



Our Impact Plan Canada 2024



We respectfully acknowledge that KPMG offices across Turtle Island (North America) are located on the traditional, treaty and unceded territories of First Nations, Inuit & Métis peoples.

Indigenous Peoples share a sacred relation with the land and this land acknowledgment is the first step in learning about our history, and taking action toward reconciliation.



Contents

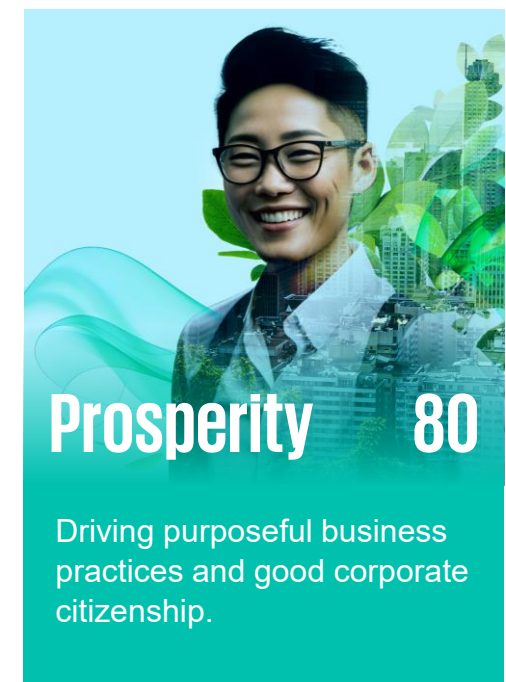
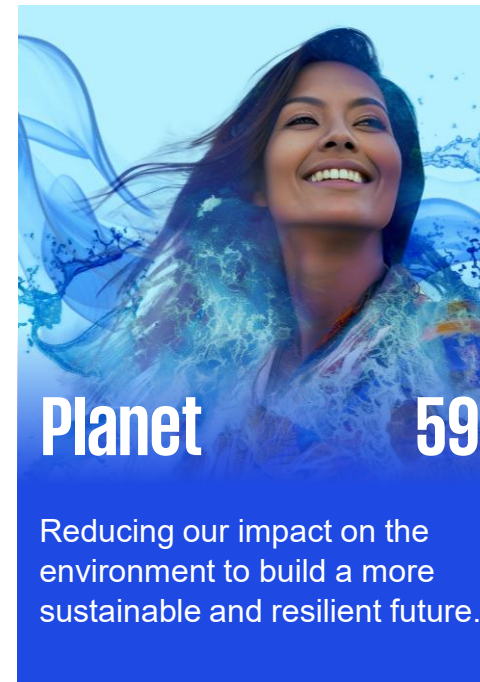
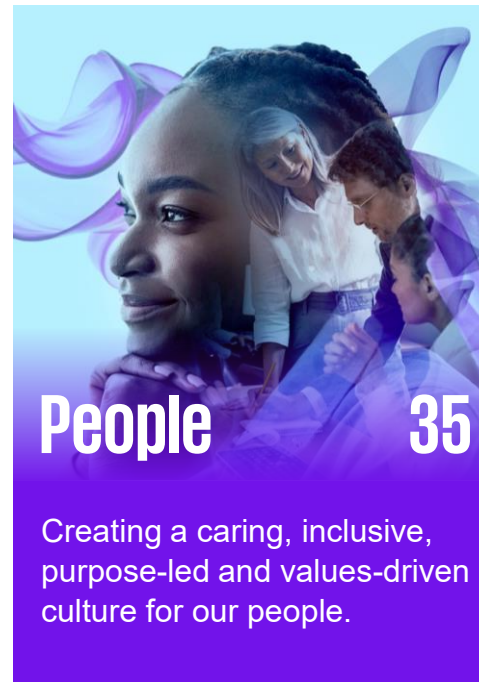
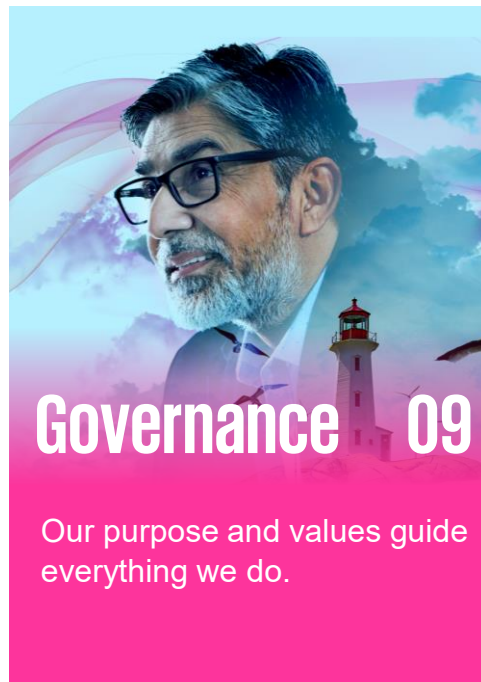
04 A message from our CEO

05 About this report

07 Highlights at a glance

108 Final thoughts from our Impact Leader

109 Indexes and explanations



A message from our CEO

KPMG truly shines when our people work shoulder-to-shoulder with each other and our clients to tackle challenges and seize opportunities for better. Every day, we leverage our best people, innovative technology and our collective experience to help businesses, governments, and the communities we serve.

