Quality Management for the audit practice.



Ethics and Independence Partner (EIP)

The Ethics and Independence Partner has primary responsibility for directing and implementing ethics and independence policies and procedures at KPMG in Brazil and for reporting ethics and independence issues to the Risk Management Partner.



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Audit and Assurance Quality Group

The Audit and Assurance Quality Group is comprised of a senior leadership team from audit and assurance, with the objective of providing a strategic approach to addressing relevant audit and assurance quality issues and work execution that affects the Firm and its professionals.

The key initiatives led by this group include the assessment of:

- New and revised policies that impact work execution and contribute to audit or assurance quality.
- Sufficiency of action plans to address quality issues identified in internal and external inspections.
- Plans and actions necessary to implement global and regional initiatives.
- Any other matters that may impact audit or assurance quality.



Leader of the Office of General Counsel (OGC)

Reporting directly to the Chairman, the Leader of the Office of General Counsel (OGC) is responsible for the Firm's legal matters, public affairs, and the management and resolution of disputes.

2.4 Instituting robust governance structures

2.4.1 Our legal and governance structure

KPMG in Brazil is an integral part of the member firms within the global KPMG organization of independent member firms licensed by KPMG International Limited, a private English company limited by guarantee.

KPMG International Limited is the coordinating entity for KPMG member firms. It does not provide professional services to clients. Professional services to clients are exclusively provided by the member firms.

KPMG is the registered trademark of KPMG International and is the name by which the

member firms are commonly known. The rights of the member firms to use the KPMG name and trademarks are contained in agreements with KPMG International.

Under the terms of the sublicense agreements entered into with KPMG International, member firms are required to comply with KPMG International's policies, including those related to quality standards that govern how they operate, provide services to clients, and compete effectively. This includes being professionally and financially stable; having an ownership, governance, and management structure that ensures continuity, stability, and long-term success; and being able to comply with policies issued by KPMG International, adopt global strategies, share resources (inputs and outputs), serve multinational clients, manage risks, and implement global methodologies and tools.

KPMG International Limited and the KPMG member firms are not the same entity and do not constitute a global partnership, multinational corporation, or joint venture, nor is there an agency relationship or agency between them. No member firm has any authority to obligate or bind KPMG International Limited, any of its related entities, or any other member firm to third parties, nor does KPMG International Limited or any of its related entities have any authority to obligate or bind any member firm.

The complete list of audit member firms that are part of the KPMG network and the EU/EEA countries in which each is registered as a statutory auditor or has its registered office, central administration, or principal place of business is [available here](#).



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KPMG Brazil legal structure

KPMG Auditores Independentes Ltda. is a Brazilian limited liability simple partnership, and its corporate purpose is to provide accounting audit services and other services inherent to the accounting profession, in accordance with Article 25 of Decree-Law No. 9,295/46.

Due to the nature of the services provided, the firm is duly registered with the Regional Accounting Council (CRC) and, as it serves publicly traded clients, it is also registered with the Securities and Exchange Commission (CVM) as an Independent Legal Entity Auditor (AIPJ).

Its partnership structure is composed solely of individuals with an accounting background.

Name, ownership, and legal relationships

KPMG Auditores Independentes Ltda. is a firm owned solely by individual partners who are accountants, registered with the CRC and the CVM, and its technical management is carried out by its partners, who are solely responsible for their own obligations.

Member firms responsibilities and obligations

Each KPMG Firm assumes responsibility for its management and the quality of its work. Member firms commit to a common set of KPMG Values.

The activities of KPMG International are funded by fees paid by the member firms. The basis for calculating these fees is approved by the KPMG International Global Board and applied consistently to member firms. The status of a Firm as a KPMG member and its participation in the global KPMG organization may be terminated if, among other things, it fails to comply with the policies established by KPMG International or any other obligation owed to KPMG International.

Governance structure

The principal governance and management bodies of KPMG International are the Global Council, the Global Board, and the Global Management Team.

For more details on (i) the governance structure of KPMG International, please refer to the KPMG International 2023 Transparency Report, and (ii) those responsible for governance at KPMG in Brazil, please refer to [Appendix 2](#) of this report.



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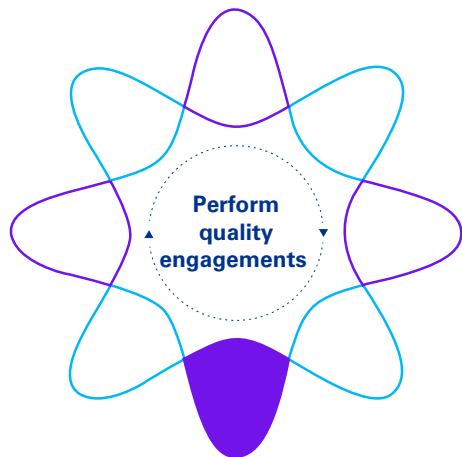
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3. Apply expertise and knowledge

We are committed to continuously developing our expertise and technical knowledge, recognizing its fundamental roles in delivering quality audits.

3.1 Methodology aligned with professional standards, laws, and regulations

3.1.1 Consistency audit and assurance methodology and tools

We utilize KPMG International's audit and assurance methodology, tools, and guidance to direct a consistent approach to planning, executing, and documenting audit and assurance procedures. The key elements include:

- Alignment with applicable standards, including International Standards on Auditing (ISAs), Public Company Accounting Oversight Board (PCAOB), American Institute of CPAs (AICPA), International Standards on Assurance Engagements (ISAEs), local auditing and



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assurance standards, and local regulatory or statutory requirements.

- Identification of risks of material misstatement and the necessary audit responses.
- Use by all our audit and assurance professionals to direct a consistent interpretation of how to apply the ISAs and ISAEs.

Our audit and assurance methodologies emphasize the application of appropriate professional skepticism in the execution of procedures and require compliance with relevant ethical requirements, including independence.

The methodologies evolve to reflect new and revised auditing standards and requirements, as well as to keep pace with innovative and technological advancements that drive quality and efficiency.

3.2 Technology-enabled standardized methodology and guides

KPMG's standardized methodology and guides are embedded in KPMG Clara, our intelligent audit and assurance platform, and assist our teams in addressing the constantly changing corporate reporting landscape and related audit and assurance requirements.

3.2.1 Driving consistency and quality through the KPMG Delivery Network (KDN)

The KPMG Delivery Network (KDN) is a network of global delivery centers that provides additional resources and expertise to KPMG member firms. By driving greater consistency and quality, these global delivery centers utilize technology and offer KPMG Firms standardized procedures and solutions.

3.3 Deep knowledge and technical expertise

3.3.1 Access to specialists networks

Specialized knowledge is an increasingly important part of today's audit and is a key feature of our multidisciplinary model. Our engagement teams have access to a network of KPMG specialists for consultation—whether in Brazil or in other KPMG member firms. These specialists receive training to ensure they have the competencies, capabilities, and objectivity to adequately fulfill their roles in audit engagements.

The need for specialist involvement in an audit engagement in areas such as information technology, tax, treasury, actuarial, forensic, and asset valuation is considered as part of the audit acceptance and continuance process, as well as during the planning and throughout the execution of the engagements.

3.3.2 Our commitment to audit and assurance quality by responding to significant external events and conditions

Significant external events and conditions, such as the impacts of climate change, geopolitical events, interest rate volatility, and high levels of inflation, can have substantial implications for financial statements, increasing complexity, subjectivity, and uncertainty in areas such as management's assessment of going concern, asset impairment, and asset valuations.

KPMG International issues guidance to assist our audit teams in addressing financial reporting and audit issues arising from the impacts of these significant external events and conditions. KPMG International also provides an online portal, called the Financial Reporting in uncertain times, to help financial statement preparers and users understand the potential accounting and disclosure implications arising from these significant external events and conditions.

The guides and guidance are updated as new significant issues impacting accounting, auditing, and financial reporting arise.

3.3.3 Credentials and requirements for IFRS® accounting standards and US GAAP engagements

Continuing Professional Education Program (PEPC)

All KPMG audit professionals in Brazil, starting from the supervisor level, who serve audit clients, are required to comply with the Continuing Professional Education Program (PEPC) requirements of the Federal Accounting Council (CFC), following applicable professional standards, laws, and regulations. The policies and procedures of KPMG in Brazil are designed to facilitate and support compliance with the PEPC requirements.

We are responsible for ensuring that our professionals are duly qualified in auditing, accounting, and industry expertise, and have experience in the relevant framework and industry. We value behavioral skills that are relevant to the success of our audit projects. Therefore, we invest in the behavioral development of our people to ensure the delivery of excellent service.

Credentials and mandatory requirements for US GAAP and/or PCAOB Engagements

Specific requirements apply to partners, managing directors, managers, engagement leaders, and engagement quality control (EQC) reviewers responsible for engagements reporting on financial statements or financial information

prepared in accordance with US GAAP and/or audited in accordance with the auditing standards of the Public Company Accounting Oversight Board (PCAOB) of the United States, including reports on the effectiveness of the entity's internal control over financial reporting (ICOFR).

These requirements mandate that, at a minimum, all partners, managing directors, managers, engagement leaders, and, if designated, EQC reviewers assigned to the engagement must have completed the relevant training, and that the engagement team, collectively, has sufficient experience to conduct the audit or has implemented appropriate safeguards to address any deficiencies.

