



# 2022 Our Impact Plan: Canada



KPMG acknowledges that Indigenous Peoples are the traditional guardians of this extraordinary land that we now call Canada. We are grateful to live and work here, and humbly support efforts in our communities across the nation based on dignity, trust and cooperation. We are committed to learning about our shared past and pursuing a new and more inclusive, collaborative and respectful path towards a better future.

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Reducing our impact on the environment to build a more sustainable and resilient future.



Creating a caring, inclusive, purpose-led and values-driven culture for our people.



Driving purposeful business practices and good corporate citizenship.



Our purpose and values lie at the heart of the way we do things. To do the right thing, the right way, always.

# A message from our CEO

Thank you for opening the pages of **Our Impact Plan: Canada**. I am proud to share the progress our people have made in championing equitable, sustainable, and prosperous communities, both within our firm and the places we call home.

This report has the distinction of being KPMG in Canada's first comprehensive Environmental, Social and Governance (ESG) update, adding a new milestone to KPMG's 150-year history of serving Canadians, inspiring confidence, and empowering change. And as we move forward, we will continue enhancing the way we track and communicate our efforts across our environmental, social, and governance commitments.

We have plenty of stories and commitments to share. Ahead, you'll see how we're working toward our goals of achieving net-zero emissions by 2030, enhancing diversity among our leadership and teams, and promoting positive and sustainable social changes through internal groups like Our Impact Plan Steering Committee, the Environmental Council, and the Inclusion, Diversity & Equity Council. You'll also learn about the numerous initiatives we have introduced to assume greater ownership over key social and environmental issues, be it through nature-positive events, employee health and well-being programs, community alliances and engagement, or the launch of our Truth and Reconciliation Action

Plan, which we created in consultation with KPMG's Indigenous Peoples Network and Indigenous communities.

We're living through increasingly complex times, and the path to making a long-term, sustainable impact is ever-shifting. While it's been a year of quantifiable progress, we know our work is far from over. To claim victory at any point is to dismiss the reality that the needs of our people, communities, and planet are always evolving. We are committed to following that path wherever it leads, and we hope you join us in reflecting on the meaningful steps we have taken over the past year.

Thank you for reading,



**Elio Luongo**

CEO and Senior Partner  
KPMG in Canada

# About this report

KPMG in Canada (referenced as 'KPMG') is continuing its journey to become a more purposeful business and corporate citizen. We recognize that making true progress means placing environmental, social and governance (ESG) principles at our core. Only then can we serve an impactful role in building prosperous, resilient, diverse, and inclusive workplaces and communities.

Our disclosures in this report have been informed by the World Economic Forum's (WEF) International Business Council (IBC) metrics as they relate to the four key pillars of Planet, People, Prosperity, and Governance.

Our Impact Plan sets out to share KPMG's ESG vision, enhance our accountability, and illustrate our progress across each pillar as it relates to our identified areas of impact: our people, our clients, and our communities. It includes ESG updates from teams across our firm, including our national and regional Impact teams, Our Impact Steering Committee, Inclusion, Diversity & Equity Council, Governance teams, the KPMG Foundation, and our business operations.

## Material issues

We have outlined our commitments across the four pillars on issues that are most material to our internal and external stakeholders. They include:

### Planet

- Environmental sustainability

### People

- Purpose, culture, values
- Inclusion, Diversity and Equity
- Employee well-being
- People development

### Prosperity

- Purposeful business
- Technology and innovation
- Impact in our communities

### Governance

- Ethics, integrity, independence
- Trust

A high-level summary of our data and a list of our disclosures have been provided in the [Appendix](#). To demonstrate our ongoing progress, these disclosures will expand as our ESG commitments and reporting evolve.

This report covers activities of KPMG and will be differentiated from the KPMG International global organization, where needed. Unless indicated otherwise, it covers KPMG's activities from October 1, 2020, to September 30, 2021, abbreviated as 'FY21.' Information in this report aligns with KPMG International's [Our Impact Plan](#) and includes complementary information and commitments where specified.



## Our highlights at a glance

### Planet

Committed to achieving **net-zero carbon emissions** by 2030

**100%** renewable electricity starting in 2022

Set an **internal carbon price**

**16%** reduction in net emissions since 2019

**29%** reduction in net emissions per individual since our baseline year in 2019

### People

Launched KPMG's **Truth and Reconciliation Action Plan**

Set targets to increase representation by 2026 in our workforce to: **1.7% Indigenous Peoples, 5% Black people, and 6% people with disabilities**

Increasing targets to **33% women** and **26% people of colour** in our Partnership by 2025

**\$2,000** in mental health benefits for each of our people and family members

## Our highlights at a glance

# Prosperity

**US\$1.5 billion** global investment over next 3 years to focus on ESG change agenda

**CAD \$9.5 million** in community investments

**36,422\*** hours volunteered, including pro bono

**8,760** full-time employees in FY21, 12% growth from FY20. Plus 20% growth in FY22.

Co-developed global strategy to economically empower **10 million** disadvantaged youth by 2030

*\*includes volunteer hours that are firm sponsored and on employees' own time*

# Governance

Management Committee comprising **57% women, 14% people of colour**

Established Our **Impact Steering Committee** and **Environmental Council** to complement **Inclusion, Diversity & Equity Council** to advance ESG commitments

**99%** of partners and employees completed training on KPMG's Code of Conduct and anti-corruption policies and procedures

# Planet

Reducing our impact on the environment to build a more sustainable and resilient future.



# Our commitments

- **Achieve net-zero carbon emissions by 2030**
- **Sourcing 100% renewable electricity starting in 2022**
- **Setting an internal carbon price starting in 2023**
- **Reporting our sustainability performance**
- **Nurturing an environmentally aware and active workforce to drive change in our communities**

## Committed to change

Earth's natural resources and ability to nurture life are being stretched to their limits. Every year brings new headlines of climate change disasters and ecological collapses which threaten our future as a species. Humanity is nearing a tipping point from which it may not return, but we are far from helpless.

Today, many are working to turn the tide, and the member firms of KPMG are proud to count themselves among them. As a global organization, we have a clear role to play in a just transition to net zero. In 2020, we committed to set a science-based target (SBT) aligned with a 1.5°C trajectory. Our global carbon reduction target was validated by the Science Based Targets initiative (SBTi) in 2021, committing us to reduce our emissions by 50 percent by 2030. Our goal in Canada is to also reduce our emissions by 50 percent. We are embracing more sustainable and equitable practices across our operations and communities to create a healthier and more resilient future. This includes embarking on a mission to reach net-zero carbon emissions by 2030; continually assessing our approach to climate change, water pollution, deforestation, and biodiversity loss; and driving awareness for these issues among our people, collaborators, and respective markets.

KPMG in Canada's environmental commitments reflect these global ambitions. Like our international peers, we have established our own commitments and related strategies to put us on the path to net zero.

# KPMG's environmental strategy

Here are the five pillars of our national strategy:

## People engagement

Providing our people with eco-forward technologies, education, and awareness initiatives that engage them in our environmental commitments.

## Governance

Establishing internal structures and policies that champion best practices across our firm.

## Decarbonization

Implementing best practices, training, and technologies needed to reduce emissions, both within our operations and across our engagements.

## Nature and biodiversity

Exploring ways to reduce our environmental impact, forging eco-forward collaborations, and enhancing employee awareness.

## Circularity

Exploring and developing office strategies for our assets and practices to reduce waste.

## People of KPMG: Emily Martins



Emily Martins stepped up as leader of our Quebec Environment Committee in 2020, bringing her passion for bettering the planet and empowering peers to do the same. Emily assumed her new role during the early days of the pandemic when KPMG's sustainability activities were limited. During this time, she and her dedicated team of colleagues seized an opportunity to re-ignite our people's mindfulness about environmental issues by organizing sustainability-focused lunch and learn sessions, arranging community clean-ups, launching recycling initiatives, and creating a rooftop garden to make our office a greener space while donating the produce to local organizations.

Emily's desire to influence making positive changes for the environment extends beyond the committee. She has also had the opportunity to collaborate with our ESG teams to support the formulation of strategies and methodologies to help our clients become more sustainability-conscious and reduce their environmental impact.

"When I think about it, I realize that there is still so much to do to change the world... and that's what motivates me. I encourage those who want to help the planet to take small actions, whatever they may be. You never know how this can encourage others to act positively, as well."

-Emily Martins, Manager, Strategy – Deal Advisory

## People engagement

Our people are the backbone of our environmental commitments. As such, KPMG continues to provide the tools, education, and opportunities for them to learn and respond to pressing sustainability challenges. These are delivered through various channels, be it townhall meetings, virtual and in-person events, volunteer initiatives, multi-media communications, and reports, among other outreach initiatives.

## Making the sustainability connection

In 2022, we implemented two new technology platforms (KPMG YourCause by Blackbaud and Grow Your Impact) to make taking environmental protection actions easier for our people. Volunteering opportunities can be easily identified on KPMG YourCause, while Grow Your Impact makes it convenient for our people to make pledges and take actions, as well as engaging others to do the same. We will continue to leverage these platforms to help our people become changemakers in the community.

## 2022 Earth Day and World Oceans Day

Our environmental commitments thrive on engagement from our people. In 2022, we drove that engagement with several Earth Day and World Oceans Day initiatives.

**Speaking from experience:** For 2022 Earth Day we invited world-renowned polar explorer and environmentalist Robert Swan, OBE, to speak at our Earth Day Townhall. Robert shared insights from his polar expeditions that led him to understand the urgency, leadership and collaboration needed to mitigate climate change, as well as the personal and professional role we all play in preserving the planet. On behalf of everyone who attended, we donated to the [2041 Foundation](#), which aims to engage businesses and community on climate science, personal leadership, and the promotion of sustainable practices. We asked our people to make a pledge and to take action using the Grow Your Impact platform.

On World Oceans Day, we invited experts in the field to share insights about protecting our oceans and their ecosystems. With over 1,000 KPMG people attending our World Oceans Day event with great interest, we plan to continue arranging awareness sessions and volunteering opportunities to continue engagement and action.

## Spotlight on: Earth Day volunteering



Cleaning up along the Lachine Canal.



Members of the GTA Sustainability Committee cleaned up two Toronto parks on Earth Day 2022.

KPMG arranged volunteering activities such as community cleanups and tree planting. One of the many highlights included efforts by KPMG's Environment Committee in Quebec to organize a cleanup group activity along the Lachine Canal. Over 100 KPMG employees across all service functions collected 256 kg of waste in two hours and made sure to recycle the majority of the waste found (including cigarette butts).

In Ontario, the Greater Toronto Area (GTA) Sustainability Committee came together to plan numerous events throughout the year, including an Earth Day cleanup at local parks. The day saw 30 attendees picking up trash at several local parks with a mission to keep the GTA's green spaces clean and protect wildlife from ingesting potentially life-threatening waste.

# Sustainability governance and policies

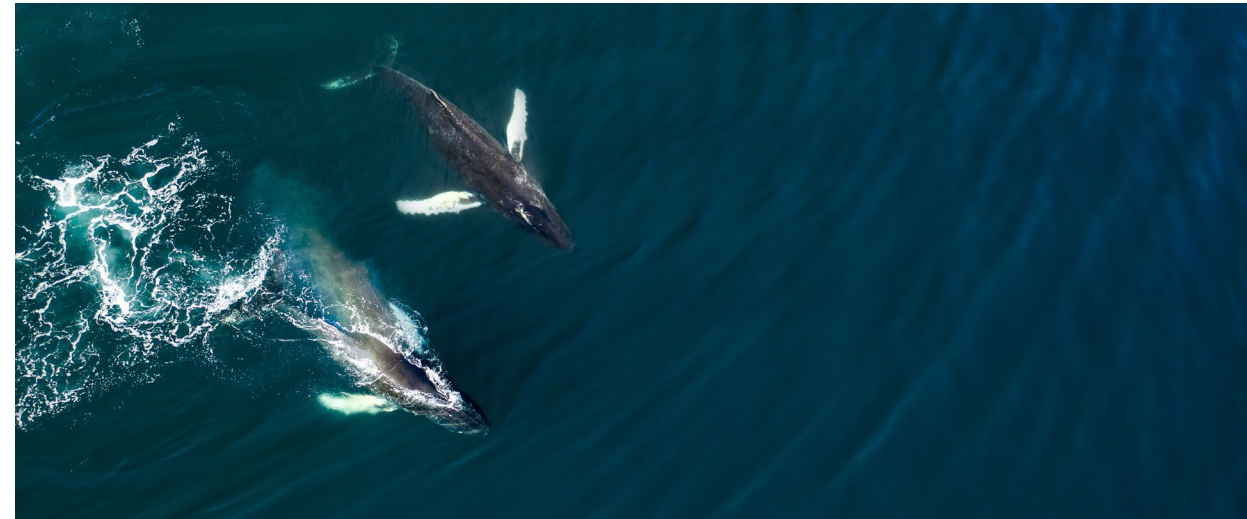
Good governance helps a company keep a tighter ship. It holds the company and its people accountable for their actions and behaviours. In 2022, KPMG established its Environmental Council, which involves practitioners within the firm whose responsibilities have great influence over our environmental impact through our buildings, travel and procurement. This council will strategize and drive various sustainability initiatives to help the firm achieve its ESG goals.

## Sustainability policies

This year, we reviewed and updated our environmental policy, which states our commitment and actions required to reduce our environmental impact. The policy covers areas such as people, clients, energy emissions, supply chain, waste and water, legal and other requirements, as well as community investment.

As a result of reduced travel during the COVID-19 pandemic, our travel emissions dropped by almost 98% in 2021 as compared to 2019. With Covid-19 pandemic restrictions being lifted across the country and expected increase in the demand for client travel, we made changes to our travel policy in March 2022. The policy

aimed to make travel at KPMG more sustainable and reflective of our commitment to reducing our emissions by at least 50% from pre-pandemic levels. We are asking our people to travel with intention and purpose, resulting in thoughtful interactions, as well as keeping in mind the need to lessen our environmental impact by making informed decisions around the way we travel.



# Decarbonization: The path to net zero

As a national organization, achieving net-zero carbon emissions will have a significant impact on the planet's health. To minimize our impact on the environment, we require a structured plan with a series of steps driven by science-based targets. The following current and future actions are sending the firm on a path to net-zero emissions by 2030.

**Reducing our carbon footprint:** In 2020, KPMG in Canada joined KPMG firms across the globe in committing to a net-zero target by 2030. Specifically, we are focused on offsetting 100% of our non-renewable electricity through the purchase of renewable energy certificates in 2022, and reducing further emissions through saving initiatives within our largest emitting offices.

**100% Renewable electricity:** An abundance of renewable resources make Canada a leading nation in the production and use of renewable energy resources. And yet, renewable energy currently accounts for 18.9% of Canada's total primary energy supply.