It is my pleasure to present **Our Impact Plan Canada 2024**.

KPMG is home to changemakers across Canada who go above and beyond their roles at the firm to build a more equitable, prosperous and sustainable world. Over the past year, our efforts have impacted our offices and communities, all while moving KPMG closer to our environmental, social and governance goals. I am inspired by our work and eager to share our passion and stories.

In this report, we're showcasing our commitments and progress across four key pillars: Governance, People, Planet, and Prosperity. You'll see how we're harnessing the power of AI to unlock innovation and productivity ethically and responsibly, and how we're advancing Inclusion, Diversity & Equity. This includes empowering 35 People Networks, launching our Disability Inclusion Action Plan and taking steps to create workplaces that focus on personal growth, career development and mental health. You'll also find updates on our journey toward achieving net-zero emissions by 2030, and how we're investing in the environment by using our internal carbon price. (A list of internal carbon price investments can be found on page 70). And you will read about how we're taking cues from the United Nations Sustainable Development Goals (SDGs)

to foster a more resilient future by working with community allies to champion good health and well-being, advance quality education, reduce inequalities, and take action to combat climate change.

As we continue to make progress on our commitments, we know there's much more to do to match the needs of our changing world. By being transparent, we want our people, clients and communities to understand where we are and where we're headed. We know that meaningful change takes commitment, consistency and time, and we'll use Our Impact Plan as our roadmap to get there.

Thank you for joining us on our ESG journey.

Elio Luongo

CEO and Senior Partner
KPMG in Canada



About this report

ESG is the watermark running through KPMG. We recognize our responsibility for leaving a better world for future generations, and the role we play in building more equitable and prosperous workplaces and communities.

Our Impact Plan was created to share our FY23 goals, initiatives, and achievements across four key pillars: Governance, People, Planet, and Prosperity. To that end, we have provided updates on our net-zero strategies, ID&E programs, community-building initiatives, and strategies for enhancing trust and accountability. You will also find spotlights on our people, leaders and team members, and the KPMG People Networks who are making a quantifiable impact in our offices and across their communities.

Material issues

We have outlined our commitments across the four pillars on issues that are most material to our internal and external stakeholders. This year, we reviewed and refreshed the list of material topics shared in our last impact report. We consulted with senior leaders and subject matter experts within KPMG, including the Leaders of Tomorrow Circle (page 58), and reviewed key external documents, data and insights. We also gained a deeper understanding of our current and emerging ESG impacts. Data in this report has been prepared with reference to World Economic Forum (WEF) International Business Council (IBC) Stakeholder metrics.