To extend and maintain the quality of the work of specialists and specific team members on clients with the specific requirements mentioned above, a customized curriculum has been designed by Audit L&D in collaboration with representatives from the Department of Professional Practice (DPP) and leaders of each specialty. This customization is derived from the mandatory global curriculum and adapted to the needs of each specialty.

The customized curriculum, as it is called, is reviewed annually and adjusted as necessary. We maintain the requirement for determining the audience and timing of the trainings.

3.3.4 Quality in ESG Assurance

KPMG is committed to fulfilling its role in addressing public interest issues by providing robust assurance that can meet the demands of investors and all other stakeholders.

We believe that the same level of professionalism, quality, consistency, and trust should be applied to ESG (Environmental, Social, and Governance) reporting as to financial data. We are making significant investments to place the ESG agenda at the core of our organization and remain steadfast in our commitment to serving the public interest.

As part of the continuous quality improvement approach, the following updates were implemented in 2024:

- Enhancement of ESG assurance methodology and KPMG Clara workflow: Training in assurance and the launch of a curriculum focused on ISSB standards and ESRS.



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- Investment in programs to strengthen the skills and expertise of KPMG professionals to provide high-quality ESG assurance work and meet client needs, including access to ESG reporting and assurance technical professionals through the KDN (KPMG Delivery Network).
- Our ESG assurance delivery model is subject to our SoQM, in accordance with ISQM 1.
- Launch of a learning curriculum: To increase our professionals' knowledge in ESG and to train our teams on the new methodology and KPMG Clara workflow (our tool for formalizing and documenting audit and assurance procedures) for assurance engagements as well.

3.4 Policies on applicable requirements, standards and regulations

At our Firm, we expect all employees to adhere to the policies and procedures of KPMG International and our member firm, including independence policies. We have a variety of tools and guidance to support our employees. Our policies and procedures for audit and assurance engagements incorporate relevant requirements of accounting, auditing, assurance, ethics, quality management, and risk standards that are consistent with ISQM 1 and NBC PA 01.



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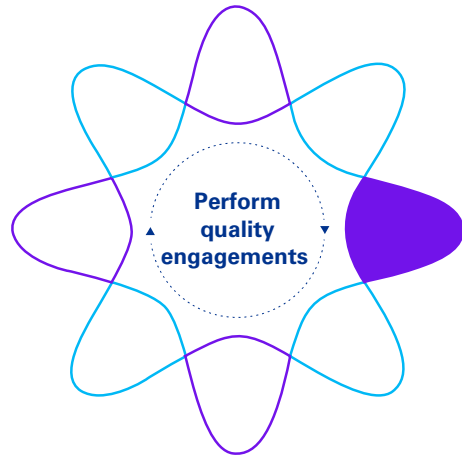
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4. Embrace Digital Technology

At KPMG, we are anticipating the technologies that will shape our near future and driving an ambitious innovation agenda. We continue to transform the audit and assurance engagement experience for our professionals and clients. The alliances and technologies used across the global organization of KPMG Firms are enhancing quality by expanding our ability to identify and respond to relevant issues.

4.1 KPMG Clara

An intelligent technology platform for audit and assurance engagements, KPMG Clara integrates new and emerging technologies with advanced capabilities that leverage data science, audit automation, and data visualization, and utilizes the power of artificial intelligence (AI). It provides new insights by helping auditors visualize meaningful patterns in business, whether conducting a risk assessment, tracking transactions in a complex revenue process, or simply reconciling accounts.

A fully digital approach is an integral part of how KPMG member firms execute quality audit and assurance engagements and interact with their clients. Policies and guidelines are in place to establish and maintain appropriate processes and controls regarding the development, evaluation,



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testing, deployment, and support of technology in our audits.

4.2 Intelligent, standards-driven audit and assurance workflows

As an intuitive, scalable, cloud-based platform, KPMG Clara is driving globally consistent execution across all KPMG member firms. It enables the delivery of KPMG’s audit and assurance methodologies through data-enabled workflows aligned with applicable standards, providing an enhanced and seamless experience for auditors.

4.3 Data and emerging technologies

Our vision of the future

The global KPMG organization is committed to the continuous evolution of our quality-focused approach and, as a technology-driven organization, is utilizing innovative capabilities to deliver high-quality services.

Fully implemented across all KPMG member firms, KPMG Clara is the global platform for KPMG audits and empowers our auditors to provide the entities we audit with deeper insights, new perspectives, and enhanced audit and assurance quality.

Signaling our ongoing commitment to innovation, improvement, and the expansion of audit digitalization, we use KPMG Clara as a future-ready platform, prepared to incorporate current and upcoming innovations.

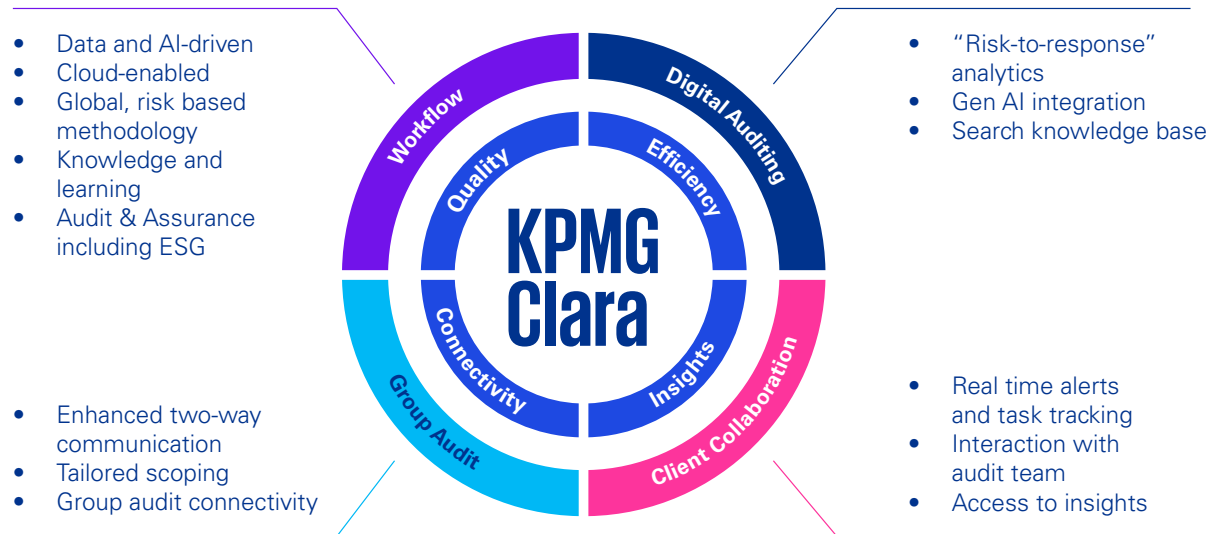
For example, generative AI is being integrated directly into the global audit workflow, KPMG Clara, enabling our professionals, where permitted by clients and applicable laws, to delve deeper into audit documentation, search and apply KPMG’s knowledge base, and benefit from AI’s productivity-enhancing capabilities.

Technologies such as KPMG Clara Analytics AI Transaction Scoring mean that KPMG audit teams can apply AI and machine learning algorithms to

identify higher-risk transactions—focusing audit attention on risk areas that require follow-up and providing greater assurance over the complete data set.

As KPMG works to harness the power of AI, we remain equally committed to maintaining ethical standards for AI solutions that align with our values and professional standards, and that promote the trust of KPMG’s clients, people, communities, and regulators.

KPMG Trusted AI is our strategic approach and framework for designing, building, deploying, and using AI solutions in a responsible and ethical manner to ensure that we can generate and add value with confidence.



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Audit technology and innovation (ATI)

In Brazil, our Audit Technology & Innovation (ATI) area leads local audit innovation initiatives, developing new digital assets that have been adding quality, consistency, and efficiency to our audits, creating an exceptional client experience and fostering a culture of continuous learning and process improvement. With a multidisciplinary approach and market knowledge, we use innovation to address local digital transformation needs, complementing the global innovation strategy.

Our goal is to enhance the experience of our auditors and clients in an increasingly agile, secure, and technological process, always focused on quality and consistency. To achieve this, the audit function, through ATI, invests in innovation, technology, and efficiency across all its processes.

4.3.1 Client confidentiality, information security, and data privacy

The importance of maintaining the confidentiality of information is realized through a variety of mechanisms, including our KPMG Global Code of Conduct.

We have specific areas that address this topic and policies on information security, confidentiality, privacy, and the protection of personal data.

We have a document retention policy that details the retention period for audit documentation and other files relevant to an engagement, in accordance with applicable laws, regulations, and professional standards.

KPMG provides annual training on confidentiality requirements, information security, privacy, and personal data protection to all our professionals.



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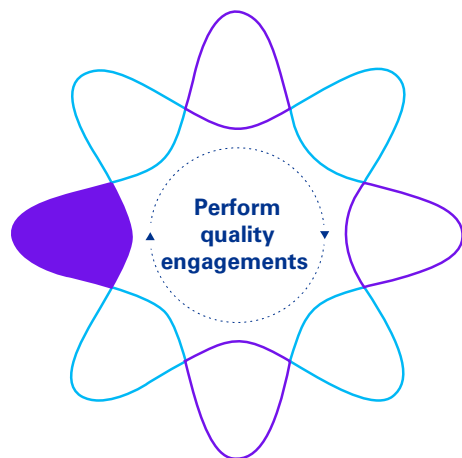
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5. Nurture qualified and multidisciplinary teams

Our people make a real difference and are fundamental in shaping the future of audit and assurance at KPMG. We place quality and integrity at the center of our practice. Our auditors possess multidisciplinary skills and capabilities to handle complex issues.