## Total carbon emissions (in tCO<sub>2</sub>e)

	FY19	FY20	FY21
Scope 1 emissions (gross) in tCO <sub>2</sub> e	3,143	1,771	1,429
Scope 2 emissions (location-based) (gross) in tCO <sub>2</sub> e	2,640	2,558	2,279
Scope 3 emissions (gross) in tCO <sub>2</sub> e	79,810	71,030	68,359
Total carbon emissions (gross) in tCO <sub>2</sub> e	85,593	75,359	72,067

## Emissions per FTE (in tCO<sub>2</sub>e)

	FY19	FY20	FY21
Net tCO <sub>2</sub> e per FTE	11.658	9.678	8.227
Number of full-time employees (FTE)	7,342	7,787	8,760

Hydroelectricity is the most prominent renewable resource, followed by bioenergy and wind power. Quebec, British Columbia and Ontario are best suited for housing these energy forms, based on hydrography and geography. Bioenergy is also primed for further development in areas with significant forestry activities, including British Columbia and Alberta.

Moving forward, alternative energy forms such as solar, geothermal and ocean energy may create opportunities for advancements in renewable energy. Policy and political landscapes are an additional asset to the rapid development of clean energy projects in Western Canada and help propel Canada towards a sustainable and environmentally positive future.

In 2022, we procured renewable energy certificates to achieve our 100% renewable electricity commitment. Going forward, KPMG will explore opportunities to enter into a power purchase agreement to invest in clean energy projects and bring new renewable energy to the grid.

**Setting an Internal Carbon Price:** On October 1, 2022 (FY23), KPMG set a \$40 per metric tonne Internal Carbon Price (ICP) to cover its business travel and business operations. Our ICP will help fund improvements across our value chain by setting a price on the emissions we generate. It will also influence investment decisions while incentivizing and, in some cases, providing the funds for us to

invest in new technologies and solutions. Our ICP will help guide the changes required for us to achieve net-zero targets across our business network.

**Reducing supply chain emissions:** KPMG International reports annually to Carbon Disclosure Program (CDP) on our collective performance and management for climate-related issues. In 2021, we maintained a B grade, representing our coordinated action on climate issues. To strengthen our rating to B+, we have increased our focus on quality assurance, supply chain engagement and further assessment of climate risk.

A global procurement ESG working group has been established with the objective of ensuring our suppliers are helping us achieve our commitments and are aligned with our values. The group's initial priority is to develop and enhance the work of our firms to deliver a net-zero supply chain.

In 2022, KPMG in Canada also joined KPMG International in the CDP's Supply Chain Program, with commitments to develop a low-carbon supply chain. We have reached out to our key suppliers and engaged them in this disclosure program. At the end of 2022, participating suppliers will receive their scores and feedback so that wider principles for supply chain decarbonization can be developed collaboratively.

# Sharing our planet: Nature positive and biodiversity

We welcome our responsibility to raise our people's awareness on concepts such as nature-positive, conservation and biodiversity, and unite them in making nature-positive impacts.



KPMG volunteers helping to support the biodiversity of our adopted acre in Stanley Park by pulling invasive plants.

## Case study: Supporting biodiversity one acre at a time

Our Greater Vancouver Area's Sustainability Committee joined forces with Stanley Park Ecology Society with the mission of maintaining and restoring ecosystems within Stanley Park, a Vancouver landmark. To contribute to the wildlife monitoring and stewardship of biodiversity, we joined their 'Adopt an Acre' program. Over 35 employees volunteered to pull invasive English ivy and learn more about ecological restoration. By helping to remove invasive species at this event, it helped to support biodiversity and healthier ecosystems in Stanley Park.

## Case study: Advancing nature positivity and biodiversity



On this Earth Day, we are very proud to announce the installation of a rooftop urban garden at our South Shore office, in collaboration with [Devimco Immobilier](#). The vegetable and fresh herb harvests will be distributed to a local community organization.

The management of the rooftop urban garden will be taken care of by [MicroHabitat](#), a local company, who is committed to creating greener cities through urban agriculture. Learn more about the organization: <https://bit.ly/3xkMUm2>

Together, #LetsDoThis  
#Earthday

[Voir la traduction](#)



KPMG is acutely aware of its capacity and responsibility to create a sustainable planet for everything that calls it home. To that end, we are proud to lead initiatives that support biodiversity and nature positivity.

There were many such initiatives over the past year. In Toronto, our Sustainability Committee teamed up with the urban beekeepers at Alveole to sponsor a KPMG beehive in Cabbagetown, which today is home to over 22,000 bees. Through this collaboration, the committee invited KPMG people to follow the beehive's progress through an online platform and participation in workshops. We also received 100 jars of KPMG-branded honey at the end of the season, which were given to both our team members and the bees to support their winter hibernation.

Biodiversity is also the guiding factor behind plans to install a rooftop urban garden at KPMG in Quebec's Brossard office. This initiative is an opportunity to green the firm's urban footprint and give back to the community through urban agriculture. Over the next three years, KPMG is working with the urban farming specialists at MicroHabitat and the office building owner to bring this project to life. The garden is producing vegetables and fresh herbs that are harvested for distribution to local community organizations or food banks.

# Closing the loop: Our circularity vision

The promotion of a circular economy is critical to our net-zero goals. That means taking action to ensure used products and materials are not sent to the landfill, but reused or repurposed where possible.

What does that mean for a professional services company that does not produce physical products? It means addressing circularity in our business operations, specifically in relation to the following:

## Technology

Technology is one of KPMG's top expenses on a global level and has a significant impact on our environmental footprint. Many critical resources are part of hardware products, and many of them are becoming scarcer every day. In response, we are continually working to build circularity into our supply chain. For example, our IT team in Canada works closely with our key laptop supplier on a take-back program for our retired laptops, to avoid them being sent to the landfill. It also collaborates with our Office Services to identify opportunities for more circularity initiatives and to procure materials more effectively to minimize waste.

## Catering and hospitality

In 2022, KPMG developed a Green Champions committee who work with their sustainability committees on initiatives with local office teams to increase environmental action and circularity initiatives, including identifying environmental considerations in catering services.

## Offices and real estate services

Globally, KPMG is formulating its circular approach to mitigate climate impact and meet its net-zero carbon emissions by 2030. Using a phased approach allows KPMG to build a solid foundation for its circular transition.

In Canada, we have made strides in mitigating virgin raw material usage in our offices. While each office has adopted strategies to reduce waste and/or switch to recycled materials, we are looking into developing circular office models that include life cycle of furniture, office building selection criteria and certifications.

# People

Creating a caring, inclusive, purpose-led and values-driven culture for our people.



# Our commitments

KPMG is committed to fostering a caring, purpose-led, and values-driven culture for our people. Our mission is guided by our priorities to:

Champion **inclusion, diversity, and equity** in everything we do

Prioritize **health and well-being**

Promote a culture of **continuous learning**

Advocate and respect **human rights** in our work and communities in which we operate

Lead the way in **talent attraction, development, and retention**

# Our Employee Value Proposition

At its core, KPMG is a people business. And when the best people choose to build a career within our firms, we all thrive as a result – our clients, people, communities, and our planet.

When others think about KPMG, we want them to think about the purpose-led, values-driven, and diversely talented individuals that make us who we are. This is why we are driven to make our organization home for our top performing professionals. It's also why we are pleased to introduce a new Employer Value Proposition (EVP) Framework that articulates what makes KPMG a unique employer and corporate citizen. The framework is based on five pillars:

## Do work that matters

Every day, in ways big and small, you make a meaningful and positive difference for clients, people and the communities we serve. Help create opportunity in a world of increasing complexity.

## Come as you are

Your unique experiences and perspectives belong here. Both individually and as a team, you will understand and value the differences that lead to stronger insights and innovation.

## Thrive with us

Build relationships with colleagues who take care of each other. You will have the KPMG community at your side, providing the support you need to be at your best.

## Learn for a lifetime

Grow your own way in an environment where learning is continuous. Feed your curiosity, work with the best on emerging practices and technologies, and gain an advantage for life.

## Make your mark

Your aspirations and initiative make KPMG better. Wherever you work, be recognized for the impact you make, the leadership you show, and the success you create with others.

## Spotlight on: Leaders of Tomorrow Circle



KPMG's 2022 Leaders of Tomorrow with CEO Elio Luongo

Our Leaders of Tomorrow Circle is one of many ways KPMG puts its EVP framework into action. Individuals from across our geographical and functional teams act as a listening and sounding board to our CEO Elio Luongo. At monthly meetings, group members share their honest perspective on firm initiatives and help shape the future of KPMG.

Thanks to the work of the 2021 cohort, we are implementing an external volunteering app to provide our people with even more impactful and meaningful volunteering opportunities. In 2022, the group stayed in front of emerging trends around the Future of Work, and were part of key decisions such as the KPMG Summer Splash initiative.

# Our Inclusion, Diversity, and Equity strategy

Inclusion, Diversity & Equity (ID&E) matters because it promotes a sense of belonging for all of our people. An inclusive culture enables us all to bring our whole selves to work and, in doing so, feel empowered to use our unique voices and reach our full potential.

KPMG's ID&E strategy focuses on three key pillars.

## 01 An equitable & inclusive workplace

We build allyship and actively remove barriers so all our people can bring their whole selves to work, experience belonging, and have equal access to opportunity.

## 02 A mentally healthy & resilient team

Reduce stigma and provide the right tools, education and supports for our diverse team to proactively manage the mental health of themselves, their team members and their families.

## 03 Recognized as inclusion, diversity & equity leaders

We have a strong voice on inclusion with our people, clients & communities and collaborate with external organizations to advance our inclusion & social impact goals.

People with  
Disabilities

Indigenous  
Peoples

People of  
Colour

Black  
People

2SLGBTQIA+

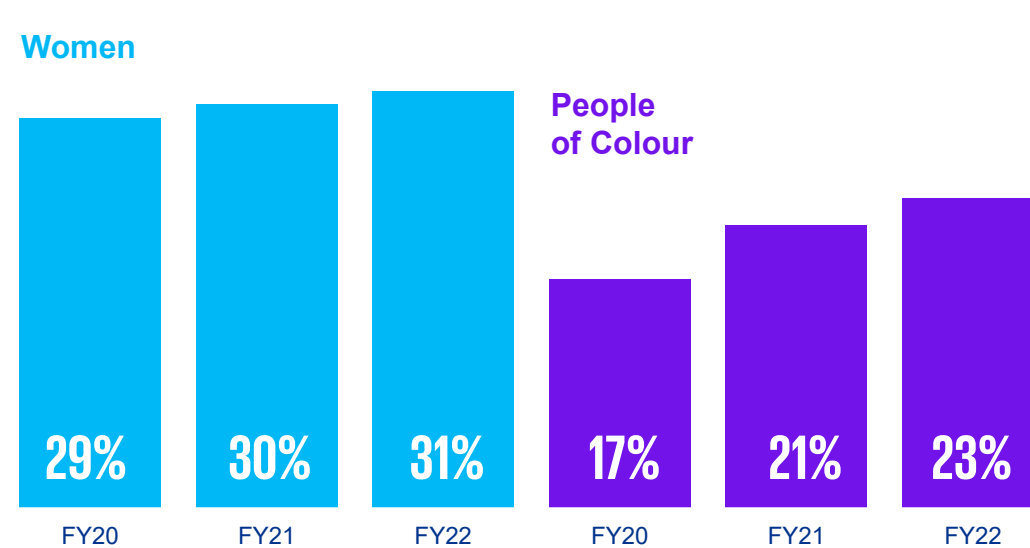
Womxn

Newcomers  
to Canada

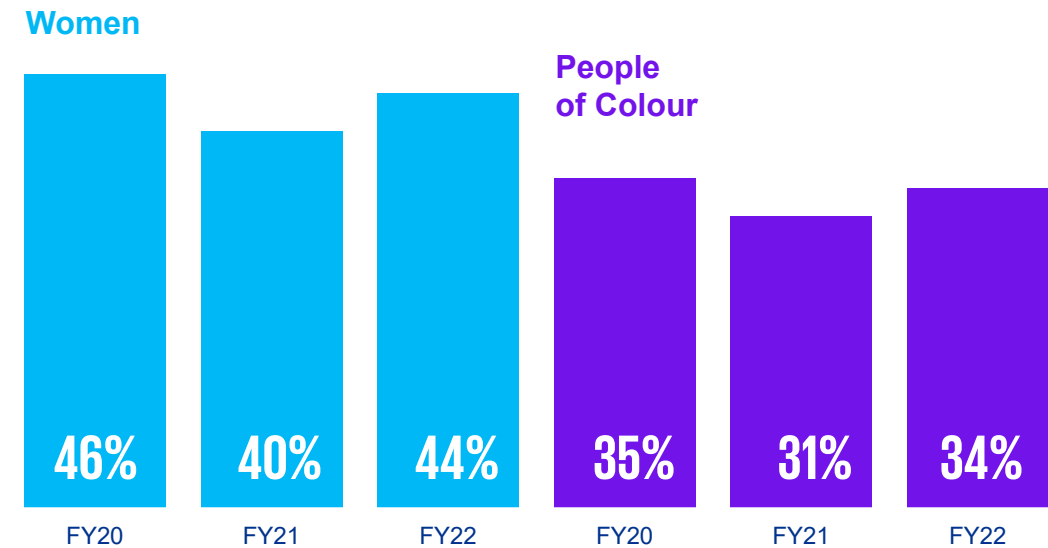
# Strength through diversity

KPMG knows first-hand how diverse skills, experiences, perspectives make a more effective firm for our people and our clients. We are proud to announce that we reached our target of having 30% Women and 20% People of Colour in our Partnership by 2022. Now our goal is to go further, reaching 33% Women and 26% People of Colour by 2025.

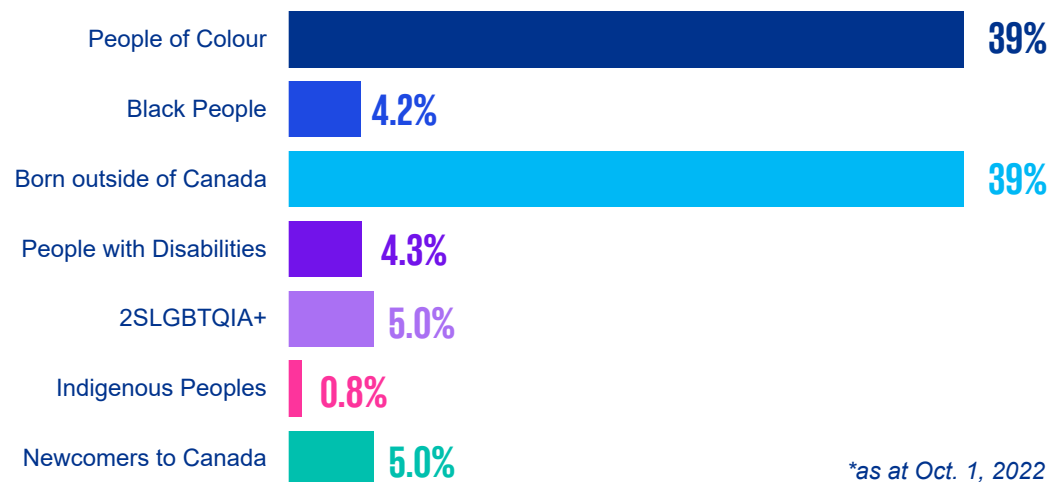
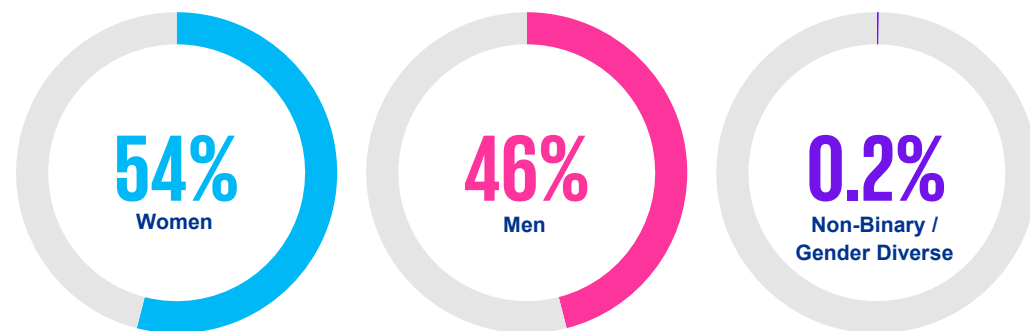
## Diversity of the partnership trends



## Promotion to partner trends



## Diversity of our people\*



Looking forward, our diversity of the firm goal for FY26 is to strive to increase representation of groups where we have not moved the dial on representation, are under-represented in the market, or where we have made external commitments. That includes Indigenous peoples (1.7%), Black people (5%), and people with disabilities (6%).