Governance

- Ethics, integrity, independence
- Trust
- Purpose, culture and values

Planet

- Decarbonization
- Circularity
- Nature & biodiversity
- People engagement

People

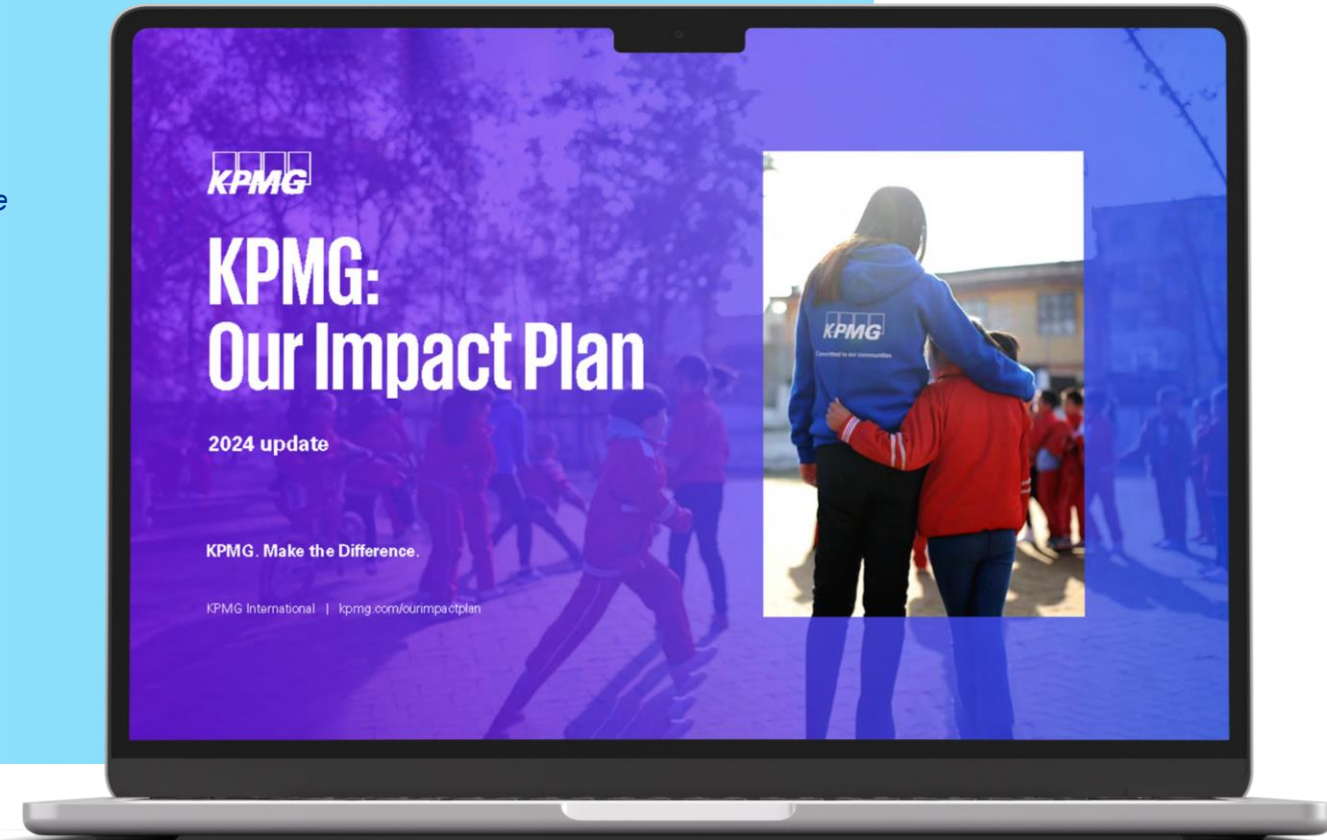
- Talent attraction, development and retention
- Inclusion, Diversity and Equity
- Employee well-being

Prosperity

- Financial, operational and brand resilience
- Technology and innovation
- Impactful community initiatives

A high-level summary of our data and a list of our disclosures have been provided in the Indexes and explanations section. To demonstrate our ongoing progress, these disclosures will expand as our ESG commitments and reporting evolve.

This report covers activities of KPMG in Canada (referred to as KPMG) and will be differentiated from KPMG International, where needed. Unless indicated otherwise, it covers KPMG's activities between Oct. 1, 2022 to Sept. 30, 2023, abbreviated as 'FY23.' 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

Governance

Board of Directors comprised of
41% women | 24% people of colour

Management Committee comprised of
43% women | 14% people of colour

Launched global ethical decision-making framework: **Consider, Assess, Respond, Evolve (CARE)**

Evolved **Trusted AI** with trustworthy, values-led, and human-centric approach

People

Launched KPMG's
Disability Inclusion Action Plan

Achieved representation of
**5.2% people with disabilities | 4.5% Black people
0.8% Indigenous Peoples**

Achieved **33% representation of women** in partnership,
ahead of our 2025 target

Increased mental health benefits for
our people and their family members **\$3,000 annually**

Our highlights at a glance

Planet

Reduced our carbon emissions by **25%** in FY23 and **16%** from FY19, our base year¹

Sourced renewable electricity to address **100%** of our consumption through the procurement of renewable energy certificates²

Joined Environment and Climate Change Canada's (ECCC) **Net-Zero Challenge**

Supported **rewilding and afforestation** efforts in Alberta, British Columbia, Saskatchewan and Quebec

1. Includes scopes 1 and 2, as well as the following scope 3 categories: purchased goods and services (category 1), fuel-and-energy-related activities not included in scope 1 or scope 2 (category 3), business travel (category 6), and downstream leased assets (category 13). For more information on the scopes included in our emissions inventory please refer to page 67.

2. Please refer to pages 64 and 67 for more information.

Prosperity

10,738 full-time employees in FY23, 3% growth from FY22

\$12M in community investments, up 26% since 2022

2,707 KPMG people dedicated **46,835 hours³** to volunteering

Five-year, **\$250,000 commitment** to programming for Indigenous business students at University of Alberta

3. Includes volunteer hours that are firm sponsored and on employees' own time

Governance

Our purpose and values guide everything we do.