5.1 Recruiting qualified and capable people, including specialists with diverse knowledge, perspectives, and experiences

One of the main drivers of quality is ensuring that KPMG professionals have the competencies and experience, motivation, and purpose to deliver high-quality audit and assurance services. This requires proper processes for recruitment, development, remuneration, promotion, retention, and appropriate allocation of our professionals.



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5.1.1 Recruitment

We continuously invest in understanding how to attract the talent we need now and in the future across our Firm.

Our recruitment strategy focuses on selecting candidates based on unique, job-related criteria to ensure they possess the skills and experience necessary for excellent performance and are appropriately allocated to their roles.

For all audit professional recruitment processes, various selection tools are used, such as assessments, screenings, and compliance checks.

This process ensures a fair and thorough evaluation to guarantee that candidates possess the necessary competencies and experience for excellent performance and are well-suited to the roles they will undertake.

5.1.2 Inclusion, diversity, and equity programs

Inclusion, Diversity, and Equity (IDE) underpin KPMG's value of 'Together' and are vital for 'Inspiring Confidence' and 'Empowering Change' — our Purpose.

Fostering a culture that welcomes everyone — without exception — requires intentional work. KPMG International issues guidance on global

best practices related to areas where a focus on IDE can help make the greatest impact by creating an inclusive environment — including hiring, compensation, performance evaluation, and promotions.

Engage. Educate. Empower was the theme of KPMG's Global IDE Super Summit for 2024, where thousands of colleagues joined in celebrating unity, bringing together KPMG's IDE communities and allies through a landmark global event, with more ways to learn from each other, participate in conversations, and share ideas.

Learn more about KPMG's commitment to having an inclusive culture built on trust in the [KPMG International: Our Impact Plan](#).

5.1.3 Health and well-being

At our Firm, we are committed to protecting the health of our employees, both physically and mentally, and providing an empathetic and supportive environment that allows our people to thrive and deliver high-quality work to our clients.

Professional services can be a fast-paced and demanding environment, so we are focused on creating a culture where people can be open about their well-being — and seek support when needed.

5.1.4 Reward and promotion

Reward

We have clear and straightforward compensation and promotion policies that are market data-driven, fair, and linked to the performance evaluation process. These guidelines help our partners and employees understand what is expected of them, including responsibilities for audit quality outlined in globally consistent audit role profiles and the audit quality objectives issued globally by KPMG International. The connection between performance and compensation is achieved by evaluating the professionals' performance through collegiate meetings. These meetings include leaders who have evaluated them, the performance manager of the evaluated professional, and the business partner, to ensure a consistent, impartial, and accurate evaluation.

Reward decisions are based on both individual performance and the performance of the Firm's area.

The extent to which our people feel their performance has been reflected in their reward is measured through the annual Global People Survey(GPS).

Promotion

Performance evaluation results directly affect the promotion and remuneration of partners and employees, and in some cases, their continued association with KPMG.



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5.2 Assign an appropriate and qualified team

A critical factor for quality management is the selection of the engagement team to provide effective and high-quality audit and assurance services. At KPMG, we have policies, procedures, and controls in place to allocate partners and other professionals to a specific engagement based on their skills, professional experience, relevant industry knowledge, and the nature of the assignment or engagement. Function leaders are responsible for the partner allocation process, taking into account key factors related to experience and availability—based on at least an annual review of partners' client portfolios—to carry out the engagement, considering the size, complexity, risk profile, and type of support to be provided (i.e., the composition of the audit team and the involvement of specialists).

Audit partners are responsible for ensuring that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, considering the nature and circumstances of the audit engagement, KPMG policies and procedures, professional standards, applicable legal and regulatory requirements, and any changes that may arise during the engagement. This may include the involvement of specialists from our own Firm, other KPMG member firms, and/or external specialists.

When considering the appropriate competence

and capabilities expected of the team as a whole, the partner's considerations may include:

- Understanding and practical experience in audit engagements of similar nature and complexity through appropriate training and participation.
- Understanding of professional standards and legal and regulatory requirements.
- Adequate technical skills, including knowledge related to relevant information technology and specialized areas of accounting or auditing
- Knowledge of the relevant industries in which the client operates.
- Ability to exercise professional skepticism.
- Understanding of KPMG in Brazil's quality control policies and procedures.
- Results from Quality Program Reviews (QPR) and regulatory inspections.

5.3 Audit role profiles to drive quality

To promote a consistent approach to quality responsibility, we have a set of role profiles issued by KPMG International that articulate the technical and behavioral competencies, and the individual levels of responsibility for contributing to audit quality and the System of Quality Management. The role profiles provide KPMG professionals involved in delivering audits with a clear description of their role and are updated

annually to support the focus on continuous improvement. To connect the role profiles to goal setting, a mandatory audit quality objective is in place for those covered by the role profiles.

5.4 Invest in data mining, analysis, and interpretation skills – including advanced AI solutions

KPMG is strategically investing in promising talent, partnering with world-class institutions to maintain strong leadership while also developing the skills and capabilities that will be needed in the future.

In 2024, KPMG launched Firm-wide AI training programs, "24 Hours of AI," where each hour, colleagues from around the world had the opportunity to learn about KPMG's latest global AI tools and advanced AI solutions tailored for audit and assurance, tax, and advisory functions; participate in practical "prompt creation" workshops to enhance AI skills; and receive updates on KPMG's principles for the responsible use of AI.

We are recruiting and training professionals specialized in software, cloud technologies, and AI, who can bring cutting-edge technological capabilities to integrate with our intelligent audit and assurance platform.

We offer training on a variety of technologies to ensure that our professionals not only meet the highest professional standards but are also

proficient in new technologies.

With this approach, we are bringing together the right people with the right skills and the right technology to perform high-quality audits.

5.5 Focus learning and development on technical skills, professional insight, and leadership skills

5.5.1 Commitment to technical excellence and quality service delivery

All our professionals receive the technical training and support they need to perform their roles. This includes access to internal specialists and consultations with the Department of Professional Practice (DPP). When the appropriate resource is not available within KPMG in Brazil, we access a network of highly qualified professionals from other KPMG member firms.

At the same time, our audit and assurance policies require that all KPMG audit and assurance professionals possess the appropriate knowledge and experience for their assigned engagements.

5.5.2 Continuous learning strategy

At our Firm, we are committed to developing a culture of continuous learning in line with our desire to provide access to ongoing education—where KPMG partners and professionals can

continually enhance their competencies and skills through functional, ethical, and accelerated learning. With a focus on enabling excellence, our continuous learning culture helps our people make a difference both for clients and themselves.

Formal training

Rapid advancements in technology have made education and reskilling more important than ever. Providing our employees with opportunities to learn and develop their careers is a fundamental pillar of KPMG’s global people strategy.

Annual training priorities for development and delivery are identified by audit learning and development professionals at the global, regional, and, where applicable, KPMG Firm level.

Minimum learning requirements for audit professionals across the KPMG organization are established annually. Training is delivered using a combination of learning approaches and performance support.

Mentoring and on-the-job coaching

The learning process is not limited to a single approach—differentiated forms and learning experiences are available when needed, through coaching, microlearnings, and learning paths aligned with specific job role profiles.

Guidance and on-the-job field experience play key roles in developing the personal qualities important for a successful career in auditing, including

professional judgment, technical excellence, and insight.

We support a coaching culture throughout KPMG, as a way to enable our professionals to reach their full potential. We encourage a culture where each team member is responsible for coaching and developing other team members and sharing experiences.

We offer training on a variety of technologies to ensure that professionals not only meet the highest professional standards but are also qualified in new technologies.

With this approach, we are bringing together the right people with the right skills and the right technology to perform high-quality audits.

5.6 Recognizing quality

5.6.1 Personal development

Our performance evaluation approach, “Open Performance Development,” is built around the principle of ‘Everyone a Leader,’ which is complemented by the Global Audit Technical Core Competencies to provide a holistic view of expectations. The performance evaluation approach includes:

- Role profiles (including specific role profiles for audit quality responsibilities).



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- Goal library including mandatory audit quality content applicable to all covered by the audit role profiles and additional optional audit quality content.
- Standardized evaluation forms (with audit quality rating definitions).

The OpenPD tool is connected to KPMG values and is designed to support what is needed for success—both individually and collectively. We know that by being clear and consistent about the behaviors we expect and rewarding those who demonstrate them, we will continue to maintain an unwavering focus on quality.

At the same time, we are driving a performance-oriented culture shift, supported and promoted through cutting-edge technology provided by KPMG International, which allows us to incorporate audit quality into performance evaluations and compensation decisions, as well as drive consistency across the global organization.

We consider quality and compliance metrics in the overall evaluation, promotion, and remuneration of partners, directors, and managers. These evaluations are conducted by performance managers and partners who are in a position to assess this performance.