## ID&E from the top

KPMG recognizes the importance of setting the tone and leadership for ID&E from the top. That is why we appointed a new Chief Inclusion, Diversity & Equity Officer (CID&EO) who also serves as Chair of our Board of Directors and sits at senior leadership tables to ensure considerations for ID&E are embedded in all firm decisions. As well, our CEO co-chairs our Inclusion, Diversity & Equity Council and is strongly committed to building an inclusive workplace in all parts of the firm.

In 2022, KPMG asked all of its partners and leaders to submit at least one goal related to attracting, retaining and advancing diverse talent at KPMG. Members of our National ID&E Council and the Management Committee are leading the way by committing to ID&E goals that are personal, meaningful, and aligned to their roles.

## People of KPMG: Rob Davis



“Being elected Chair of the Board of Directors of KPMG in Canada has been a long journey since I came to Canada from Jamaica as a young boy. I started at the firm straight out of university, but while my mentors kept saying I was Partner material, when I looked at leaders across the firm, I didn’t see people who looked like me. More and more, a priority is being made at the leadership level to ensure it’s representative of all Canadians. As Chair of the Board and KPMG in Canada’s Chief Inclusion, Diversity & Equity Officer, I have the opportunity to make sure my perspective and lived experience — which is shared by millions of Canadians across the country — are heard and considered during the decision-making process. These roles have not only given me a seat at the table but allowed me to lead by example as a champion of inclusion and diversity; it sends a pretty powerful message to people across the firm.”

- Rob Davis, Chief Inclusion, Diversity and Equity Officer, Partner, Tax – Transfer Pricing, Chair of the Board of Directors of KPMG in Canada

**In July 2022,  
KPMG was named  
one of Forbes  
Canada's Best  
Employers  
for Diversity.**

## Holding ourselves accountable

Recently, KPMG introduced a Diversity of the Partnership Key Performance Indicator (KPI) to formalize leadership accountability for the firm's goals around advancing diverse groups into partnership. This KPI is linked directly to leadership compensation, and represents a significant commitment to keeping our leadership accountable. This accountability means that geographic leaders must hold all partners in their local offices responsible for the success and support of the program.

## An evolving journey

Our vision for ID&E is never static. In 2022, KPMG continued to advance inclusion, diversity, and equity in our culture and community at large, investing in inclusive talent processes, advancing accessibility and anti-racism, and embedding accountability at all levels.

# KPMG's People Networks

KPMG's People Networks champion inclusion and amplify the voices of diverse communities within the firm. Beyond fostering a sense of belonging for members, these networks provide education and awareness, advance recruitment and retention efforts, inspire allyship, and motivate others to strive for greater inclusion in the workplace.

**KPMG People Networks include over 2,000 active members of our KPMG family and new networks are being launched every year. Our current networks include:**

Black Professionals Network	Mental Health Networks
Christian Network	National Indigenous Peoples Network
Disability Inclusion Network	Newcomers Advisory Committee
East Asian Network	Pride@KPMG People Networks
Ibero-America Network	Salam Network
India Network	Special Family & Friends Network
Ismaili Network	Thrive Networks
Korea Practice Network	Women in Law Network
KPMG Jewish Network	Women's Interchange Networks
KPMG's Network of Women (KNoW)	Working Parents
KPMG Women in Technology Community	

# Our people in action

Everyone has a voice at KPMG. And throughout 2021, our people came together to lead numerous ID&E events and initiatives across our firm. Here are some highlights:

## KPMG's National Indigenous Peoples Network

KPMG's National Indigenous Peoples Network (NIPN) is led by four Indigenous people. Since launching in 2019, it has grown to over 200 members who share the Network's focus on providing education and awareness, recruiting and supporting the next generation of Indigenous youth, and making a positive impact in Indigenous communities. The leaders of NIPN have been instrumental in the formation of our firm's Truth and Reconciliation Action Plan, advising on the mission, values, and goals, and ensuring we set action items that address the plan's objectives. [Please refer to the Prosperity section for further details about KPMG's Truth and Reconciliation Action Plan.](#)

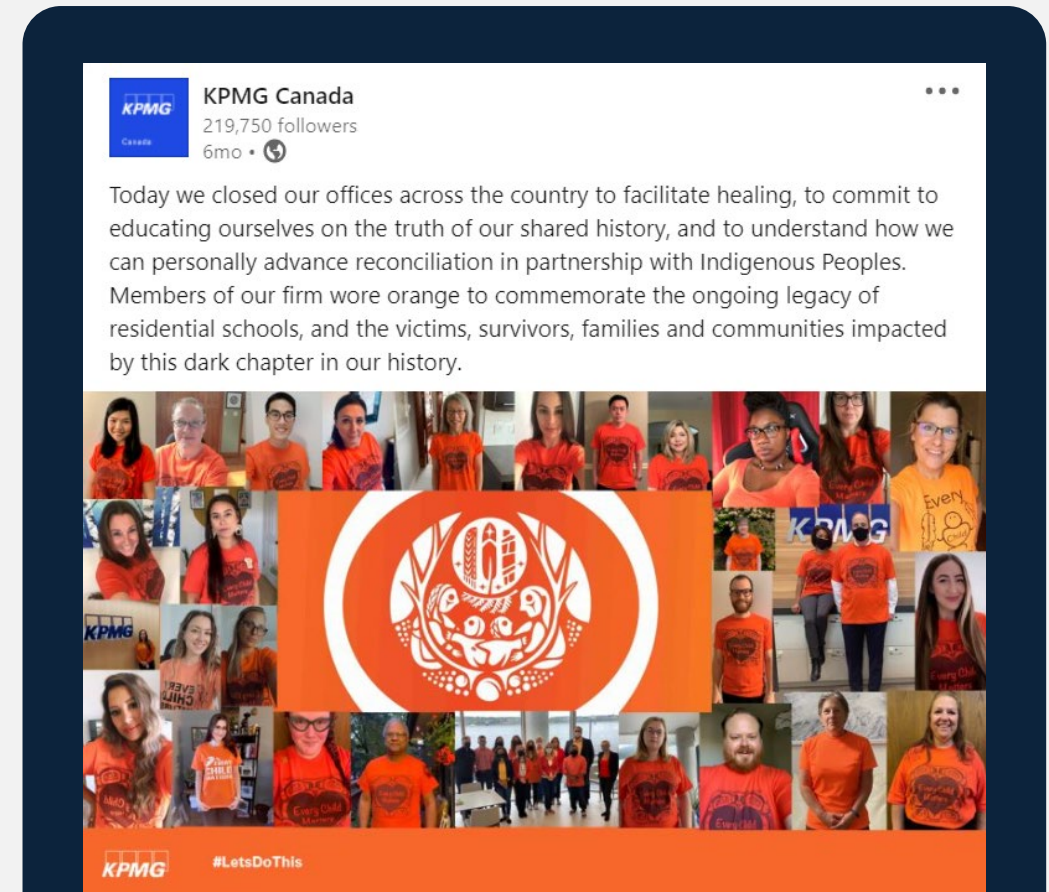
Education is a key mission for NIPN because it's the first step to facilitate our journey of truth and reconciliation. Network members have organized ongoing education sessions on Indigenous history and culture, as well as formed study groups to guide over 150 employees through the University of Alberta's in-depth Indigenous Canada course. KPMG donated \$50,000 to True North Aid on behalf of every KPMG individual who completed the course.

# Our people in action

On September 30, 2021, KPMG closed its offices across the country in observance of the National Day for Truth and Reconciliation. The goal was to give employees the opportunity to learn the truth of our shared history, take action towards reconciliation, and heal from the intergenerational trauma caused by the lasting legacy of residential schools. The day of reflection and learning continued in 2022.

This day was not a paid day off to use in ways that do not align with the event's purpose. Our people were asked to reschedule any internal and non-essential client meetings and allocate their time to education and action – either as a team or independently.

In 2021, 5,828 KPMG people logged 38,900+ hours to reflect, learn and take action towards reconciliation on the National Day for Truth and Reconciliation.



# Our people in action

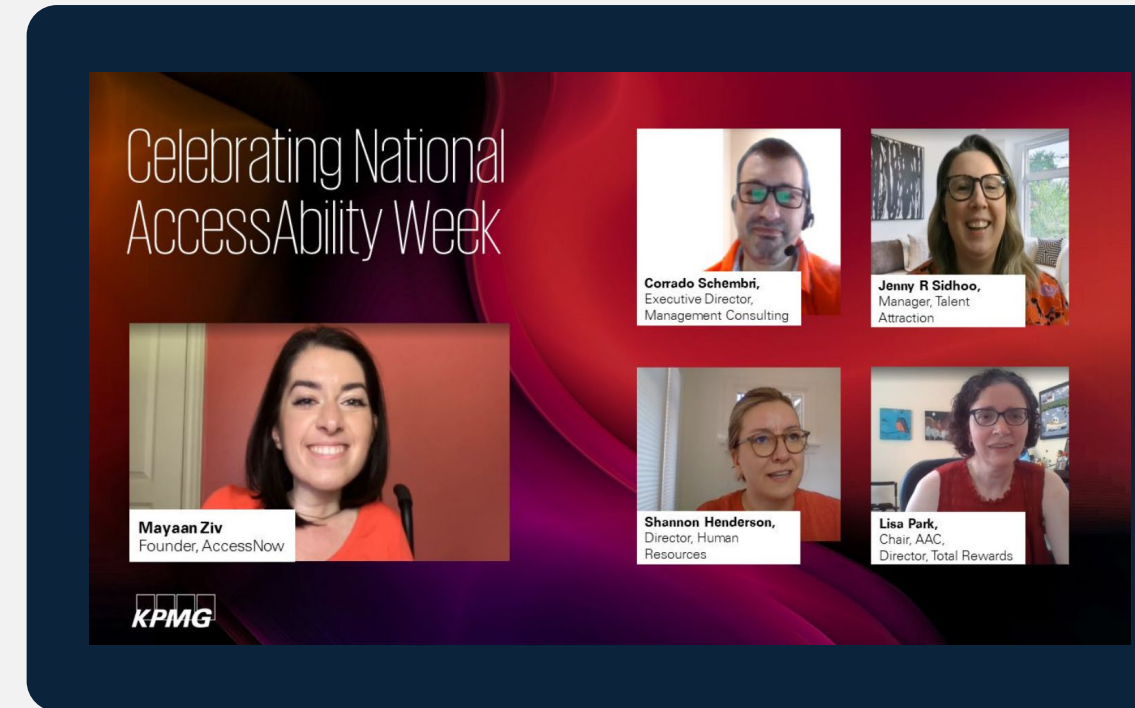
## National AccessAbility Week

On June 3, 2021, KPMG's Accessibility Advisory Committee led a firm-wide education session on Accessibility and Inclusion as part of National AccessAbility Week.

## Black senior manager mentoring program

In 2021, KPMG's Black Professionals Network (BPN) created a mentoring program for our Black senior managers as a means of investing in the next generation of Black talent and supporting their journey to the partner level. Through a series of three, two-hour mentoring circles, our Canadian Managing Partners and our Black senior managers came together to share experiences, insights, and career-building advice, while also tackling ways to enhance inclusion within the firm. Our Black senior managers were then invited to join a nine-month, 1:1 mentoring program in which they were paired with a partner-level mentor to support their career objectives.

Twenty-three Black senior managers participated in the first cohort of the mentoring program with 100% saying the mentoring experience helped advance their career goals. To keep this momentum going, we launched the next iteration of the program consisting of 27 pairs of mentors and mentees.



# Our people in action

## Welcoming new Canadians

KPMG understands that hiring international talent strengthens our business, while helping diverse communities. That is why we continually seek feedback and insights from the new arrivals who join our firm on how to remove the barriers they may face when joining our team.

**Onboarding pathways:** We provide every newcomer and their performance manager with a specialized onboarding path from the moment they join the firm. Both have an opportunity to leverage our Culture Wizard tool, which enables them to self-assess on a number of cultural dimensions. We also created a discussion guide to help newcomers and performance managers learn more about how they can adapt in their styles for optimal collaboration and set each newcomer on a path for success.

**The Hub:** We recently launched a new MS Teams site: The Hub – New to Canada, a central point for newcomers to connect and network with each other, ask questions and receive relocation guidance.

**Newcomer Advisory Committee:** In 2021, we launched a new committee that welcomes newcomers to share their feedback about how the firm can build a more inclusive and supportive culture for all new immigrants. Members of the Newcomer Advisory Committee share their personal experiences of transitioning to life in Canada, the challenges they faced, and practical steps they took to adapt and integrate successfully.

**Cross-cultural training:** We conduct cross-cultural competence training for newcomers and people managers on a quarterly basis to build their awareness and skills around adjusting to Canadian culture and bridging cultural differences.



# Health and well-being

One of our key strategic objectives is to advance an equitable, inclusive, and mentally and physically healthy workplace for all. Everyone has a role to play, from our leaders to our people, in achieving this objective.

In 2017, KPMG appointed Denis Trottier as its Chief Mental Health Officer, also the first in corporate Canada. Trottier's leadership supporting mental health and building resilience at the firm has helped keep mental health front and centre throughout the year. Beyond KPMG, his leadership has extended to spreading awareness of the importance of people and organizations' prioritizing mental health across corporate Canada with speaking engagements, seminars, and thought leadership.

## People of KPMG: Denis Trottier



“I first experienced clinical depression over 15 years ago. It was so acute that for months, I’d struggled to eat or sleep and all I could think was that I was letting my team down. I tried to resign thinking my depression was influenced by work, but my office Managing Partner at the time told me we’d get through this together. Fast forward and I’m now KPMG in Canada’s Chief Mental Health Officer — the first position of its kind in the country. My job is to break the stigma surrounding mental health and to open boardroom doors — to make sure that our employees know that mental health is health, that nobody has to suffer in silence and that asking for help is the first step to recovery. My goal is for mental illness to be treated just the same as a physical illness, like cancer, and taken just as seriously. A world where we can talk openly about mental health while standing at the water cooler is within reach. I see proof of that every day.”