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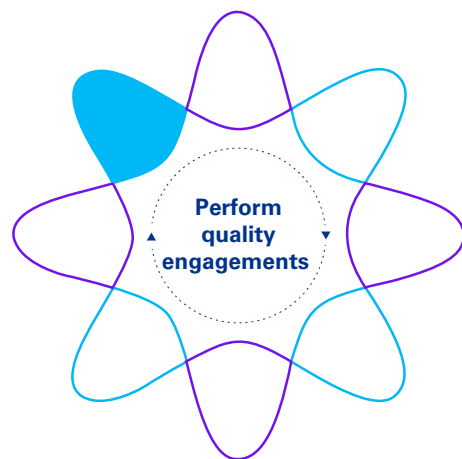
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6. Associate with the right clients and engagements

Strict global client and engagement acceptance and continuance policies are vital for us to provide high-quality professional services.

6.1 Global client and engagement acceptance and continuance policies

KPMG International's global client and engagement acceptance and continuance policies and processes are designed to help KPMG identify and assess potential risks before accepting or continuing a client relationship or undertaking a specific engagement.

KPMG member firms assess whether to accept or continue a client relationship or undertake a specific engagement. When client/engagement acceptance (or continuance) decisions present certain risks, additional approvals are required, which may extend to regional levels.



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6.2 Accept appropriate clients and engagements

6.2.1 Client evaluation process

Our evaluation of a potential client includes an analysis of the risk profile and background information about the client, its key personnel, directors, and ultimate beneficiaries. If necessary, the evaluation includes obtaining and analyzing historical information required to meet applicable legal/regulatory requirements.

6.2.2 Engagement evaluation process

We consider a range of factors when evaluating each new potential engagement, including:

- Potential independence issues and conflicts of interest.
- The purpose and intended use of the engagement results.
- Public perception.
- Whether the services would be unethical or inconsistent with our values.

Additionally, the evaluation of an audit engagement includes an analysis of the competence of the client's finance team and the skills and experience of KPMG partners and professionals. When we provide audit services for the first time, additional independence evaluation procedures are performed, including a review of any non-audit services provided to the client and

other relevant business, financial, and personal relationships.

Similar independence evaluations are conducted when an existing audit client becomes a public interest entity or when additional independence restrictions apply following a change in the client's circumstances.

Any potential independence or conflict of interest issues must be documented and resolved before acceptance.

A potential client or engagement will be declined if an independence or conflict issue cannot be satisfactorily resolved in accordance with professional standards and our policies, or if there are other quality and risk issues that cannot be adequately mitigated.

6.2.3 Continuance process

We conduct an annual re-evaluation of all our audit clients to identify risks related to continued association and to determine any necessary mitigation procedures that need to be put in place (this may include the allocation of additional professionals, such as an Engagement Quality Control Reviewer (EQCR) or the need to involve additional specialists in the audit). Additionally, clients and engagements must be re-evaluated if there is an indication that a change in the risk profile may have occurred.

6.2.4 Withdrawal process

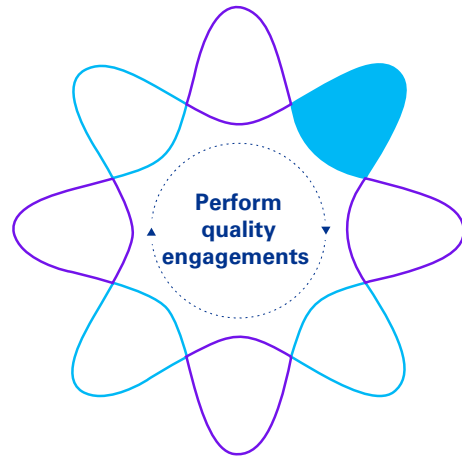
When we reach a preliminary conclusion that indicates we should withdraw from an engagement or terminate the client relationship, internal consultations are conducted, and any legal, professional, and regulatory responsibilities related to that association are identified.

We also consider the need to communicate with those charged with governance and any other appropriate authorities.

6.3 Manage portfolio of clients portfolio

We have policies and procedures that enable us to monitor the workload and availability of partners, managers, and engagement teams to ensure they have sufficient time to fulfill their responsibilities. Engagement partners are responsible for determining that the team members collectively possess the appropriate competence and skills, including sufficient time, to successfully execute the engagement in accordance with professional standards and regulatory and legal requirements.

Refer to section [5.2 Assign an appropriate and qualified team](#) for more details.



7. Be independent and ethical

Auditor independence is a pillar of international professional standards and regulatory requirements.

7.1 Act with Integrity and Live our Values

We know that trust is earned by doing the right thing. We are committed to the highest standards of professional behavior in our Firm in everything we do. Ethics and integrity are fundamental to who we are. Within our [Global Code of Conduct](#), we highlight the responsibilities that KPMG people have to each other, to our clients, and to the public. This shows how our values inspire our highest aspirations and guide all our behaviors and actions.

In our Firm, we provide annual training to all partners and professionals on the Global Code of Conduct, integrity, anti-bribery and corruption, and compliance with laws, regulations, and professional standards.



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KPMG’s ethical decision-making framework, CARE (Consider, Assess, Respond, Evolve), is centered on building and reinforcing trust and is aligned with our purpose, values, and Code of Conduct. A model shared across the organization, CARE helps our people make ethical decisions, especially when facing a challenging situation or ethical dilemma, and reinforces that they do not have to make these decisions alone.

CARE

Ethical decision-making framework

Consider
what is the issue



Assess
options to address the situation



Respond
with decision



Evolve
and reflect



Fonte: KPMG International OIP

7.2 Maintain an objective, independent, and ethical mindset

KPMG International’s independence policies and procedures incorporate the IESBA Code of Ethics, covering areas such as member firm independence, personal independence, member firm financial relationships, employment relationships, partner rotation, and the approval of audit and non-audit services.

Local policies and procedures are added to the global policies to ensure compliance with local independence standards.

KPMG in Brazil has designated an Ethics and Independence Partner (EIP), who has primary responsibility for directing and implementing ethics and independence policies and procedures in Brazil. Our Ethics and Independence Partner (EIP) is responsible for communicating and implementing KPMG policies and procedures and ensuring that any additional local independence policies and procedures are established and effectively implemented when they are more stringent than KPMG International’s requirements.

Automated tools identify potential independence and conflict of interest issues and facilitate compliance with these requirements. The compliance of member firms with independence requirements is part of [KPMG’s Quality and Compliance Evaluation Program \(KQCE\)](#).

7.2.1 Independence - Personal financial relationships

KPMG member firms and KPMG professionals are required to remain free from prohibited financial interests and relationships with assurance and audit clients of KPMG member firms (defined as “audit client” including their related or affiliated entities), their management, directors, and when required, their significant shareholders. All partners, regardless of their member firm or role, are generally prohibited from holding securities or shares in any audit client of any KPMG member firm.

KPMG member firms use a web-based independence compliance system to assist professionals in complying with personal investment independence policies. The system facilitates monitoring by identifying and reporting non-permitted investments and other non-compliant activities (e.g., late reporting of an investment acquisition).

We monitor the compliance of partners and managers with this requirement as part of our independence compliance audit program. KPMG International provides guidance and necessary procedures related to the audit and inspection by KPMG member firms regarding personal compliance with KPMG’s independence policies. This includes sampling criteria, including the minimum number of professionals to be audited annually.



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In 2024, more than 120 partners and professionals at KPMG in Brazil were subjected to these audits (this included approximately 20% of our partners).

7.2.2 Independence - Employment relationships

Any KPMG professional who provides services to an audit or assurance client, regardless of their role, is required to notify the EIP of their member firm if they intend to enter into employment negotiations with that client. For partners, this extends to any audit client of any KPMG member firm that is a public interest entity (PIE). Specific restrictions, including cooling-off periods in certain cases, apply before accepting certain roles at audit and assurance clients.

7.2.3 Independence - Member firm financial relationships

KPMG member firms must also be free from prohibited interests and relationships with audit clients, their management, directors, and, when required, their significant shareholders.

KPMG's independence compliance system is used to record material direct and indirect investments in listed entities and funds (or similar investment vehicles), as well as in unlisted entities and funds. This includes investments held in pension funds and private retirement plans.

KPMG's capital loan and financing relationships,

as well as custody, trust, and brokerage accounts holding member firm assets, must also be recorded.

Annually, we confirm compliance with independence requirements as part of [KPMG's Quality and Compliance Evaluation Program \(KQCE\)](#).

7.2.4 Independence - Business relationships/suppliers

We have established policies and procedures to ensure that our business relationships with audit and assurance clients are maintained in accordance with the IESBA Code of Ethics and other applicable independence requirements, such as those promulgated by the U.S. Securities and Exchange Commission (SEC).

This includes establishing and maintaining a process to evaluate potential agreements with third parties (e.g., business alliances and joint working agreements, etc.), with particular attention to those that may impact auditor's independence.

7.2.5 Independence - Business acquisitions, admissions, and investments (if applicable)

Any acquisition or investment in a business requires that due diligence procedures are performed to the extent deemed necessary on the potential target to identify and address any

potential independence and risk management issues before completing the transaction. Specific consultations with KPMG International are required to ensure that independence and other issues are addressed during the integration process of the acquired business into the global organization.

7.2.6 Independence - Training and independence confirmations

All KPMG partners and client-facing professionals, as well as other individuals, must complete independence training upon joining KPMG and annually thereafter, in addition to signing an annual compliance confirmation.

7.2.7 Independence - Non-audit services

All KPMG member firms must, at a minimum, comply with the IESBA Code of Ethics and applicable laws and regulations related to the scope of services that can be provided to audit clients.

KPMG's mandatory conflict and independence identification system supports compliance with independence requirements. Certain information about all prospective engagements, including detailed service descriptions, deliverables, and estimated fees, must be entered into this system as part of the service acceptance process. When the engagement is for an audit client, an assessment of potential independence threats and safeguards must also be included when



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submitting the request in the system.

Lead Audit Engagement Partners (LAEPs) must keep the organizational structures of their clients that are public interest entities and some other audit clients, including their related or affiliated entities, up to date. They are also responsible for identifying and assessing any threats to independence that may arise from providing a potential non-audit service and the available safeguards to address these threats.

KPMG member firms are prohibited from evaluating or compensating audit partners based on the sale of non-audit services to their audit clients.

7.2.8 Independence - Fee dependence

KPMG member firms have agreed to consult with the Regional Risk Management Partner when the total fees from a public interest entity (PIE) audit client exceed 10% of the KPMG member firm's annual fee revenue for two consecutive years.

If the total fees from a PIE audit client and its related entities represent more than 15% of the total fees received by a KPMG member firm in a single year, this must be reported to the audit client's governance body. If the total fees continue to exceed 15% for two consecutive years, a partner from another KPMG member firm must be engaged as the Engagement Quality Control Reviewer (EQCR), and the fee dependence must be publicly disclosed.

7.2.9 Independence - Avoiding conflicts of interest

All KPMG member firms and all KPMG people are responsible for identifying and managing conflicts of interest, which are circumstances or situations that have, or may be perceived as having, an impact on the member firm's and/or its partners' or employees' ability to be objective or act without bias.

All KPMG member firms must use the mandatory system for checking potential conflicts and independence threats so that they can be addressed in accordance with legal and professional requirements.

KPMG employees and member firms are prohibited from offering or accepting incentives, including gifts and hospitality, to or from audit and assurance clients, unless the value is trivial and insignificant.

7.2.10 Independence – Violations to the independence requirements

KPMG professionals are required to report an independence violation to the EIP of our Firm as soon as they become aware of it. Violations of the IESBA Code of Ethics' independence requirements or other external independence requirements must be reported to those charged with governance of the client as soon as possible, except when an alternative timeline for less significant violations has been agreed upon with

those charged with governance.

We have a disciplinary policy regarding violations of independence policies, which incorporates additional sanctions reflecting the severity of any violations.

7.2.11 Independence - Partners and Firm rotation

Partner rotation

Our partners are subject to periodic rotation of their responsibilities to audit clients. The requirements limit the number of consecutive years in which partners, in certain roles, can provide audit services to a client, followed by a "cooling-off" period during which these partners are restricted from performing certain functions for that client.

Audit Firm rotation

KPMG in Brazil is subject to periodic rotation as the auditor of audit clients subject to the audit Firm rotation rule established by the Brazilian Securities and Exchange Commission (CVM) in Resolution CVM No. 23. This rule mandates a maximum period of five fiscal years or ten fiscal years if all provisions presented in this resolution are met. A minimum interval of three consecutive fiscal years must occur before the audit Firm can return.

We have processes in place to track and manage compliance with the audit Firm rotation requirements.

7.3 Maintain zero tolerance of bribery and corruption

We have a zero-tolerance policy for bribery and corruption.

Partners and professionals of KPMG member firms are required to undergo training on compliance with laws, regulations, and professional standards related to anti-bribery and corruption, including the reporting of non-compliance or suspected non-compliance.

More information about KPMG International's anti-bribery and corruption policies can be found on the Anti-Bribery and [Corruption Prevention page](#).



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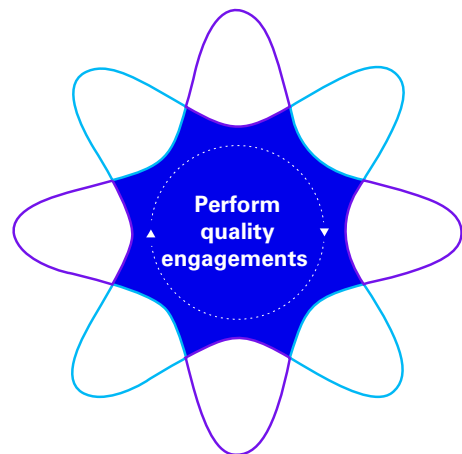
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8. Perform quality engagements

The way an audit is conducted is as important as the outcome. KPMG partners and professionals are expected to demonstrate behaviors consistent with our Values and comply with all policies and procedures for conducting effective and efficient audits.

8.1 Consult when appropriate

8.1.1 Encouraging a culture of consultation

KPMG International promotes a culture where consultations are encouraged and recognized as a strength that supports engagement teams in the decision-making process. Consultations are a fundamental element of audit and assurance quality, encouraging all KPMG professionals to consult when faced with complex or contentious matters.

Our Firm has established protocols for consulting and documenting significant matters, including procedures to facilitate the resolution of differences of opinion on engagement issues. Additionally, KPMG's audit, assurance, reporting,

and risk management manuals include specific consultations on certain matters.

8.1.2 Technical consultation and global resources

Technical support for accounting, audit, and assurance is available to all member firms through various global teams of subject matter experts.

Global Audit Methodology Group (GAMG)

Develops KPMG’s audit and assurance methodologies based on the requirements of the applicable auditing and assurance standards of the International Auditing and Assurance Standards Board (IAASB), the Public Company Accounting Oversight Board (PCAOB), and the American Institute of CPAs (AICPA).

Global Solutions Group (KGSG)

Develops and implements global audit and assurance solutions, including new technologies and automation innovations. The teams from GAMG and KGSG bring diverse experiences and innovative thinking to further develop KPMG’s audit and assurance resources.

International Standards Group (ISG)

Promotes consistency in the interpretation of auditing standards issued by the PCAOB among KPMG member firms responsible for auditing components of U.S. companies domiciled

outside the United States, and other companies registered with the SEC but not domiciled in the United States (foreign private issuers), as defined by SEC regulations.

The PSG also provides input for the development of training for auditors involved in audit engagements conducted in accordance with PCAOB standards and, where practicable, is responsible for delivering such training.

Department of Professional Practice (DPP)

KPMG in Brazil’s DPP is dedicated to supporting engagement teams in addressing complex issues related to accounting and auditing standards and matters.

With specialized and appropriate resources, the DPP plays a key role in activities related to the improvement and maintenance of audit quality. Its main objectives include:

- Supporting teams in executing high-quality engagements;
- Contributing to the quality of clients’ financial reports;
- Directing the consistent application of standards and methodology across KPMG;
- Protecting KPMG’s reputation by providing support that mitigates risks related to technical issues faced by the member firm and its clients;
- Participating in regional and global networks;

- Contributing to the establishment of standards and professional development;
- Adding value by developing and maintaining cutting-edge technical knowledge and transforming it into value for our clients and other stakeholders.

DPP professionals draft and represent KPMG’s positions on current issues being discussed by regulatory and standard-setting bodies through active participation in IBRACON (Institute of Independent Auditors of Brazil). The DPP also maintains active communication with the International Standards Group (ISG) and the KPMG Global Solutions Group (KGSG) regarding the implementation of our methodology aligned with international auditing standards.

When circumstances where the engagement team disagrees with the initial response suggested by the DPP exists, or where the resolution of the consultation involves a highly controversial decision, the consultation is submitted to an escalation and conflict resolution process.

The escalation process is triggered in the resolution of technical issues raised in formal consultations submitted to the DPP and related to accounting, auditing, and KPMG methodology matters. The KPMG International Standards Group and the PCAOB Standards Group are also available for consultation support when necessary.



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Professional Practice Partner (PPP)

The Professional Practice Partner (PPP) has regional responsibility for supporting audit teams in interpreting and implementing accounting standards, auditing standards, and related regulatory practices in accordance with the System of Quality Management. PPP professionals provide timely support to audit teams for consultations on specific matters (as established in the consultation matrix) with a commitment to maintaining objectivity, professional skepticism, ethics, and integrity.

8.2 Critically assess audit evidence, using professional judgment and skepticism

In all KPMG audits, the nature and extent of the audit evidence we gather are responsive to the assessed risks. We consider all evidence obtained during the audit, including contradictory or inconsistent evidence. Each team member must exercise professional judgment and maintain skepticism throughout the audit engagement.

Professional skepticism requires a questioning mind and alertness to contradictions or inconsistencies in the audit evidence.

Professional judgment encompasses the need to be aware and alert to biases that may pose threats to sound judgments.

8.3 Guidance, coaching, supervision, and review

8.3.1 Embedding ongoing coaching, supervision, and review

We promote a coaching culture aimed at supporting our professionals to reach their maximum potential.

The fundamentals of coaching are embedded in the audit training curriculum. We support a continuous learning environment where KPMG partners and professionals contribute to building team capacity by guiding other team members and sharing experiences while directing, supervising, and reviewing their work.

8.3.2 Engagement Quality Control Reviewers (EQCR)

The EQCR is a crucial part of our quality management approach.

We assign an EQCR to each engagement, including any review related to interim financial information, of all listed entities, unlisted entities with a certain risk profile, engagements that require an EQCR according to applicable laws or regulations, and other engagements, including certain assurance engagements, as designated by our Risk Management Partner (RMP) or our Audit Leader.

An EQCR is an objective assessment of the significant judgments made by the audit team and the related conclusions, performed by the EQCR partner, and completed on or before the date of the report. The evaluation of significant judgments by the EQCR includes an analysis of the audit team's assessment of significant risks, including fraud risks, the related responses, and whether the respective conclusions reached are appropriate.