- Denis Trottier, Chief Mental Health Officer of KPMG in Canada

# Health and well-being

KPMG continued its goal of creating a mentally healthy and resilient team. We do this by investing in the programs, initiatives, and resources that create a safe and supportive environment in which our team members are comfortable discussing mental health challenges and potential strategies.

## Our mental health goals include:

- Providing access to robust mental health tools, education, and supports
- Ensuring our people managers have the tools and training to support their teams
- Creating a culture in which our people are comfortable talking openly about mental health
- Building and supporting a network of Allies who champion mental health and provide mutual support
- Taking steps to shift from a reactive to preventative model
- Leading the mental health conversations among our peers, collaborators, and community

# Benefits that go beyond

KPMG aims to ensure all of our people have access to supports and resources that enable them to thrive, because that's what matters most. That is why our benefits go beyond to offer other medical and lifestyle offerings. Highlights include:

**Lifestyle spending account** for use towards products and services that support our people's well-being such as fitness equipment and memberships, travel expenses, pet products and services, and more.

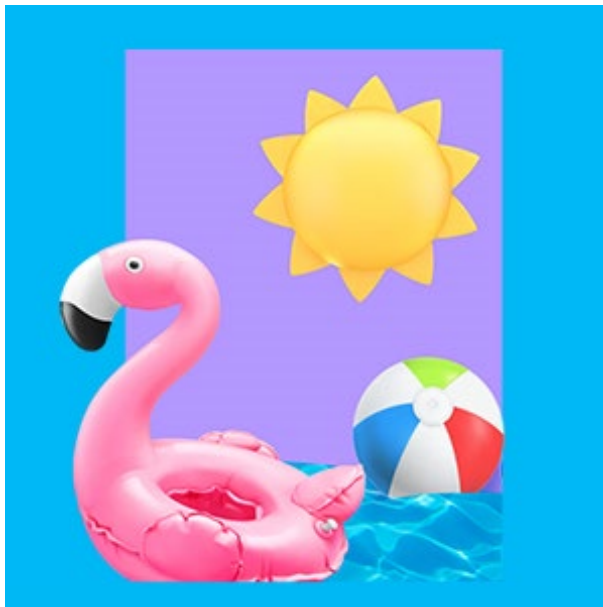
**\$2,000 mental health benefit** for our people and their family, which can be used towards an extensive list of mental health practitioners, as well as 24/7 access to Employee & Family Assistance Program professionals.

**50 personal care hours** for unplanned personal commitments or for mental health/well-being time.

**Inclusive parental leave support**, which includes adoption/surrogacy assistance.

**Employee and family assistance program**, a free, virtual and 100 percent confidential well-being support line for employees and their families. Callers are connected directly to a trained counsellor who can provide or connect our people to support in English or French.

## Spotlight on: Dedicating time for well-being



Our people have told us that having time with friends and family makes a huge difference, and we listened. Initiatives like Summer Shake-up and Winter Refresh were created to provide our people with additional paid days off at key times of the year.

Summer Splash launched in 2022 and built upon our Summer Shake-up event the year before. It provided Fridays off for all employees throughout July and August, unless there was already a federal or provincial holiday during that week.

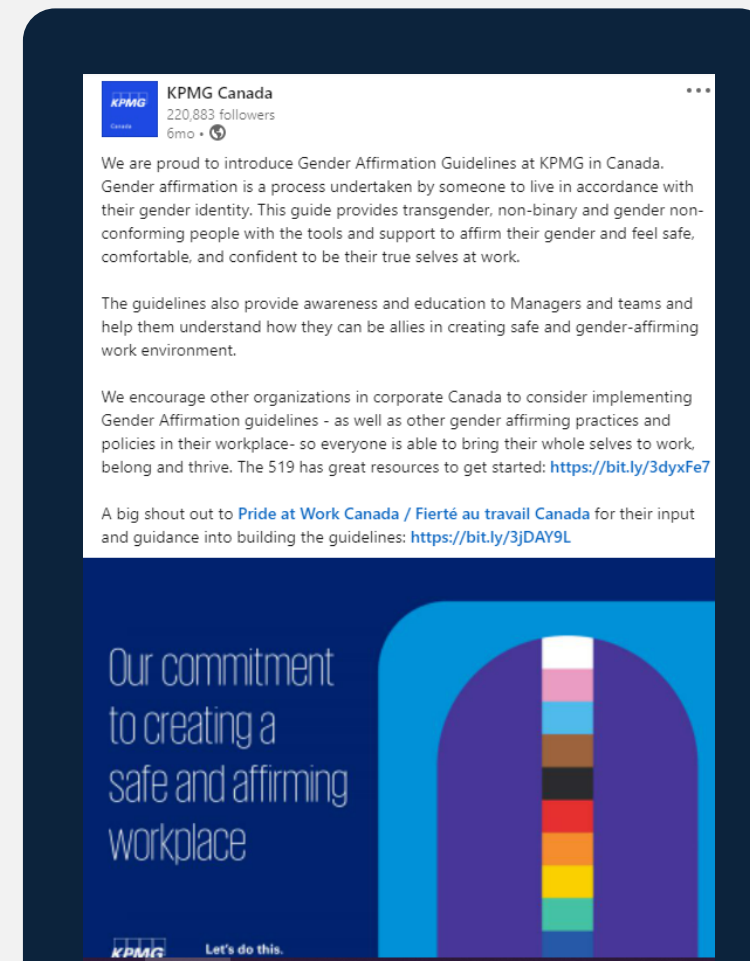
"We are giving all our people longer weekends through the summer to focus on the things that matter most to them – family, friends, pets, summer experiences, and most importantly, their well-being," says CEO Elio Luongo.

# Supporting gender affirmation

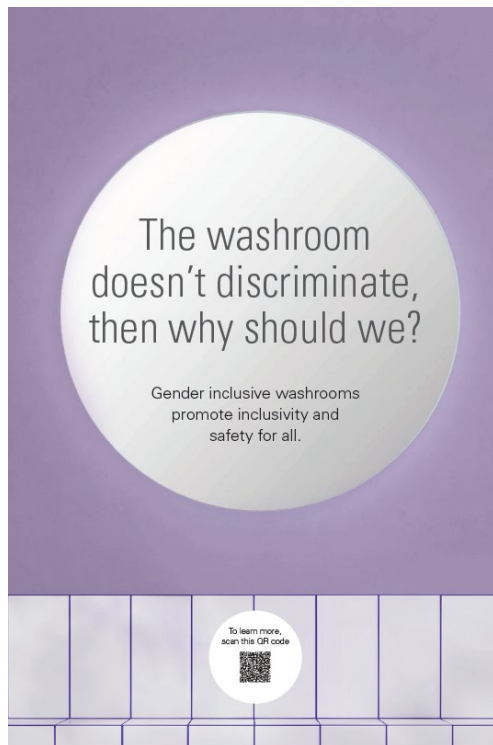
For all of our people to thrive, each one of us needs to feel safe, welcome, and respected in the workplace. Taking this to heart, KPMG developed Gender Affirmation Guidelines that provide transgender, non-binary and gender non-conforming people with the tools and support to affirm their gender and feel safe, comfortable and confident to be their true selves at work.

## Gender affirmation benefits

We are proud to offer our people a Flexible Benefits Program which, among many supports, includes a **gender affirmation benefit**. This market-leading coverage includes a \$10,000 lifetime maximum amount and is available to our employees and their eligible dependents in tandem with eligible provincial reassignment coverage, covering a wide variety of surgeries supporting gender transformation. In addition to this benefit, our Flexible Benefits Program includes inclusive parental leave and adoption/surrogacy assistance.



# Supporting gender affirmation



## Gender Inclusive Washrooms: The washroom does not discriminate – so why should we?

Effective October 2021, signage in all designated binary male/female washrooms where KPMG is the sole user of the office facilities, were replaced by gender-inclusive signage that welcomes our people to use a washroom that is aligned with their gender identity or expression.

We recognized that our current washrooms did not work for everyone: transgender, non-binary and gender non-conforming people did not feel welcome in our current washrooms. In fact, 57% of transgender Canadians have reported washroom avoidance due to fear of harassment, and up to 70% have experienced a negative reaction when accessing a public washroom.

In consultation with our Pride Networks across the country and our National ID&E Council and team, our firm committed to taking steps to address this reality and promote safety and inclusion for all.

# Continuous learning

KPMG is committed to continuous learning and professional development at every stage of our people's career. We do this by supporting professional development, nurturing mentorship opportunities, creating everyday learning activities, and fostering a culture of continuous learning.

Access both to cutting edge technology and to learning opportunities that build digital skillsets through *our Learn for a Lifetime* commitment is increasingly a key differentiator in our employee experience. Simply put, we aim to furnish our people with everything they need to perform at their best.

In November 2021, we launched a new learning portal to help our people upskill in three key categories: functional skills, business and digital skills, and leadership development. This builds on top of a new intranet portal migration, featuring improved design and search capability, greater mobile friendliness, and a significantly enhanced user experience overall. We have also developed comprehensive tools and resources to bring our people up to speed on "everything ESG" with news, learning resources, editorial content and more.

**Degreed – KPMG's learning experience platform:** Degreed, provides employees access to a number of content libraries, including LinkedIn Learning, Pluralsight, Intuition, and Udemy for Business. Our employees' curriculum offers a mix of different delivery formats, such as in-person classrooms, virtual classrooms, online refresher courses, self-paced eLearning, micro learning, and web-based materials. Learning solutions are catalogued by complexity to address different job levels and learning requirements.

**Supporting professional development:** KPMG is committed to continuous learning and professional development at every stage of our people's career. We provide financial support for professional development, tuition reimbursement, subsidies for professional association memberships, in-house apprenticeships, mentoring programs, and financial bonuses for completion of professional accreditations and development courses.

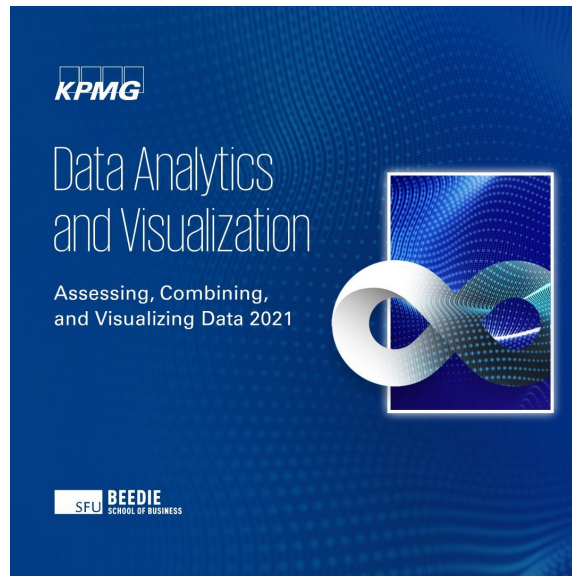
## \$572

**Average training cost  
per individual in FY21**

## 34.5

**Average training hours  
per individual in FY21**

# Spotlight on: Data Analytics and Visualization Micro-credential Program



In fall 2021, KPMG and Simon Fraser University's (SFU) Beedie School of Business co-created and launched a new data analytics and visualization micro-credential program. Its mission is to help our people develop the skills in data collection, cleansing, analyzing, and visualizing they need to bring data-derived insights to life for their clients and remain at the forefront of their respective fields.

This unique and flexible market-leading learning opportunity can be completed in 15-20 hours and is spaced over six to eight weeks. Its curriculum and teaching styles are tailored to employees' roles and designed to accelerate the desired data capabilities across our entire organization.

KPMG and SFU Beedie are well-known for creating market-leading and innovative learning collaborations. In 2018, this collaboration led to Canada's first upskilling program for its Audit professionals, now called KPMG Digital Academy.

# Future of Work

The world of work is changing. Within every organization, and across every industry, people are re-examining how, when, where – and even why – they perform their roles. We understand that employers who can respond to these evolving attitudes and preferences are the ones who will attract and retain talent, which is why we are committed to being a firm that shapes the future of work.

## New ways of working

Over the pandemic, we learned that one-size-does-not-fit-all when it comes to workplace policies, technologies, and arrangements. In response, we created New Ways of Working, a new approach to work that provides our people with the flexibility and adaptability to work where they are most effective in order to meet client, business and team needs.

Our New Ways of Working is anchored in a culture of trust and based on our guiding principles of clients, flexibility, One Team culture, well-being, and technology. Through two-way conversations, our people connect with their leaders to design ways of working that allow them to be most effective.

## Tools for the new workplace

In 2019, KPMG launched a Modern Workplace Portal which provides our people with up-to-date tools and capabilities related to productivity and collaboration, as well as useful tips, learning videos and live training sessions. We also developed a Learning Portal where our leaders and people can access resources around transitioning to our new ways of working, FAQs, and learning for leaders and team members on how to create intentional connections in a hybrid working model. The Modern Workplace Portal is being proactively updated to introduce tips that are informed by our users' needs as well as new capabilities.

## Home workspace account

KPMG provides new hires with \$375 Home Workspace Account to be used towards the purchase of items for their home office.

## Spotlight on: Remote work and travel program



KPMG's Remote work and travel program provides our people with flexibility around where they can work. Our people may work and roam in eligible destinations for a combined total of eight weeks in a fiscal year, which includes both time spent working from another Canadian province and time spent working from an approved foreign country (with a maximum of four weeks abroad).

# Human rights

KPMG International and its member firms, including KPMG in Canada, are publicly committed to the [United Nations \(UN's\) Guiding Principles on Business and Human Rights](#) as outlined in the [International Business and Human Rights Statement](#). This reflects our firms' collective respect for human rights and builds on our long-standing support for the [UN Global Compact](#), to which we are a signatory, which we demonstrate by:

- Advocating for the protection of human rights
- Avoiding being complicit in human rights abuses (including those involving business relationships)
- Helping to eliminate all forms of forced, compulsory and/or child labor

## Turning attention to the issues

In 2020, KPMG International began work to identify areas of potential child, forced or compulsory labor risk across KPMG globally. We conducted a targeted diagnostic assessment that considered KPMG International's own processes,

systems and controls to manage modern slavery-related risks. The assessment and associated activity we have undertaken provide a foundation for KPMG member firms around the world to mature their processes and practices. To transparently demonstrate our progress against our commitments, KPMG International will report annually on our performance against the three pillars of human rights due diligence as outlined in the UN Guiding Principles on Business and Human Rights.

## A united approach

In 2021, KPMG International worked with KPMG Banarra, a dedicated business and human rights consultancy based in Australia, to assess the alignment of KPMG International's own policy with good practice human rights due diligence, focusing on modern slavery risk management. The assessment provided guidance on how to enhance our policy commitment and use it to support KPMG member firms to implement their own modern slavery risk management policies and processes. KPMG International is in the process of developing policy guidance for KPMG member firms, a suite of tools and templates to assist with consistently putting the human rights commitment into action.

In Canada, we are working with our ESG practice to put our human rights and modern slavery commitments into action including creating a road map to develop a human rights policy.

# Prosperity

Driving purposeful business practices  
and good corporate citizenship.