The audit is only concluded when the EQCR is satisfied that all significant issues raised have been resolved.

8.4 Appropriately support and document conclusions

8.4.1 Reporting

Lead engagement partners form their opinions and conclusions for audit, assurance, and review engagements based on the work performed and the evidence obtained.

When preparing audit and assurance reports, lead engagement partners have access to guidance and technical support through consultations with our Department of Professional Practice (DPP), especially when there are significant matters to be reported to the users of the auditors' report (e.g., when there is a modification to the audit opinion or the inclusion of an "emphasis of matter" or "other matters" paragraph).

8.4.2 Audit documentation

Our Firm's audit documentation is prepared and completed in accordance with KPMG International's policy and the applicable auditing standards. We have implemented safeguards to protect the confidentiality and integrity of client and Firm information and have reduced the allowed period to complete the audit documentation.



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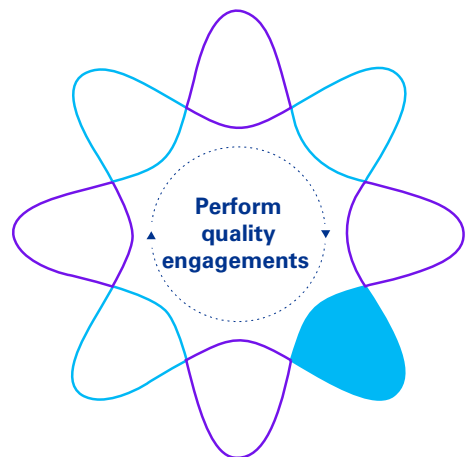
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9. Assess risks to quality

The quality of KPMG's audit and assurance services is based on the System of Quality Management, and our approach to ISQM 1 emphasizes the consistency and robustness of controls within our processes.

9.1 Identify risks to quality and Implement effective responses

KPMG International conducts an iterative annual risk assessment process (i-RAP) to determine the expected quality objectives, risks (and responses to those risks, including controls) that all KPMG member firms agree to adopt.

Recognizing that we are responsible for ensuring our System of Quality Management complies with ISQM 1, we also conduct our own annual risk assessment (i-RAP), taking into consideration the facts and circumstances of our Firm to determine if there are any incremental quality objectives, quality risks, risk points in the process, or responses to those risks, including controls.

The global approach is consistent and:

- Defines the minimum controls to be implemented in response to globally identified risks to meet quality objectives;
- Defines the methodology used by KPMG member firms in their annual assessment to demonstrate that the controls are implemented and operating effectively.



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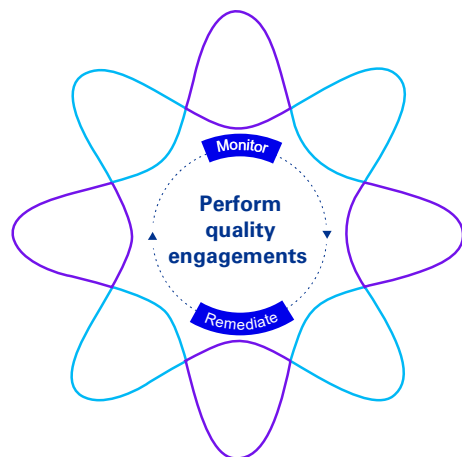
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10. Monitor and remediate

Integrated quality and compliance monitoring programs enable KPMG member firms to identify quality deficiencies, conduct root cause analyses, and develop, implement, and report remediation plans, both for individual audit engagements and concerning the System of Quality Management.

10.1 Rigorously monitor and measure quality

10.1.1 Commitment to continuous improvement

We are committed to continuously enhancing the quality, consistency, and efficiency of KPMG audits in Brazil. Quality and compliance monitoring programs are globally consistent across all member firms, including the nature and extent of testing and reporting. In our Firm, we compare the results of our internal monitoring programs with the results of any external inspection programs and take appropriate actions.

10.1.2 Internal monitoring and compliance programs

KPMG member firms have agreed to use quality and compliance monitoring programs developed by KPMG International to identify quality issues, perform root cause analyses, and develop remediation plans for both individual audits and the overall System of Quality Management.

The programs evaluate:

- The performance of engagements in compliance with applicable professional standards, laws, and regulations, and with key KPMG International policies and procedures.
- Our Firm's compliance with key KPMG International policies and procedures and the relevance, adequacy, and effectiveness of key quality control policies and procedures.

Our internal monitoring and compliance programs also contribute to assessing the operational effectiveness of our System of Quality Management.

These programs include:

- Quality Program Review (QPR)
- KPMG Quality & Compliance Evaluation Program (KQCE)
- Global Quality & Compliance Review (GQCR)

The results and insights from the integrated monitoring programs are communicated internally, and action plans are established to make improvements where necessary. The results are also considered by KPMG International.

Audit Quality Program Review (QPR)

The Audit Quality Program Review (QPR) evaluates performance at the engagement level and identifies opportunities to improve audit quality.

Risk-based approach:

Each lead audit and assurance partner and/or managing director (across all member firms) is reviewed at least once in a four-year cycle. A risk-based approach is used for the selection of engagements.

The QPR was developed by Global Quality & Risk Management. We conduct an annual QPR program in accordance with KPMG International's QPR instructions, which promote consistency across all KPMG member firms. Responsibility for the QPR lies with our firm's Risk Management Partner. The reviews are performed by an experienced and independent reviewer from another KPMG member firm. QPR results are reported to KPMG International.

Audit QPR assessments:

Consistent criteria are used across the global organization to determine the ratings of engagements and the assessments of KPMG member firms' audit practices.

The audit engagements selected for review are classified as compliant, compliant - improvement needed, or not compliant.

KPMG Quality & Compliance Evaluation Program (KQCE)

The KPMG Quality & Compliance Evaluation (KQCE) program encompasses the testing and evaluation requirements of the KPMG member firm's System of Quality Management necessary to ensure compliance with the International Standard on Quality Management (ISQM 1) and quality and risk management policies. The requirements of the KQCE program must be completed by all KPMG member firms.

The annual KQCE program covers the period from October 1 to September 30 and helps support our conclusion on the operational effectiveness of our System of Quality Management as of September 30 and compliance with quality and risk management policies.

Global Quality & Compliance Review Program (GQ&CR)

The Global Quality & Compliance Review (GQ&CR) program is a monitoring program of KPMG International. The objective of the GQ&CR program is to assess a member firm's compliance with selected KPMG International policies, including those related to governance and the System of Quality Management. Member firms are selected for review using a risk-based approach that considers various factors, including financial



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conditions, country risks, monitoring program results, and people survey results. Each member firm is subject to a GQ&CR at least once in a four-year cycle. The GQ&CR team is composed of independent partners and managers from member firms other than the one being reviewed.

Internal monitoring and compliance program reports

The results of the monitoring and compliance programs are disseminated to our professionals through written communications, internal training tools, and periodic meetings.

The results are also emphasized in subsequent monitoring and compliance programs to evaluate the extent of continuous improvement.

Lead audit engagement partners are notified of the classification of their engagements, which can be: “compliant,” “compliant - improvement needed,” or “not compliant.”

Remediation and monitoring

In our Firm, we develop corrective action plans to address the improvement opportunities identified through our monitoring and compliance programs. Progress on the action plans is monitored, and the results are reported, as appropriate, to regional and global leadership.

10.2 Obtain, assess and act according to the stakeholders’ feedback

10.2.1 Regulators

KPMG in Brazil

CVM

The Brazilian Securities and Exchange Commission (CVM) conducts inspections of our quality control structure based on the provisions of Article 9, items I, “e”, and II of Law No. 6,385, dated December 7, 1976.

The most recent CVM review was initiated during the 2024 fiscal year and is still in the finalization phase.

External peer review

In compliance with the accreditation requirements of the Federal Accounting Council (CFC), KPMG undergoes an external review conducted by another audit Firm of equivalent size every four years. The last review was completed on September 29, 2023, by BDO RCS Auditores Independentes SS Ltda., whose report concluded on the quality control system of KPMG in Brazil’s audit practice for the 12 months ended May 31, 2023. The report was issued without reservations.

PCAOB review

KPMG Auditores Independentes Ltda. is registered with the Public Company Accounting Oversight Board (PCAOB) in the United States and is subject to inspections by the PCAOB at least every three years.

Results of the last two PCAOB inspections in Brazil:

The most recent PCAOB inspection of KPMG in Brazil took place during September and October 2022, with the final report issued by the regulator on October 16, 2023. KPMG performed a root cause analysis of the identified issues, developed a remediation and monitoring plan, and submitted its response to the PCAOB in October 2024.

The PCAOB also inspected KPMG in Brazil during August and September 2019. The public portion of the inspection report was released on July 6, 2021, and both the report and our response are available on the PCAOB’s website. Responses to the issues included in the non-public portion were submitted to the PCAOB.

We consider each of the conclusions and recommendations from regulatory bodies and implement actions to strengthen policies and procedures as appropriate.

KPMG International maintains regular, two-way communication with the International Forum of Independent Audit Regulators (IFIAR), primarily through IFIAR’s Global Audit Quality Working Group (GAQWG), to discuss thematic audit quality issues and the measures taken to address such issues across the organization. We value the open, honest, and transparent dialogue that IFIAR provides on global audit quality issues.

Each KPMG member firm is expected to maintain professional and respectful relationships



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with applicable regulators, including proactive engagement, responding to issues in a timely manner, and taking appropriate corrective actions.

10.2.2 Clients feedback

We proactively seek client feedback through face-to-face meetings and satisfaction surveys sent after the delivery of services. The “Voice of Client” area is dedicated to monitoring client satisfaction.

10.2.3 Monitoring of complaints

We have procedures in place to monitor and address complaints received related to the quality of our work.

10.3 Conduct root cause analysis and design and implement remediation plans

In our Firm, our System of Quality Management provides the foundation for the consistent delivery of quality engagements, and our Root Cause Analysis (RCA) program is an integral component of the monitoring and remediation aspect of the System of Quality Management, driving improvements in audit quality.

Utilizing information from internal monitoring programs, external inspections, and other activities, we identify audit quality issues and

conduct corresponding root cause analyses based on the nature and severity of the issues.

We continue to strengthen our root cause analysis process and have designed our program in accordance with the global root cause analysis training materials and guides issued by KPMG International.

We design and implement corrective actions that address the identified root causes of audit quality issues and subsequently monitor the effectiveness of these actions. RCA corrective action plans and monitoring results are communicated to regional and global leadership.

Our Audit Leader is responsible for audit quality, including the remediation of audit quality issues. Our Firm’s Risk Management Partner, or their designated partner, monitors the implementation of remediation plans.



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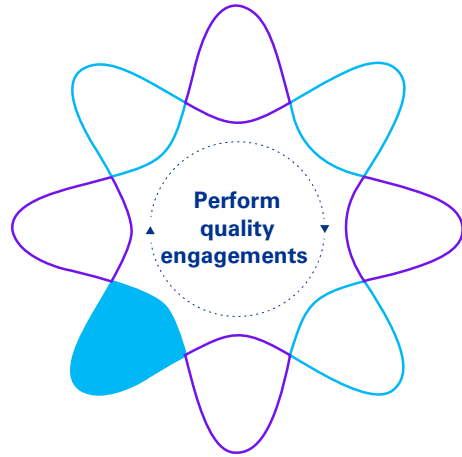
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11. Communicate effectively

We recognize that another important factor in maintaining audit and assurance quality is obtaining and acting promptly on feedback from key users.

11.1 Provide insights and maintain open and honest two-way communication

11.1.1 Communicate with those charged with governance

We emphasize the importance of keeping those charged with governance informed about issues that arise during the audit through guidance and supporting resources. We achieve this through a combination of reports and presentations, participation in audit committee or board meetings, and, when appropriate, ongoing discussions with management and audit committee members.



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Audit committees play a crucial role in supporting audit quality, overseeing the relationship between the company and the auditor, and challenging what auditors do and how they do it.

ACI Institute and Board Leadership Center

In recognition of the important role that audit committees, boards of directors, and fiscal councils play in the capital markets, the ACI Institute and the Board Leadership Center (BLC), both KPMG initiatives, aim to contribute to the continued education of their members through roundtable discussions, studies, research, and analyses.

The ACI Institute and BLC operate in various countries where KPMG is present, including Brazil, and provide audit committee members, boards of directors, and fiscal councils with information and data on relevant issues such as cybersecurity, ESG, and corporate culture. Additionally, they offer the opportunity to network with peers during quarterly roundtable discussions and other seasonal events.

The ACI and BLC are forums exclusive to members of boards of directors, audit committees, and fiscal councils. All activities and materials produced by the ACI and BLC are free of charge.

The contributions of the ACI encompass a set of challenges that audit committees, boards, and the business environment face today—from risk

management and emerging technologies to global strategy and compliance.

In Brazil, the ACI has been present since 2004 and has more than 700 members who meet at regular events and have access to studies, analyses, and research conducted by KPMG. More details and information about the ACI in Brazil are available [here](#).

Global IFRS Institute

Our [Global IFRS Institute](#) offers information and resources to assist audit committee members, executives, administrators, users, and government representatives in obtaining insights from leaders on updates related to financial and sustainability reporting standards.

11.2 Conduct and follow up on the Global People Survey (GPS)

Only with talented and engaged people can we deliver audits that meet our quality expectations.

Annually, our professionals are invited to participate in KPMG's Global People Survey (GPS) to share their perceptions about their experience working at KPMG. The results can be analyzed by various factors, including functional or geographic area, position, and gender, to provide additional focus for action.

Through the GPS, our Firm measures the engagement of our employees and obtains additional insights into what drives engagement for KPMG people. The GPS includes specific questions about audit quality for those individuals who participated in an audit in the past 12 months, providing us with a particular set of data on audit quality-related issues.

The survey also provides our leadership and KPMG International leadership with insights related to quality and risk behaviors, audit quality, upholding KPMG values, and employee and partner attitudes towards quality, leadership, and tone at the top.

We participate in the GPS, monitor the results, and take appropriate actions to communicate and respond to the survey results. The GPS results and appropriate follow-up actions are also aggregated for the entire global organization and presented to the Global Board of Directors annually.

A specific audit analysis of the GPS results is also conducted with a particular focus on audit quality. The results and key themes are presented to the Global Audit Leadership Team annually for consideration of appropriate corrective actions, if necessary. An annual Global GPS Action Plan for Audit is issued.

12. Financial Information

Total turnover of KPMG in Brazil

The total revenue of KPMG in Brazil from audit services for the year ended September 30, 2024, was R\$ 918.7 million. Additionally, the revenue from other non-audit services for the year ended September 30, 2024, was R\$ 954.9 million, amounting to a total revenue of R\$ 1,873.6 million.

Turnover from audit services of non-European Union (EU) and European Economic Area (EEA) public interest entities, listed in regulated markets in the EU/EEA

For the year ended September 30, 2024, KPMG in Brazil's revenue from the audit of financial statements of public interest entities not belonging to the EU/EEA, with securities traded in EU/EEA regulated markets listed below, was approximately R\$ 13.3 million. The combined revenue figures for the audit of financial statements of public interest entities not belonging to the EU/EEA, with securities traded in EU/EEA regulated markets, were calculated considering the average exchange rates prevailing over the last 12 months ended September 30, 2024. The list below includes public interest entities not belonging to the EU/EEA, whose securities are traded in the European regulated market as of September 30, 2024:

- GP Investments Ltd.
- Seacrest Petróleo Bermuda

Turnover from other services (excluding audit) of public interest entities non-EU/EEA, listed in EU/EEA regulated markets

For the year ended September 30, 2024, KPMG in Brazil did not obtain any revenue from non-audit services of public interest entities not belonging to the EU/EEA, with securities traded in EU/EEA regulated markets.

Total turnover achieved EU/EEA audit firms resulting from the statutory audit of annual and consolidated financial statements (*)

The combined revenue generated by KPMG member firms in EU/EEA member countries from the audit of annual and consolidated financial statements was EUR 2.6 billion during the year ended September 30, 2024. The combined revenue figures for statutory audit in EU/EEA countries were calculated considering the average exchange rates prevailing over the last 12 months ended September 30, 2024.

() The financial information presented represents combined information from KPMG member firms in EU/EEA member countries that provide professional services to clients. The information is combined here solely for presentation purposes. KPMG International does not provide services to clients nor does it generate any revenue from clients*



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13. Partner's compensation

Partners' profit sharing

Partners are remunerated from the distributable profits of KPMG in Brazil (these profits are defined based on the financial statements approved by the Executive Committee and the General Assembly of Partners). The profit distribution for each partner is done based on defined and approved policies that consider their responsibilities, seniority, financial performance, quality aspects, among others. The Compensation Committee (composed of some partners from the Executive Committee) reviews the adherence of the profit distribution to the policies and submits it to the Executive Committee for approval.



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14. KPMG network structure

14.1 Legal Structure

In many parts of the world, regulated businesses (such as audit firms) are required by law to be locally owned and independent. KPMG member firms cannot operate as a multinational corporate entity. KPMG member firms are generally locally owned and managed.

Each KPMG member firm is responsible for its own obligations and responsibilities. KPMG International and other member firms are not responsible for the obligations or responsibilities of any member firm.

Member firms may consist of more than one separate legal entity. If this is the case, each separate legal entity is responsible only for its own obligations and responsibilities, unless expressly agreed otherwise.

Our Firm and all other KPMG member firms are signatories to licensing or sublicensing agreements, the principal effect of which is that all KPMG member firms in the global KPMG organization are members of, or have other legal connections with, KPMG International Limited, a private English company limited by guarantee.

KPMG International Limited acts as a coordinating entity for the overall benefit of KPMG member firms. It does not provide professional services directly or indirectly to clients. Professional services to clients are provided solely by member firms.

Each member firm is part of one of three regions (Americas, ASPAC, and EMA). Each region has a regional board composed of a regional chairman, a regional COO, representation from any sub-regions, and other members as appropriate. Each regional board focuses specifically on the needs of member firms within its region and assists in implementing KPMG International's policies and processes within the region.

KPMG is the registered trademark of KPMG International and is the name by which the member firms are commonly known. The rights of member firms to use the KPMG name and trademarks are contained in agreements with KPMG International. KPMG International and KPMG member firms are not a global partnership, a single firm, a multinational corporation, a joint venture, nor is there an agency relationship or agency between them. No member firm has authority to obligate or bind KPMG International,

any of its related entities, or any other member firm concerning third parties, nor does KPMG International or any of its related entities have such authority to obligate or bind any member firm.