# Our commitments

**Always act  
with a clear  
purpose**

**Inspire confidence and  
empower change by**

- Enhancing trust, integrity and relevance of Canadian organizations
- Elevating the prosperity of Canadians
- Being a caring, inclusive and values-led firm where people can grow and thrive

**Lead the  
profession in  
audit quality**

**Drive a  
responsible  
tax practice**

**Support the  
communities  
in which we  
operate**

**Champion  
education  
and lifelong  
learning**

# Purposeful business

The year 2021 was marked by significant social, economic, environmental and geopolitical challenges, many of which were systemic and long-standing. With over 10,000\* KPMG people across 47 offices in Canada, we are well positioned to address these challenges and have a responsibility to engage our community of professionals in building a better world.

In FY21, KPMG reported revenues of CAD\$1.9B, an 11% growth from FY20. In addition, our firm works with clients in about 2,200 communities across the country.

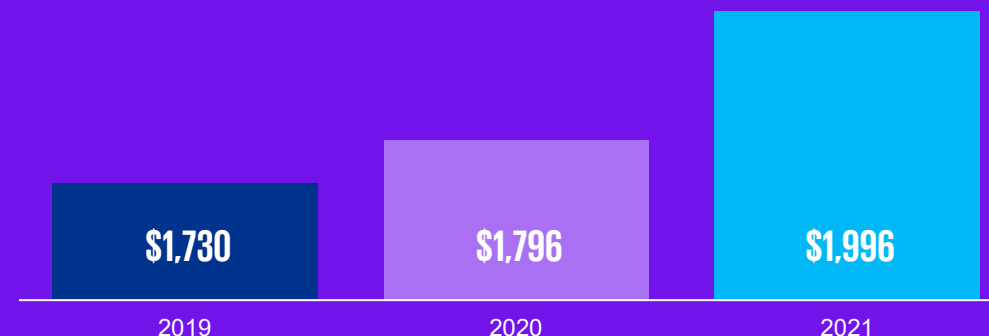
Guided by our purpose and values, we have built trust in the capital markets, helped strengthen the Canadian economy, and continue to contribute to a sustainable society.

Impactful work starts with our people, and we're committed to creating an organizational culture where every KPMG person feels empowered to bring their whole selves to work and live their purpose in their daily interactions. We are proud that the services we deliver are socially impactful and we're able to do meaningful work that contributes to society.

\*As of FY22

## Revenue

Total revenue for KPMG in Canada for the financial years ending 30 September:



*All figures expressed in millions of Canadian dollars*

## Environmental, Social and Governance focus

Environmental, Social and Governance (ESG) topics are reshaping the business landscape, affecting financial performance and long-term business success. With heightened pressure from stakeholders and regulators to drive long-term value through sustainability, we support organizations in integrating ESG targets into their operations and effectively navigate the complex changes, challenges, and opportunities at every stage of their ESG journey.

### It starts with us: ESG 101 for our employees

ESG is a global priority for our firm, and as we continue to build our capacity and capabilities to help our clients achieve their ESG ambitions, we must also lead by example. It's more critical than ever that we stay accountable both collectively and as individuals to the role we play in building a sustainable future for our clients, people and the communities we serve. That's why, as part of KPMG's global commitment to [strengthen our global ESG offering](#), KPMG in Canada launched ESG 101: a three-part global learning program allowing employees to enhance their ESG knowledge, why ESG matters, KPMG's commitment and how they can make a positive impact.

## Putting the ESG agenda at the heart of everything we do

In 2021, KPMG International announced plans to spend more than US\$1.5 billion over the next three years specifically to accelerate our focus on the ESG change agenda. Our ESG strategy is designed to support our clients in making a positive societal difference and is underpinned by our own commitment to sustainability.

ESG 101 is the first part of a multi-year ESG learning journey to give our team members a deeper understanding of a wide range of ESG topics and issues.\*

### University of Cambridge and New York University

Through collaborations with the University of Cambridge Judge Business School and New York University (NYU) Stern School of Business Executive Education, KPMG is investing in training for our professionals to develop their specialized skills in ESG.\*

\*FY22

## ESG 101 for clients

As many of our clients think about embedding ESG principles into their core business decisions, a good first step is learning the fundamentals. That's why KPMG introduced [ESG Fundamentals: ESG 101](#), a Continuing Professional Development (CPD)-eligible digital self-study course to help lay the ground work on key ESG challenges facing organizations today.\*

## ESG solutions

KPMG's ESG team is a dedicated, multi-disciplinary group of professionals offering a curated range of skills and experience, which include ESG strategy, sustainable finance, climate change and decarbonization, social and economic impact measurement, reporting and assurance.

THREE PILLARS	1. ESG Transformation			2. ESG Reporting	3. ESG Assurance
	Advice on ESG strategy, transition and implementation – including in specialist areas like climate change and human rights			Helping clients understand their ESG readiness and prepare for ESG reporting	Providing external assurance on the ESG reporting by a business
	ESG Strategy	Sustainable Finance	Climate Change	Reporting	Assurance

\*FY22

## People of KPMG: Josh Hasdell



Josh Hasdell is an ESG guru, marine biologist, and passionate scuba diver. For him, ESG is more than a job; it's a way of seeing the world and envisioning our future.

Bringing insights from our oceans and the sea floor to the boardroom table, Josh dives deep to help clients design and deliver ESG strategies that better their own organizational ecosystems.

“The tides have turned when it comes to how employees, customers and shareholders view ESG. They aren’t asking for sustainable business practices, they’re expecting it. ESG is a business imperative, and for leaders it is now seen as an investment in their future, and a commitment for long-term, sustainable growth.”

- Josh Hasdell, Senior Manager, ESG

# Investing in audit quality

Quality and integrity are the foundations that strengthen trust in the clients we serve. Audit quality is fundamental and is the key measure on which our professional reputation stands.

We're committed to ensuring our approach to audit quality evolves as the audit itself continues to be reshaped with new technologies and methods that create a better experience for clients.

As we prepare for revised global quality standards, we've adopted a new [Global Quality Framework](#) to better outline how we deliver quality at KPMG and how all KPMG professionals are accountable for its delivery. We're expanding access and training for leading technology and tools for our engagement teams, such as [KPMG Clara](#), our smart audit platform, to help drive consistency, collaboration and efficiency.



## KPMG's fundamental promise of audit quality

To read about how KPMG delivers on our fundamental promise of audit quality to serve the public interest, download [KPMG's Transparency Report 2021](#).

# Driving a responsible tax practice

Our leadership in responsible tax includes how we conduct ourselves, how we deliver our services to clients and the arrangements of KPMG in Canada and each Partner's tax affairs. See the [Canadian principles for a responsible tax practice](#).

We're committed to acting lawfully and with integrity, providing high-quality advice and building mutually trusting relations with tax authorities. All aspects of our behavior and work shall continue to be fully compliant with all relevant professional, legal and regulatory requirements. This is consistent with our values and [Global Code of Conduct](#).





## Driving trust and business transformation

Organizations across every sector are facing new and complex challenges every day from digital advancements, regulatory changes, increased risk, and social and environmental expectations that are challenging them to think differently about how they are driving long-term value through sustainable practices.

KPMG's Advisory teams work with clients to keep pace on critical ESG issues while helping them improve performance, stakeholder trust and drive business results. Our diverse teams bring together the strength of their experience, insights and passion to help clients integrate ESG strategies into their operations.

We translate ESG issues into clear business plans and actions by helping organizations implement solutions such as multi-year **inclusion, diversity and equity** programs; build **ESG integrity** through ethics and compliance programs; leverage **data and analytics, AI and exponential technologies** for innovation and effective ESG reporting; create strategies with **ESG target operating models**; and support **supply chain decarbonization** and the circular economy.

# World of Women NFT

In early 2022, KPMG's Advisory team facilitated the purchase of a piece of digital art from the highly acclaimed World of Women (WoW) NFT collection, marking our first foray into this rapidly growing asset class. Women are underrepresented in the world of all things crypto, which made us proud to make our first NFT acquisition in a collection that supports women.

Our decision to purchase this NFT recognizes the value of WoW and its mission to support women-focused and ecological causes around the world – issues that are also important to KPMG.



# Investing in technology

Continued investments in technology help KPMG keep pace with change, equip our people with the tools that make them successful, meet and exceed stakeholder objectives, and address social and environmental issues.

## Our three technological priorities include:

### Cloud

Recently, KPMG implemented a modern cloud platform that enables both the firm and its clients to realize the benefits of cloud digitization. We continue to develop innovative, cloud-based applications that take full advantage of the cloud.

### Hybrid work model

Over the pandemic, KPMG embraced rapid technological advancements that support new ways of working and collaborating, whether remotely or in the office. We will continue to support new workplace models and champion technologies and processes that support, empower, and connect our teams, no matter where they work.

### Data security

To maintain the trust of our clients we have implemented enhanced cybersecurity controls to provide a strong level of protection to our data and our clients' data. We're an active participant in developing our global security standards and maintaining compliance of KPMG in Canada, and are actively educating our people in proper cybersecurity safety protocols.

# Case Study: Climate Impact Accelerator



In FY22, KPMG and MaRS Discovery District launched the Climate Impact Accelerator, an impactful new way for us to help our clients commercialize innovations in climate change and beyond. The program matches KPMG clients looking for technology-driven climate solutions to cleantech startups in the MaRS ecosystem that are ready to scale up. Its goal is to implement climate innovation solutions on a large scale quickly by building stronger networks between startups and corporations and governments.

# Good corporate citizenship

A critical part of being a responsible business is being a good corporate citizen. Now more than ever, Canada and the world need the private sector, government, not-for-profits, academia and civil society to work together to develop responsible and sustainable strategies to effect real change.

## Our social impact mission

Use our collective skills, experiences and passions to drive positive societal change by championing good health and well-being, advancing quality education, reducing inequalities, and taking action to combat climate change.

### Aligning with the UN Sustainable Development Goals

KPMG has had an Impact strategy for about 15 years and in 2019, we re-framed our strategy to align with the United Nations Sustainable Development Goals (SDGs), the blueprint for addressing the world's most pressing social, economic, and environmental issues. They are also the foundation for our social impact objectives, which seek to define and foster a more inclusive, sustainable, and prosperous future. Leveraging our size, resources, and network, we take real action on issues that our teams are passionate about across Canada, as well as those where we can make the biggest collective impact. These include:



Mental health,  
increased access



Lifelong learning,  
digital literacy



Employment, poverty



Reduce carbon emissions  
and waste, invest in  
sustainable communities

# Our collective impact

In 2021, we made significant investments in social impact through our sponsorships, fundraising, contributions to the community, and donations through the KPMG Foundation, focusing on social impact priorities.

# 36,422

volunteer and pro bono hours by KPMG people\*

# 1,180

number of KPMG volunteers

*\*includes volunteer hours that are firm sponsored and on employees' own time*



## \$4.2M

KPMG-sponsored fundraising

## \$4.8M

sponsorships

## \$1.9M

KPMG Foundation

## \$2.9M

contribution to community organizations

## \$0.5M

pro bono

## Case study: Food Banks tax clinics



Hunger and food insecurity in Canada are very real issues at the best of times, and there has never been a more difficult time for food banks in Canada than the present. Recognizing this, KPMG joined forces with Food Banks Canada (FBC) in 2019 to pilot volunteer tax preparation clinics that help food bank users file their taxes and obtain available government supports. This initiative is part of the Canadian Revenue Agency's Community Volunteer Income Tax Program. Through it, our people have helped build the process and technology efficiencies for the tax clinics, volunteered to work within the clinics, assisted with building financial literacy, and collaborated with FBC to expand its program.

This year marked a significant year for this program. Through our support of the initiative, tax clinics in Saskatoon, Mississauga, Windsor, and White Rock, returned \$18.2 million to clients and the local community — and completed 4,492 tax returns, doubling the impact from 2021.

In 2021

**\$9.3m**

was returned to clients and the local community

**2094**

tax returns were completed

**2**

food banks participated

In 2022

**\$18.2m** <sup>almost</sup>

was returned to clients and the local community

**4492**

tax returns were completed

**4**

food banks participated

## Economically empower disadvantaged youth

KPMG International's 10by30 commitment aims to economically empower 10 million disadvantaged young people by 2030 through education, employment, and entrepreneurship. KPMG in Canada is proud to contribute to this initiative through a framework that will:

- Equip students with the skills to succeed in the labour market
- Support job transition by providing students with knowledge
- Provide mentorship and opportunities to access work
- Help transform the education ecosystem by upskilling educators and helping to create more effective education institutions

KPMG International is strengthening its global collaborations with UNESCO, Junior Achievement, and Enactus, and rallying behind an initiative to empower girls and women with technology skills. To scale our reach, our network of firms will leverage our technology, make donations, and expand volunteering and pro bono work.

## Swinging for success with Junior Achievement

Over the years, Junior Achievement Canada has been inspiring and preparing youth to succeed by providing opportunities to learn financial literacy, entrepreneurship and work readiness skills through programs and volunteer support.

In FY22, KPMG in the Greater Toronto Area (GTA) signed on as the sponsor of the JA Golf Classic (Swing for Success) and day programs (Economics for Success) where they hosted two volunteer days to provide Economics for Success workshops to local Grade 8 students in Toronto and Vaughan. The program included 44 volunteers and 509 students from 20 classes in five schools across Toronto, Scarborough and Woodbridge. One hundred per cent of surveyed students said they learned how to identify goals for their future after participating in this program

In the end, the golf tournament raised \$110,000 for JA Central Ontario. This enables 1,511 young people to gain the knowledge, skills, and confidence to realize the opportunities and realities of work, school, and life through JA experiences.

## Family for Literacy provided more than 650 books to over 400 students in 2021-2022



## KPMG's Family for Literacy

KPMG's Family for Literacy is a flagship program with a mission to eradicate childhood illiteracy by putting new books into the hands of children. Our Greater Vancouver Area (GVA) office runs the program in collaboration with First Book Canada, a non-profit committed to improving access to educational opportunities.

According to First Book Canada, almost 25% of Canadian households don't have a single book. Through the program, KPMG's GVA team is proud to gift a book to every student at a participating elementary school and spend a day in classrooms to share the joy of reading.

This continued even during the pandemic. During lockdowns, our volunteer team connected with the students virtually and recorded their book readings. Their teachers noted it was helpful for students to feel the sense of normalcy during stressful times to keep connecting with the volunteers and continue reading.



## Supporting women entrepreneurs

In early 2022, KPMG's Calgary team entered a collaboration with Movement51 and [The51](#), a Financial Feminist platform through which current and aspiring investors (particularly women\* and gender-diverse individuals) unite to democratize access to capital for women and gender-diverse founders.

The collaboration will see The51 utilize our formalized services (e.g., tax, advisory, and accounting) and support to help activate a new community of Financial Feminists, as well as enable participation in Movement51's financial acumen programming. It will also drive the creation of events for shared audiences, including The51's HerStory 2022 Story-Pitch Competition and KPMG's Women's Interchange Network reception.

"KPMG's organizational values align closely with ours and we are thrilled to be working together on initiatives that will contribute to driving impact for women and gender-diverse individuals across the venture capital, financial and entrepreneurial sectors," said The51 Co-founders and Co-CEOs, Shelley Kuipers and Judy Fairburn.

Since its launch, The51 has activated \$17M in capital (includes pre-fund and The51 Ventures Fund 1), funded 38 ventures, and serves a community of 21,000+. Through this collaboration, KPMG aims to help the organization expand its reach and impact.

*\*women include all individuals who identify as women*

## Case Study: Lifeline Afghanistan

In FY21, KPMG committed to supporting Lifeline Afghanistan's Pathways to Success program to help Afghan refugees navigate the Canadian job market. Founded by the Ted Rogers School of Management's Diversity Institute, this national project focuses on engaging Canadians in private sponsorship and helping Afghan newcomers build local connections in their community

While the flow of Afghan refugees into Canada has been slower than expected, with only 20,000 or 50% arriving to date, work has begun resulting with the following outcomes:

- In FY22, Lifeline Afghanistan referred 15 Afghan refugees to the Advanced Digital and Professional Training (ADaPT) program and the Newcomer Entrepreneurship Hub leading to the successful employment of three alumni of that cohort.
- This year up to 50 Afghan newcomers will participate in ADaPT. Lifeline Afghanistan in partnership with Magnet to provide a platform connecting employers and Afghan job seekers by the unique AI matching technology.
- Lifeline Afghanistan held over 20 sessions with several settlement agencies to provide information.
- To date, 64 Afghan newcomers are benefiting from useful resources, articles and access to wrap-around services and receive job opportunities matched to their skillset.
- 15 job seekers have been successfully matched to the job opportunities and applied to advance their careers in Canada.

## Sponsoring Ukrainian families fleeing war

The invasion of Ukraine is causing a humanitarian crisis with far-reaching implications for people and families across the region.

KPMG joined a group of 18 companies in Quebec, led by the CEO of Stingray, a global music, media and technology company. The group will sponsor more than 1,000 Ukrainian families to help them access employment, housing, and means of subsistence upon their arrival in Quebec.

This is in addition to the global appeal by KPMG International supported by many member firms, including KPMG in Canada, to assist with the humanitarian crisis and support immediate relief efforts. Our local offices have also done office drives and grassroots volunteering in their communities.

## Providing disaster relief

In the wake of the pandemic and natural disasters around the world — intensified by climate change — vulnerable populations are disproportionately at risk. These issues impact us all and when a crisis hits, we have a responsibility to help where we can.

## Pandemic relief effort

When India faced its deadly second wave of COVID-19 in 2021, hospitals were overwhelmed and needed vital support. KPMG International launched a coordinated global fundraising effort with 12 KPMG member firms, including KPMG in Canada, to raise over US\$600,000 — with most donations supporting Red Cross initiatives that included the provision of oxygen, ambulance services, first aid and personal protective equipment.

## In the wake of natural disasters

KPMG donated over \$225,000 to provide relief and support after these natural disasters in 2021 and 2022:

- Catastrophic flooding in British Columbia
- Humanitarian crisis after flooding in Pakistan
- Devastation of tropical storm Fiona in Atlantic Canada

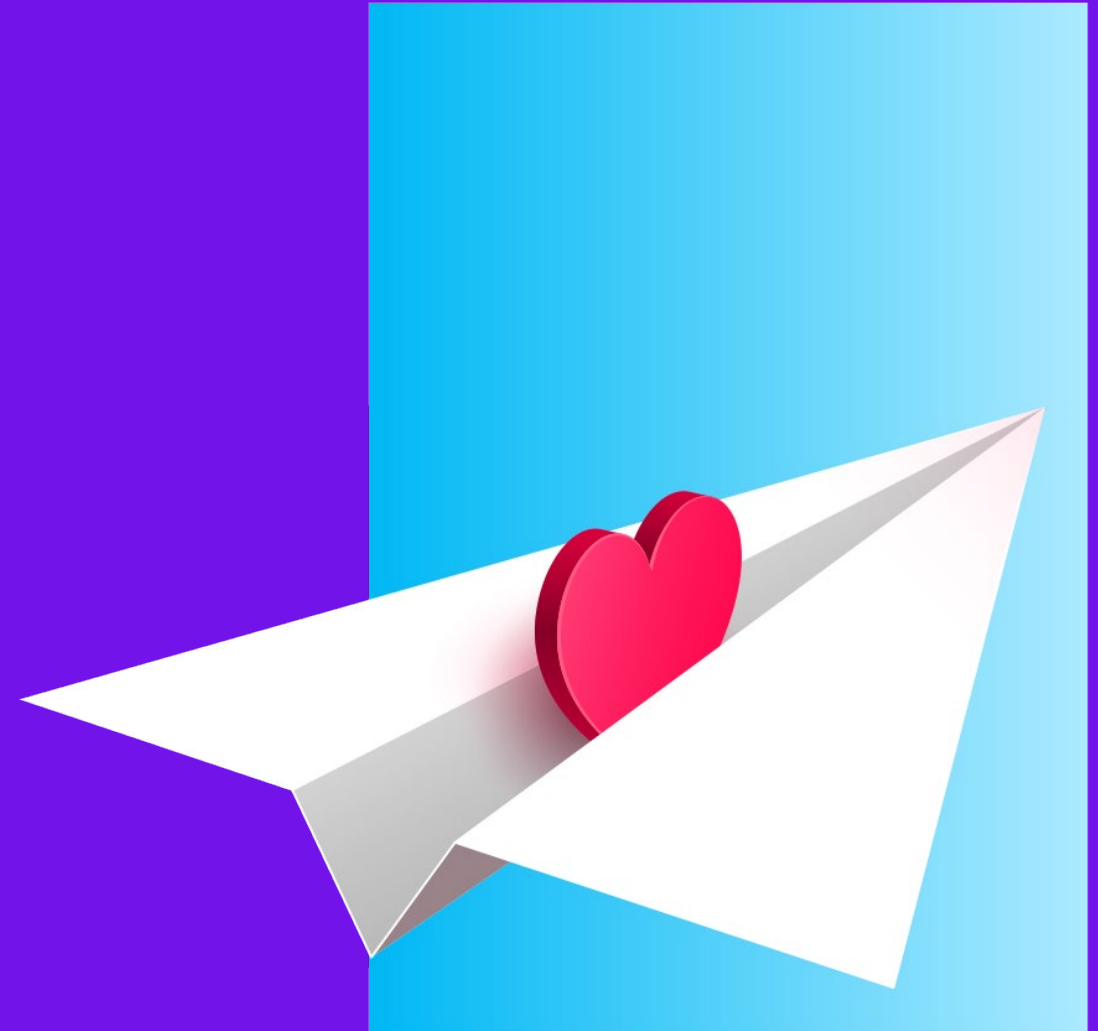
In addition, our people make personal donations and many offices run local relief activities.

# Recognizing KPMG volunteers

KPMG's Impact Awards and the Financial Support for Volunteering are two national programs that recognize and reward our people for their volunteering passion and impact in the community.

**KPMG Impact Awards** recognize Social Changemakers, Inclusion, Diversity & Equity/Mental Health Champions and Greenest Champions. In FY 21 and FY 22, we donated almost \$140,000 to our awardees' charities of choice.

**Financial Support for Volunteering** recognizes and rewards KPMG people for volunteering between 25 hours to over 50 hours per year with donations to the organizations where they volunteer. In FY20 and FY21, we donated more than \$66,000 to KPMG volunteers' chosen organizations. We were processing FY22 at the time of writing this report.



# People of KPMG: National recipients of 2022 Impact Awards

We celebrated the 2022 KPMG Impact Awards and presented 47 national and regional awards in total, donating almost \$70,000 to the awardees' charities of choice.



## Anne Labbé

### National Social Changemaker

Anne is a board member of the Fondation du Centre Jeunesse de Québec. A former youth protection worker, she is deeply committed to helping children who are victims of neglect, abuse, violence and mistreatment, and seeing them heal and thrive.

Our Impact Award recipients are exemplars in living our values of 'for better' as Social Changemakers, Inclusion, Diversity & Equity/Mental Health Champions, and Greenest Champions. We're proud to share a few highlights of our 2022 national recipients here.



## Derek Earl

### National Greenest Champion

Derek founded and chairs BizforClimate, a business-led advocacy not-for-profit focused on promoting climate action by engaging and galvanizing businesses in support of climate policy.

# People of KPMG: National recipients of 2022 Impact Awards



## East Asian Network

### National Inclusion, Diversity & Equity/Mental Health Champion

KPMG's East Asian People Network leadership team is making an impact by building a community of over 540 members (and counting) to offer a safe space to connect, learn and share. Their first-ever Asian Heritage month campaign in May 2022 coincided with Mental Health Awareness Week, and shone a light on stigma associated with Asian cultures and the importance of mental health. This award is shared by members of the EAN leadership team: Shirley Lee, Wayne Yeung, Vivian Chen, Joan Wong, Elaine Wong, Chelsea Wong, Terry Liu, Jessica Zhang, Lyndon Fung and David Yung.



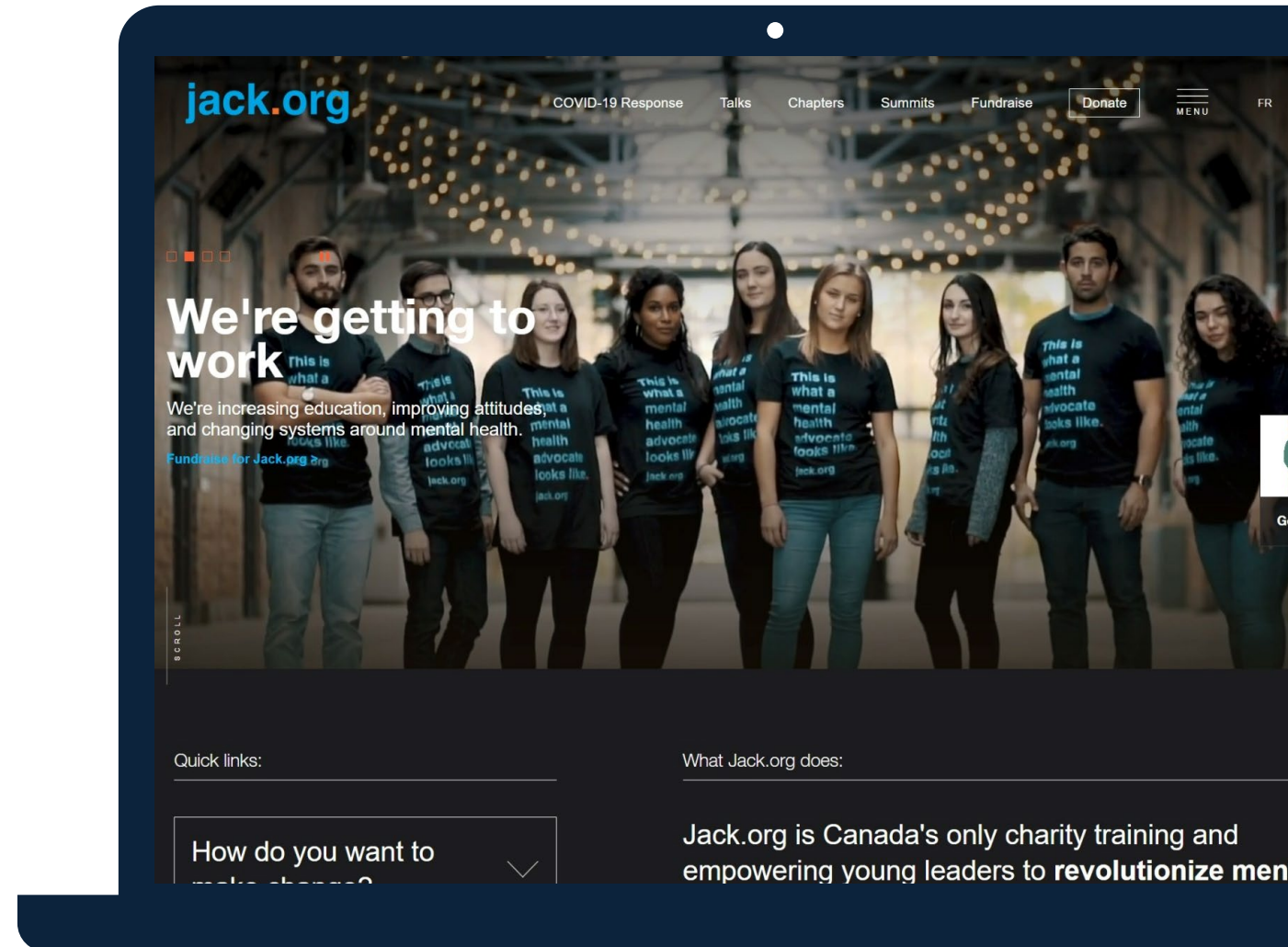
## Jacqueline Connolly

### Most Volunteer Hours Award

Jacqueline was recognized with the Most Volunteer Hours Award for volunteering 325 hours so far this year. A long-time baseball fan, she volunteers for several youth baseball leagues in Quebec, as well as a municipal civil rights and social action organization.

# Supporting youth mental health

KPMG has committed to a multi-year collaboration with [jack.org](https://jack.org), an organization focused on empowering youth in Canada to revolutionize mental health. Our investments support the [Jack Talks](#) and [Be There](#) programs, which raise awareness for mental health issues in communities across Canada. KPMG has also engaged [jack.org](https://jack.org) in mental health education and awareness, both within the firm and at the campus level.



# Riding to Conquer Cancer

For over a decade, KPMG has supported the national Ride to Conquer Cancer (RTCC), one of largest fundraising cycling events that raise much needed funds and awareness for advancements in cancer research and treatment. Over the years, 2,600+ Team KPMG riders have raised a combined total in excess of \$8.4M\*. In FY 21, KPMG and our people contributed more than \$429,400\* as 238 KPMG cyclists embarked on their epic rides.

In FY22, RTCC evolved into separate regional rides as the RTCC Ride in Toronto, the Tour Alberta in Alberta, and Tour de Cure in B.C., with Team KPMG collectively raising more than \$557,000\* across the country.

*\*RTCC contribution numbers are a combination of KPMG sponsorship dollars and our riders' personal fundraising.*



## Inspiring children to be changemakers

KPMG in Saskatoon sponsored the Nutrien Children's Festival of Saskatchewan, which seeks to inspire children to build better communities through art and play. The inclusive festival offers multicultural programming that embraces all orientations and abilities. The 2022 festival had the highest number of in-person attendees at over 11,000. To remain inclusive of all children, festival performances were offered online with participation across Saskatchewan, other parts of Canada, well as the US, India and the UK.



The Northern Saskatchewan International Children's Festival (publicly known as the Nutrien Children's Festival of Saskatchewan) seeks to inspire children to build better communities through art and play. By providing children opportunities to engage and learn together, children will leave the festival with a deeper understanding of themselves, their community, and the world around them, as well as create the desire to make a positive impact on the world at large.

## Helping build more resilient communities

KPMG has a long tradition of supporting United Way (UW) across Canada. This continued in FY21, when our people collectively donated \$3.9M to UW to assist them in reducing inequalities in our communities. Our donations, together with all the donations they received, helped UW to support more than 5,800 community programs, particularly around poverty, children and building strong and healthy communities.

## People of KPMG: Vicki Ng and Katie DenBok



In 2021, despite COVID restrictions, Vicki and Katie led their team to one of KPMG's best United Way campaigns in Eastern Canada. They increased dollars raised and the number of leaders they engaged, and drove an overall participation rate of 64%. Their energy and dedication to impact made them stand out in a field of exceptional volunteers, and were recognized by the United Way.