More details about the legal and governance arrangements for the global KPMG organization can be found on the [About Us page of kpmg.com](#).

The name of each audit member firm and the EU/EEA countries in which each member firm is qualified as an auditor or has its registered office, central administration, or principal place of business are available [here](#).



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14.2 Responsibilities of KPMG member firms

KPMG member firms have agreed to comply with KPMG International's policies, including quality standards that govern how they operate and deliver services to clients. This includes having a firm structure that ensures continuity and stability, as well as the capability to adopt global strategies, share resources, serve multinational clients, manage risks, and implement global methodologies and tools.

Each KPMG Firm assumes responsibility for its management and the quality of its work. Member firms commit to a common set of KPMG values.

The status of a Firm as a member of KPMG and its participation in the global KPMG organization can be terminated if, among other things, it fails to comply with the policies established by KPMG International or any of its agreements with KPMG International.

14.3 Professional indemnity insurance

Insurance coverage is maintained concerning claims of professional negligence. The policy provides worldwide territorial coverage.

14.4 Governance structure

The KPMG International governance bodies consist of the Global Council, the Global Board (including its committees), the Global Management Team, and the Global Steering Groups.

Global Council

The Global Council focuses on high-level governance tasks and provides a forum for discussion and open communication among member firms. Among other functions, the Global Council elects the Global Chairman and approves the appointment of the Global Board members. It includes representatives from 52 KPMG member firms.

Global Board

The Global Board is the principal governance and oversight body of KPMG International. The primary responsibilities of the Global Board include approving the global strategy, protecting and enhancing the KPMG brand and reputation, overseeing the Global Management Team, and approving the policies that KPMG Firms have agreed to comply with. It also approves the admission or expulsion of KPMG Firms in the global organization.

It is led by the Global Chairman, Bill Thomas, and includes the Chairman of each of the regions (Americas, Asia-Pacific (ASPAC), and

Europe, Middle East, and Africa (EMA)) and several members who are also senior partners of member firms.

The list of current [Global Board members](#) is available on the leadership page of the KPMG.com website.

Global Board Committees

The Global Board is supported in its oversight and governance responsibilities by several committees, including:

- Executive Committee
- Governance Committee
- Global Quality and Risk Management Committee
- Global Audit Quality Committee

Each of these committees is composed of members of the Global Board and reports directly to the Global Board.

The overall responsibility of the Global Audit Quality Committee is to pursue consistent audit quality across all Firms and oversee KPMG International's activities related to the improvement and maintenance of the consistency and quality of audits, assurance engagements, and the System of Quality Management provided by KPMG Firms. The Global Head of Audit and the Global Head of Audit Quality (who is responsible for overseeing audit quality across



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KPMG for KPMG International) report on audit quality issues to this committee.

Global Management Team (GMT)

The Global Board delegates certain responsibilities to the Global Management Team (GMT). These responsibilities include developing the global strategy, working together with the Executive Committee, and jointly recommending the global strategy to the Global Board for its approval. The GMT also supports KPMG Firms in executing the global strategy and the decisions and policies of KPMG International by the member firms. The GMT promotes KPMG's commitment to being a multidisciplinary organization. The GMT also oversees the activities of the Global Steering Groups.

The GMT is led by the Global Chairman, Bill Thomas. The current list of members of the [Global Management Team](#) is available on the leadership page of the KPMG.com website.

Global Steering Groups

There is a Global Steering Group for each key function and infrastructure area, chaired by the relevant member of the Global Management Team (GMT), and together they help the GMT fulfill its responsibilities. They operate under the authority of the Global Board and the oversight of the GMT. In particular, the Global Audit Steering Group and the Global Quality & Risk Management Steering Group work closely with regional and member firm leadership to:

- Establish and support effective and efficient risk management processes to promote audit quality.
- Promote and support the implementation of the strategy in the audit functions of member firms, including audit quality standards.
- Evaluate and monitor audit quality issues, including those arising from quality and regulatory reviews, and focus on best practices that reduce audit quality findings.

The roles of the Global Audit Steering Group and the Global Quality & Risk Management Steering Group are detailed in the [“Governance and Leadership” section of the KPMG International Transparency Report](#).

15. Statement on the effectiveness of the System of Quality Management of KPMG Auditores Independentes Ltda. As of 30 September 2024

As required by the International Auditing and Assurance Standards Board (IAASB)'s, International Standard on Quality Management (ISQM1) and KPMG International Limited Policy, KPMG Auditores Independentes Ltda. (the "Firm" and/or "KPMG") has responsibility to design, implement and operate a System of Quality Management for audits or reviews of financial statements, or other assurance or related services engagements performed by the Firm. The objectives of the System of Quality Management are to provide the Firm with reasonable assurance that:

a) The Firm and its personnel fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and

b) Engagement reports issued by the Firm or engagement partners are appropriate in the circumstances.

KPMG Auditores Independentes Ltda. outlines how its System of Quality Management supports the consistent performance of quality engagements in its Transparency Report.

Integrated quality monitoring and compliance programs enable KPMG Auditores Independentes Ltda. to identify and respond to findings and quality deficiencies both in respect of individual engagements and the overall System of Quality Management.

If deficiencies are identified when KPMG Auditores Independentes Ltda. performs its annual evaluation of the System of Quality Management, KPMG Auditores Independentes

Ltda. evaluates the severity and pervasiveness of the identified deficiencies by investigating the root causes, and by evaluating the effect of the identified deficiencies individually and in the aggregate, on the System of Quality Management, with consideration of remedial actions taken as of the date of the evaluation.

Based on the annual evaluation of the Firm's System of Quality Management as of 30 September 2024, the System of Quality Management provides the Firm with reasonable assurance that the objectives of the System of Quality Management are being achieved.



Charles Kriek
Chairman of KPMG in Brazil and South America



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Appendix 1 - Key legal entities and nature of KPMG's businesses in Brazil

Key legal entities and nature of KPMG's businesses in Brazil.

Entity name	Legal structure	Regulatory status	Nature of business
KPMG Auditores Independentes Ltda.	Single Limited Liability company	Registered with the CRC-SP under no.2 SP-014428/O-6 Registered with CVM under no. 4189	Auditing services and other services inherent to the accounting profession
KPMG Assessores Ltda.	Single Limited Liability company	Registered with the CRC-SP under no. 2RJ003789/O-8 T SP Registered with the CRA-SP under no. 022896 Registered with CORECON-SP under no. 6.575	Services and training and/or capacity building in technical knowledge in the areas of accounting, economics and finance, and administration, and consulting and advisory services in information technology
KPMG Assurance Services Ltda.	Single Limited Liability company	Registered with the CRC-SP under no. 2SP023228/O-4	Auditing and other services inherent to the accounting profession, including training and/or qualification in accounting matters
KPMG Consultoria Ltda.	Single Limited Liability company	Registered with the CRA-SP under no. 010650 Registered with the CORECON-SP under no. 6.344 Registered with the CREA-SP under no. 1998698	Multi-professional services in the areas of administration, economics, information technology, psychology, and engineering, among others
KPMG Corporate Finance Ltda.	Single Limited Liability company	Registered with the CRA-SP under no. 021599 Registered with the CORECON-SP under no. 4.666	Consulting and business and strategic advisory services, technical evaluations of companies, financial and economic advisory, and expertise, among others
KPMG Financial & Actuarial Services Ltda.	Single Limited Liability company	Registered with the CRA-SP under no. 019320 Registered with the CORECON-SP under no. 5.982 Registered with the IBA under no. 48	Services inherent to the activities of the actuarial profession, including the activity of independent actuarial auditing



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Appendix 2 - Details of those charged with governance at KPMG in Brazil



Members of the KPMG Executive Committee in Brazil (from left to right): Jean Paraskevopoulos (Leader of Clients & Markets), Marcus Vinicius (Leader of Tax), André Coutinho (Leader of Advisory), Cláudio Sertório (COO), standing; Luciene Magalhães (Leader of PPC), Frank Meylan (Leader of Technology, Digital Transformation and Innovation), Carlos Pires (Leader of Audit and Assurance), Charles Kriek (Chairman), and Danilo Simões (Risk Management Partner), seated.

Details of those responsible for our governance

KPMG International has a robust governance structure to guide and monitor the activities of member firms. Our governance structure follows the same standards, incorporating our own bodies for coordination and management monitoring, in compliance with Brazilian laws.

The primary objectives of our governance are to keep the client at the center of everything we do and to establish ourselves as leaders in innovation, technology, and execution. At the same time, quality, efficiency, and people are essential pillars for achieving efficiency.

The Executive Committee is responsible for the annual strategic planning — in alignment with the global strategy — as well as for the

overall supervision and direction of activities. It is composed of the Chairman and up to eight partners appointed by him, usually leaders of the main business practices. As an executive body that accumulates management and strategic definition functions, its fixed composition does not include independent (non-executive) members. The Executive Committee relies on the General Assembly of Partners to discuss and approve strategic and management guidelines.

The Executive Committee is supported by ten subcommittees: Finance Subcommittee; Partner Rights Subcommittee; Operational Subcommittee; Inclusion, Diversity, and Equity Subcommittee; Compensation Subcommittee; Human Capital Subcommittee; Innovation and Enterprise Solutions Subcommittee; Risk Subcommittee; ESG Subcommittee; Disciplinary Subcommittee.

For more details on the governance structure of KPMG in Brazil, please refer to our KPMG 2024 Sustainability Report.

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