“These two individuals work hard behind the scenes to inspire and engage their colleagues for United Way. Vicki and Katie are committed advocates for their community who pull out all the stops to make their workplace campaign fun and meaningful. Whether bringing in impact speakers, organizing virtual tours, or collecting pledges and teammates for StairClimb, they are passionate individuals working to help those in need.”

- The United Way

# Building an anti-racist future

KPMG actively supports community organizations to build deep roots in the communities we serve. We support these organizations, both financially and with human resources, because we believe they provide beneficial services and help increase the broad awareness of diversity in the community.

Our community alliances include:

**ICON Talent Partners:** Between 2021 and 2022, we provided \$5,000 scholarships and internships to 10 post-secondary youth in the Black community.

**Alliance for the Black Employee Experience & Leadership:** In FY22, we started a new sponsorship with Alliance for the Black Employee Experience & Leadership (ABEEL), an EllisDon Black employee network. Over 100 high school students across three provinces compete for KPMG scholarships and bursaries by interpreting their equity vision through artwork. KPMG's Black Professionals Network members mentor students while providing paid co-op summer positions.

**Windmill Microlending:** Starting in FY22, we started supporting the Windmill Microlending program that helps immigrants and refugees achieve career success in Canada. These microloans will help them with their education and accreditation. It will also help prepare them for employment in the skilled professional market in healthcare, engineering and the business sector. KPMG volunteers are participating as mentors to support these newcomers to thrive in Canada.

# Our journey toward Truth and Reconciliation

We published [KPMG in Canada's Truth and Reconciliation Action Plan](#) in October 2022, in response to the national Truth and Reconciliation Commission's calls to action #92 for businesses.

This plan was developed in consultation with various internal and external groups, including KPMG's National Indigenous Peoples Network, Indigenous clients and communities and Acosys, an Indigenous-owned, Indigenous-led consulting firm, which worked with KPMG to align the plan to Indigenous frameworks of reconciliation, the Truth and Reconciliation Commission of Canada and the United Nations Declaration on the Rights of Indigenous Peoples.

This multi-year commitment is a holistic plan that touches every aspect of KPMG as a firm and aligns with our Inclusion, Diversity & Equity strategy.

Some of the programs supporting Indigenous students started years ago and with our new action plan, we'll be expanding the scope and breath of our work

## Investing in Indigenous students

KPMG has a deep commitment to investing in the education of the next generation of Indigenous youth through the KPMG Indigenous Student Awards. Since 2012, we have supported Indspire by providing 114 scholarships for Indigenous students pursuing careers in business administration, public administration, accounting, information technology, human resources, and communications and marketing. In 2021, four of our Indspire recipients participated in the KPMG mentorship program. This year, we'll be awarding an additional 58 scholarships, which we'll announce in early 2023.



# Indigenous youth build birch bark canoe

In FY21, KPMG started sponsoring [Focus Forward for Indigenous Youth](#) (FFFIY), a registered charity working with Indigenous communities on culturally relevant employment and skills development opportunities for First Nations, Inuit, and Metis youth. They collaborate with community participants to co-develop programming that provides Indigenous youth with opportunities to build new skills, develop a deeper understanding of themselves, create connections and expand their thinking around future education and career paths. They work in collaboration with many organizations on mental health, employment skills, entrepreneurship and traditional knowledge sharing. In the summer of 2022, FFFIY worked with [KIP Canada & Wiingashn Youth Mentorship](#) to build a traditional birchbark canoe guided by knowledge that was passed down and using only materials from the land. This work was guided by knowledge keepers at Blackwolf and was completed by Indigenous youth from the Greater Toronto Area.



# Governance

Our purpose and values lie at the heart of the way we do things.  
To do the right thing, always.



# Our commitments

There is a difference between merely doing a job and knowing why it matters. At KPMG, our purpose and values give our people a reason and motivation to deliver industry-leading services that benefit our clients and communities. Whatever the role and wherever the engagement, focusing on our purpose helps us make a difference in the moment and in the long term.

Only by staying focused on what truly matters and acting as stewards for the next generation are we able to live our purpose: "Inspire confidence. Empower change."

Making good on these objectives requires us to consider the economic, environmental, and social impact of our activities and align our financial and societal performance as part of a shift toward stakeholder capitalism. Moreover, it requires us to have strong governance in place to oversee all our activities.

## Act lawfully and ethically

# Our governance and structure

KPMG is a Canadian limited liability partnership formed under the laws of Ontario and wholly owned by its partners. Importantly, we are part of the KPMG global organization of professional services firms providing Audit, Tax, and Advisory services to a wide variety of public and private sector organizations. This organizational structure is designed to support consistency of service quality and adherence to agreed values wherever KPMG's member firms operate.

KPMG's **leadership structure** consists of a Board of Directors and a Management Committee. In addition, there are geographic leaders in each of the regions in which we operate, as well as regional service area leaders.

As of FY22 Q3, our **Board of Directors** comprised 18 partners from across the business, 41% of whom are female and 29% people of colour.

# 807

**The average number of partners  
in KPMG in Canada during the  
year ended September 30, 2021**

# Our governance and structure

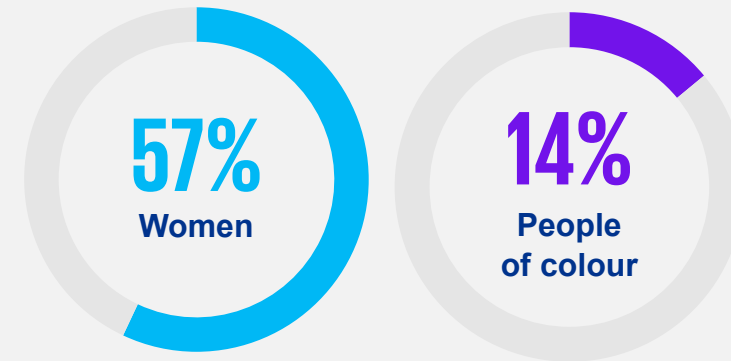
Our **Management Committee** is responsible for the strategic and operational leadership of the firm. Led by the Chief Executive Officer, it includes:

- The Canadian Managing Partners of the firm's Audit, Tax, and Advisory practices
- The Canadian Managing Partner, Clients and Markets
- The Canadian Managing Partner, Business Enablement and Operations
- The Canadian Managing Partner, Quality and Risk Management

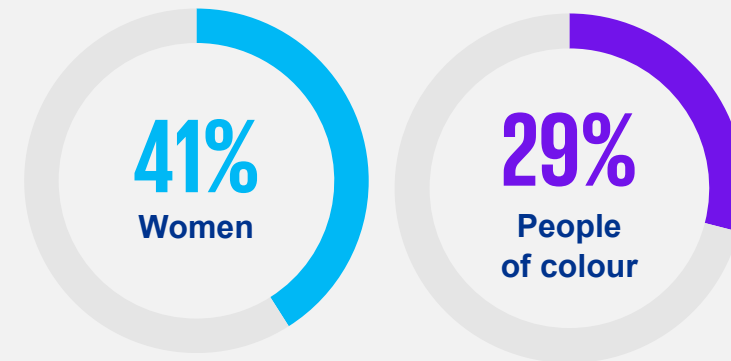
As of FY22 Q3, our Management Committee comprised 57% women and 14% people of colour.

KPMG has **two principal governing documents**: a partnership agreement and operating procedures. Together, these documents establish the structure and principal governance procedures for KPMG.

## Management Committee



## Board of Directors



In FY22

# KPMG's multi-disciplinary model

KPMG is committed to our multi-disciplinary model (MDM) because we believe that it is better for our people, our clients, our Firm and the economy and society.

## Better for our people

Enabling them to grow, develop and prosper across disciplines, providing new and diverse opportunities. It ensures we can attract the best talent in the market who want to make a difference and serve with purpose.

## Better for our clients

Giving them access to a broad range of services, expertise, and ideas when they need them most as part of a single, fully integrated model.

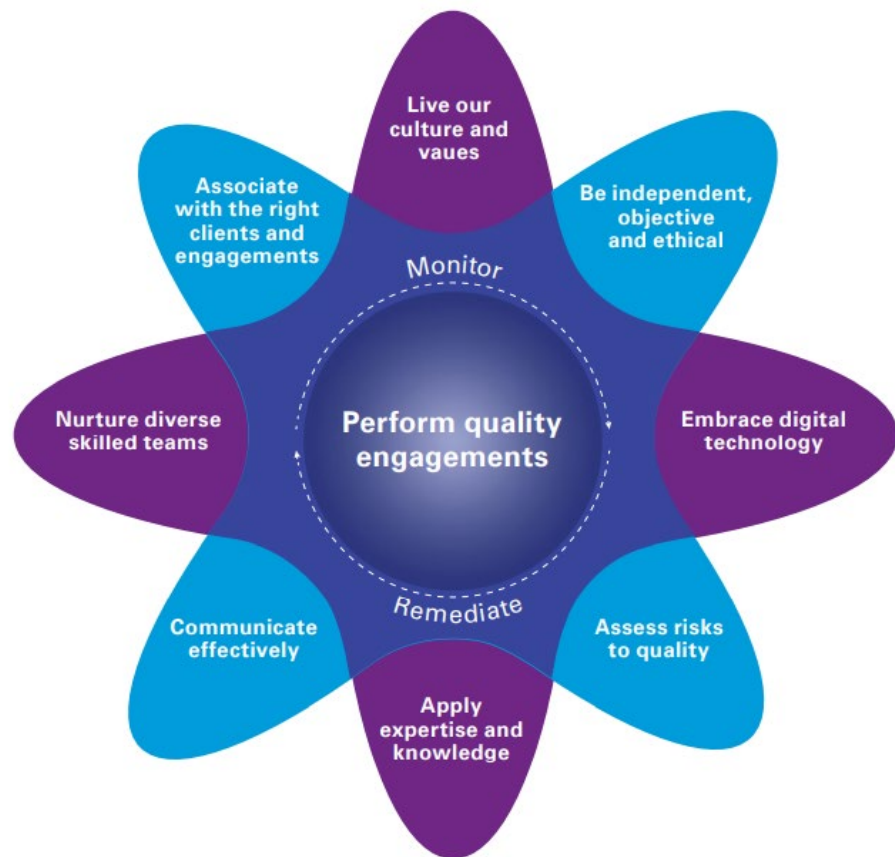
## Better for our Firm

KPMG remains robust and resilient, ready to meet the challenges of today as well as the emerging issues of tomorrow. MDM is a proven model that consistently delivers long-term value across all KPMG functions sectors and geographies.

## Better for the economy and society

Giving the world's most important and complex organizations access to high-quality services to meet their biggest challenges; bringing a broad range of skills and expertise, combined with strong sector knowledge, to help businesses while also protecting the integrity of the world's capital markets.

The model ensures breadth and expertise for our clients while also giving us collective confidence to invest and innovate across the business and across geographies to further our trust and growth ambitions.



## Associating with the right clients and engagements

The systems and processes that guide KPMG's client and engagement acceptance, and continuance determinations are designed to identify and assess any potential risks that might arise in an existing or potential opportunity. KPMG firms are required to use these systems and processes to assess whether or not they accept or continue a client relationship or perform a specific engagement. When significant risks are identified, additional approvals are required.

[Read more in our Transparency Report 2021](#)

# Setting the highest standards of ethical conduct

What we do at KPMG matters; but why and how we do it are equally important. To that end, KPMG holds itself to the highest ethical standards and embraces values that guide and unify our day-to-day actions and behaviours. They include:

## 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

# Our Code of Conduct

The responsibilities all KPMG people have to each other, our clients, and the public are outlined in our [Canadian Code of Conduct](#) (the Code). This key document outlines how our values inspire our greatest aspirations and guide all of our behaviours and actions. Moreover, 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 required to confirm their understanding of, and compliance with, the Code upon joining KPMG and annually after that. We monitor our people's completion of this training, as well as the completion of training on bribery and compliance with laws, regulations, and professional standards. Any individuals contracted to provide services to our firms also undertake applicable ethics training.

**99%** of partners and employees completed training on KPMG's Code of Conduct and anti-corruption policies and procedures in FY21.

**KPMG** Insights Industries Services ESG Digital Careers

Home > Insights > Canadian Code of Conduct

## Canadian Code of Conduct

The Code of Conduct lays out the expectations of ethical behavior for all the people of KPMG, build in the foundation of the KPMG Values.

**Related content**

**When to use the Ethics and Compliance Hotline**  
The Ethics and Compliance Hotline can be used to confidentially disclose concerns.

**Non-retaliation**  
KPMG has a non-retaliation policy for all individuals who make reports in good faith.

**Connect with us**

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- Email us
- Social media @ KPMG
- Request for proposal

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## Auditor independence

Auditor independence is a cornerstone of professional standards and regulatory requirements. To that end, KPMG in Canada adheres to detailed independence policies and procedures, incorporating the requirements of the International Ethics Standard Board for Accountants (IESBA) Code of Ethics.

These requirements are all set out in our Global Quality and Risk Management Manual, established by KPMG globally. Furthermore, automated tools facilitate compliance with these requirements, and must be used for every prospective engagement to identify potential independence and conflicts of interest.

These policies are supplemented by other policies and processes to ensure compliance with Canadian professional standards and regulations as well as the requirements of the United States Securities and Exchange Commission and the Public Company Accounting Oversight Board (PCAOB), as applicable. These policies and procedures cover areas such as firm independence, personal independence, firm financial relationships, employment relationships, partner rotation, and approval of audit and non-audit services.

## The Audit Quality Council

Chaired by the Partner-in-Charge, Department of Professional Practice (DPP), the Audit Quality Council provides input to and oversight of issue identification, analysis, and remediation relating to the most significant matters relative to audit quality. This includes:

- Accumulation of information relative to audit quality matters on a timely and consistent basis (e.g., from internal and external inspections, DPP consultations, litigation and regulatory issues)
- Analysis of such information and identification of common themes and related root causes
- Development of appropriately focused remedial actions in response to those root causes
- Timely implementation, execution and effectiveness of the remedial action plans

## Ethics from the top

KPMG in Canada has a designated Ethics and Independence Partner and a Chief Compliance Officer. These key leaders are responsible for communicating and implementing KPMG International policies and procedures. Additionally, they ensure local policies and procedures are established and effectively implemented when they are more stringent than the KPMG International requirements.

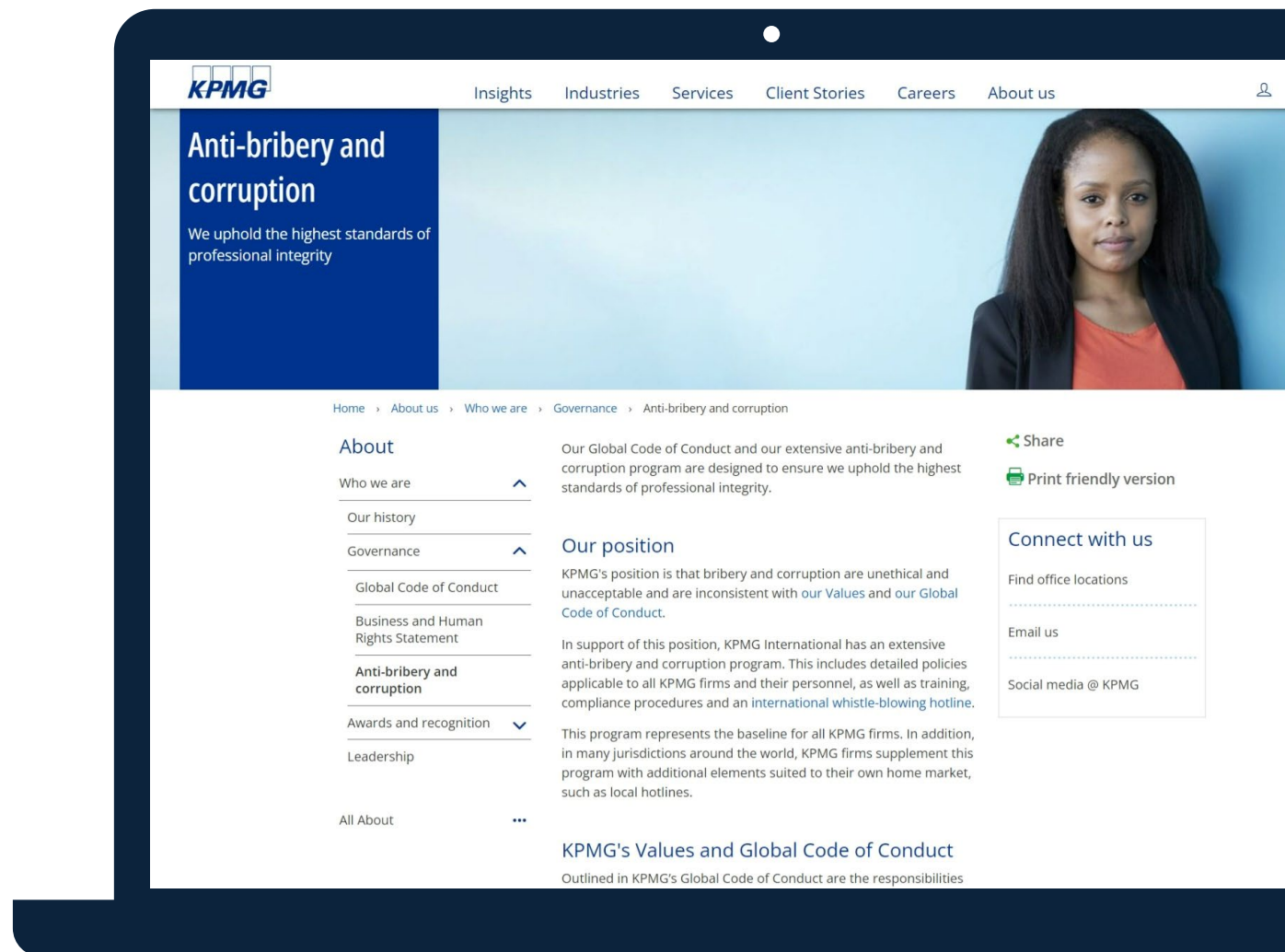
These responsibilities are fulfilled through:

- Implementing/monitoring the ethics and independence quality control process and structure within the firm
- Overseeing the processes related to the evaluation of specific independence threats in connection with clients and prospective clients
- Participating in the development and delivery of training materials
- Implementing procedures to address non-compliance
- Overseeing the disciplinary process for ethics and independence matters

# Zero tolerance of bribery and corruption

Everyone at KPMG is expected to comply with current laws, regulations, and standards. We have zero tolerance for bribery and corruption and prohibit involvement in any form of bribery, even if such conduct is legal or permitted under applicable law or local practice. Furthermore, we do not tolerate bribery by third parties, including by our clients, suppliers, or public officials.

More information on KPMG's anti-bribery and corruption policies can be found on the [anti-bribery and corruption site](#).



# Committing to change

KPMG has established an Our Impact Steering Committee, an Inclusion, Diversity & Equity Council, and an Environmental Council to drive progress across the commitments in Our Impact Plan.

The firm's ongoing transformation is also driven by:

## Embracing digital technology

We are committed to serving the public interest and creating value through continuous innovation. By leveraging leading technologies, we are transforming the various functional experience for our professionals and our clients. Doing so enables our teams to provide even higher quality results by increasing their ability to focus on the issues that matter through the data and insights it provides.

## Nurturing diversely skilled teams

Our people make the real difference and are instrumental in shaping the future of the industry. We put quality and integrity at the core of our practices. Our people have diverse skills and capabilities to address complex problems.

## KPMG in Canada Board Leadership Centre (BLC)

Our [BLC](#) engages with directors, board members, and business leaders to discuss timely and relevant boardroom challenges and deliver practical thought leadership on risk and strategy, talent and technology, globalization and regulatory issues, financial reporting, and more. BLC analyzes the big issues reshaping our environment today for public and private-company governance and shares diverse perspectives from KPMG's subject matter experts to help navigate the boardroom agenda.

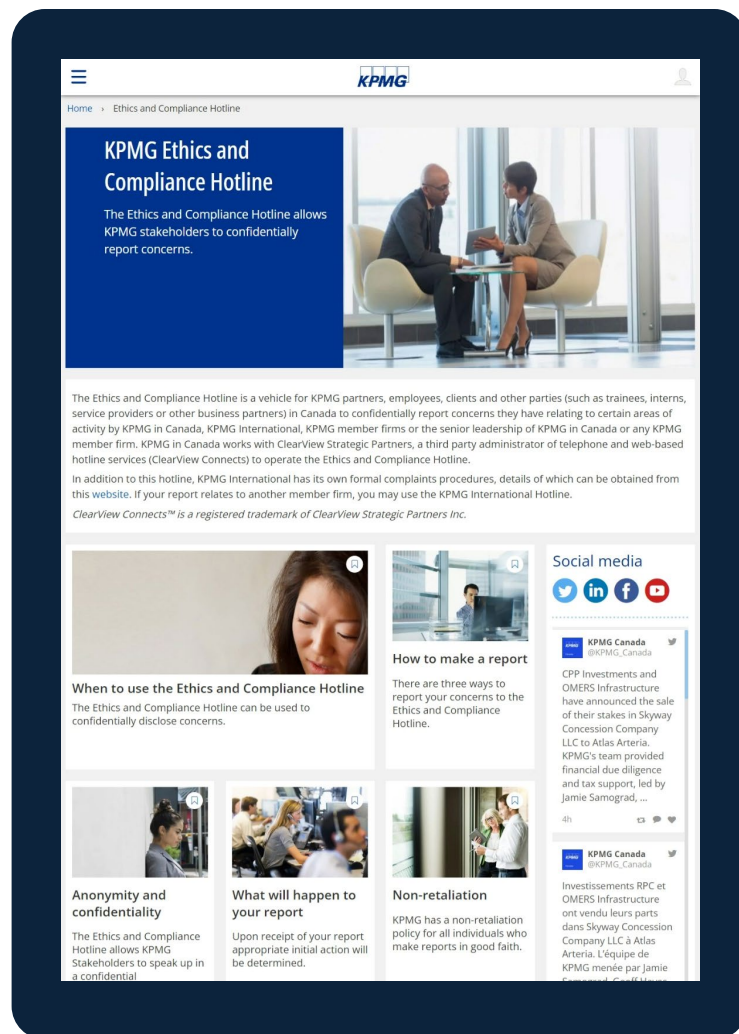
## Bringing International Sustainability Standard Board (ISSB) to Canada

KPMG in Canada, along with a coalition of CPA Canada partners, provided resources and funding to help establish the ISSB Montreal Centre and widen ISSB's global footprint. ISSB will help enhance the transparency and consistency of ESG reporting globally.

## Speaking up, safely

Individuals are encouraged to speak up when they see something that makes them uncomfortable or that is not in compliance with the Code of Conduct. Moreover, everyone at KPMG is responsible for reporting any activity that could potentially be illegal or in violation of our values, KPMG policies, applicable laws, regulations, or professional standards.

KPMG maintains an [Ethics and Compliance Hotline](#) that allows these reports to be made through an independent third-party provider. We encourage the use of the hotline when KPMG partners and employees feel uncomfortable reporting concerns about possible illegal, unethical, or improper conduct through normal channels, or when the normal communication channels are impractical or perceived as ineffective.



# Final thoughts from our Impact Leader



## Heather Baker

Canadian Managing Partner, Quality and Risk Management and Social Impact Leader  
KPMG in Canada

Thank you for the opportunity to share the progress we've made with KPMG's Social Impact Strategy. Our journey is nearly 15 years in the making — starting with our 'Community Leader' strategy in 2008 — and one we are committed to transforming as the needs of our people, communities, and planet evolve.

Since our last Social Impact Report published in 2021, demands for social justice have intensified, the risks of climate change have been magnified, and organizations of every stripe have been compelled to up their game across all pillars of the E, S, and G imperative. Today's leaders are increasingly aware that their customers, employees, and communities are looking to the business community to shape a more sustainable future. In turn, business leaders are increasingly intent on answering that call.

These realities continue to shape and reshape the ways KPMG makes a positive impact among its own people, clients, and communities. Pulling together data and stories for this report provides an opportunity for us to reflect on what our team has achieved concerning our own ESG priorities...and where we still need to move the dial.

Those achievements stretch across our Canada-wide team. As you've seen, some highlights include meeting the Diversity of the Partnership goals in 2022, increasing it by 2025, and solidifying the Impact action plans that will guide us into the years ahead. I am also proud of our people's engagement around key community needs, be it the 5,900 colleagues who joined us for an ESG-focused town hall on Earth Day 2022 or the many teams who responded to both local and global humanitarian crises through donations and volunteering. Over the years, we have made it a point to recognize the tremendous changemakers within the firm who personify our firm value of doing what matters 'for better' through the KPMG Impact Awards, and we plan to do so for years to come.

I can confidently say that we are truly making a difference, both at KPMG and in our daily lives. And yet, our work is far from over. We must maintain the momentum of our existing programs to support our ESG commitments and build out additional programs in areas such as our real estate footprint and suppliers. We are also committed to upholding transparency when reporting on our progress and plans for ESG, as this is the only way we can measure, adjust, and enhance our approach.

In closing, I send a heartfelt thank you to our national Social Impact Team, our Social Impact Leaders across the country, our Green Champions, and to all of the incredible people of KPMG who are taking action 'for better.' United, we have taken some important leaps forward on our journey to become a more sustainable business and are becoming more impactful with every step.



# 2022 Our Impact Plan: Canada

## Appendix



# Reporting approach

Our disclosures for **2022 Our Impact Plan: Canada** have been informed by the World Economic Forum's (WEF) International Business Council (IBC) metrics. Where we have not provided the data for a specific metric, we have included a reason for the omission using the following categories:

- **Materiality (M):** Our assessment did not identify certain topics as the most material issues for our stakeholders and firm. Therefore, we have not prioritized capturing this data in this year's plan.
- **Data definitions, collection, and methodological advancement (D):** For certain topics, there are limitations in the availability of the current data, or we are looking to advance the methodological approach to collection and analysis. We are committed to refining these areas in the years ahead and will reevaluate our disclosure accordingly.
- **Additional considerations (A):** We have excluded reporting on topics where there are outstanding privacy, internal business, and policy considerations that limit current data collection or publication.

The reporting period for disclosures is FY21 (Oct. 1, 2020 - Sept. 30, 2021) unless otherwise stated in the report. Our metrics have not been externally assured.

# Planet

Theme	Metrics	Location and notes
Climate change	Greenhouse gas (GHG) emissions	<a href="#">Planet</a> : Decarbonization - The path to net zero (p. 16)
	TCFD implementation	<a href="#">Planet</a> : Committed to change (p. 10)
Nature loss	Land use and ecological sensitivity	Not reported due to (D).
Freshwater availability	Water consumption and withdrawal in water-stressed areas	Not reported due to (D).

# People

Theme	Metrics	Location and notes
Dignity and equality	Diversity and inclusion	<a href="#">People</a> : Strength through diversity (p. 26-27)
	Pay equality	Not reported due to [D].
	Wage level	Not reported due to [D].
	Risk for incidents of child, forced or compulsory labor	<a href="#">People</a> : Human rights (p. 46)

# People

Theme	Metrics	Location and notes
Health and well-being	Health and safety	<a href="#">People:</a> Health and well-being (p. 35-41)
Skills for the future	Training provided	<a href="#">People:</a> Continuous learning (p. 42-43)

# Prosperity

Theme	Metrics	Location and notes
Employment and wealth generation	Absolute number and rate of employment	<p>Absolute number of employment: <a href="#">Our highlights at a glance</a> - Prosperity (p. 7)</p> <p>Diversity indicators: <a href="#">People:</a> (p. 27)</p> <p>Workforce breakdown: <a href="#">Appendix data (see the end of the document)</a></p> <p>Some aspects not reported due to (A).</p>
	Economic contribution	<p>Revenue: <a href="#">Prosperity</a> (p. 49)</p> <p>Community Investment: <a href="#">Prosperity</a> (p. 60)</p> <p>Some aspects not reported due to (A).</p>
	Financial investment contribution	Not reported due to (M).

# Prosperity

Theme	Metrics	Location and notes
<b>Innovation of better products and services</b>	Total R&D expenses	<p><u>Prosperity</u>: Global commitment to investing in ESG (p. 50)</p> <p>Some aspects not reported due to (D).</p>
<b>Community and social vitality</b>	Total tax paid	Not reported due to (A).

# Governance

Theme	Metrics	Location and notes
Governing purpose	Setting purpose	<p><a href="#">A message from our CEO</a> (p. 4)</p> <p><a href="#">People:</a> Employee Value Proposition (p. 23)</p> <p><a href="#">Governance:</a> Setting the highest standards of ethical conduct (p.83 )</p>
Quality of governing body	Governance body composition	<p><a href="#">Governance:</a> Our governance and structure (p. 79-80)</p>
Stakeholder engagement	Material issues impacting stakeholders	<p><a href="#">About this report:</a> Material issues (p. 5-6)</p>
Ethical behavior	Anti-corruption	<p><a href="#">Governance:</a> Our Code of Conduct (p. 84)</p> <p><a href="#">Governance:</a> Zero tolerance of bribery and corruption (p. 87)</p> <p><a href="#">Governance:</a> Speaking up, safely (p. 89)</p>

# Governance

Theme	Metrics	Location and notes
<b>Ethical behaviour</b>	Protected ethics advice and reporting mechanisms	<p><u>Governance:</u> Ethics from the top (p. 86)</p> <p><u>Governance:</u> Speaking up, safely (p. 89)</p>
<b>Risk and opportunity oversight</b>	Integrating risk and opportunity into business process	<p><u>Governance:</u> KPMG's multi-disciplinary model (p .81)</p> <p><u>Governance:</u> Associating with the right clients and engagements (p .82)</p> <p><u>Governance:</u> Auditor independence (p. 85)</p> <p><u>Governance:</u> The Audit Quality Council; Ethics from the top (p. 86)</p> <p><u>Governance:</u> Committing to change (p.88)</p>

# Data

## Prosperity: Employment and wealth generation (Absolute number and rate of employment)

FY21 workforce breakdown, based on total FTE of 8,760:

– Leadership	832
– Management	3,028
– Team members	4,900





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