Our commitments

Our purpose

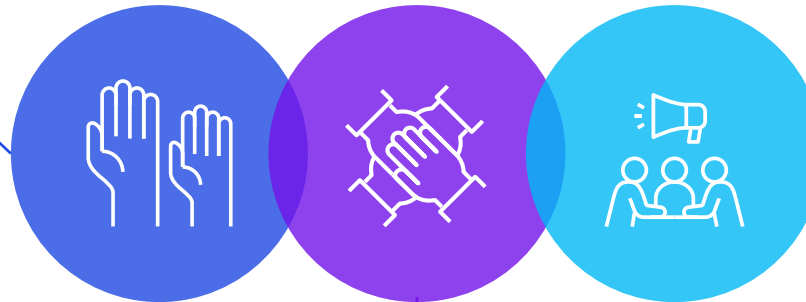
Inspire confidence. Empower change.

For over 150 years, KPMG has inspired confidence and empowered change.

Our purpose sits at the heart of everything we do. It compels us to make decisions that create a meaningful impact, take actions that engender trust, and consider the economic, environmental, and social impact of all our activities.

Purposeful business

- 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



Human rights

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

Acting transparently with accountability

- Act lawfully and ethically

Our values

Our values are the foundation of every decision we make, and every achievement we celebrate. They are the foundation for an open and inclusive workplace in which every individual operates to the highest ethical standards—even when under pressure. Our values are core to who we are as a firm and help us achieve our purpose.



Integrity

We do what is right.

Together

We respect each other and find strength in our differences.

Excellence

We never stop learning and improving.

For Better

We do what matters.

Courage

We think and act boldly.



Our purpose

By inspiring confidence in our people, clients and society, we help empower change and lead the way forward.



People

We are a people business.

Our people crave opportunities to do meaningful and impactful work while developing a thriving career in an inclusive, diverse, and caring culture.



Clients

We stimulate trust and confidence in business.

Our clients seek our expertise to help solve their challenges and grow sustainably.



Society

We have a responsibility to build a sustainable future.

Society expects a fair, more equitable future for people and our planet.

Our governance, leadership and structure

KPMG LLP is a Canadian limited liability partnership formed under the laws of Ontario and is wholly owned by its partners. 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 structure is designed to support consistency of service quality and adherence to agreed values wherever KPMG member firms operate. Further detail on the legal and governance arrangements of the KPMG global organization can be found in the 'Governance and leadership' section of the [KPMG International Transparency Report](#).

961 The average number of KPMG Partners during the year ended Sept. 30, 2023



Our governance and structure

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

The key management and governance bodies of our firm are the Management Committee and the Board of Directors. In addition, there are geographic leaders in each of the regions in which we operate, as well as regional service area leaders.

Our Board of Directors is led by a chair and includes partners drawn from across the business. The board's role is focused on partnership matters, including compensation, partner rights, admissions, and succession. The board has oversight responsibility with respect to the firm's strategic and business planning, and quality-control processes, and reviews the firm's financial statements. The board is composed of 41% women and 24% People of Colour.

The Management Committee is responsible for the strategic and operational leadership of the firm, and is made up of the CEO/Senior Partner and the Canadian Managing Partners. Our Management Committee is comprised of 43% women and 14% People of Colour.



KPMG's multi-disciplinary model

KPMG is committed to the multi-disciplinary model (MDM). It is better for our people, our clients, our firm, the economy and society.

KPMG is Together, for Better.

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.



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 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 the economy and society

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



Audit: Quality is how we make a difference

Audit and assurance quality is foundational to instilling confidence and public trust in the capital markets and it remains our highest priority. Across the global organization, KPMG firms have strengthened their systems of quality management (SoQM) to meet the requirements of the International Standard on Quality Management (ISQM) 1, issued by the International Auditing and Assurance Standards Board (IAASB). Foundational for quality management, our globally consistent approach to ISQM 1 drives compliance with the standard, and strengthens trust and transparency with our clients, the capital markets and the public we serve.

ISQM 1 was adopted in Canada with minimal amendments as Canadian Standard on Quality Management (CSQM) 1.

Our [Global Quality Framework](#) outlines how we deliver quality and how all KPMG professionals contribute to its delivery.

We have committed to continually improving the quality, consistency and efficiency of our audits. Integrated quality monitoring and compliance programs enable us to identify quality deficiencies, to perform root cause analysis and to develop, implement and report remedial action plans, both in respect to individual audit engagements and the overall SoQM.

At KPMG, we are anticipating the technologies that will shape our near future and are driving an ambitious innovation agenda. We have transformed the audit experience for our professionals and clients. [KPMG Clara](#) was developed to be a foundational technology platform to deliver audit quality. It evolves with technologies such as artificial intelligence (AI), data & analytics and cognitive capabilities transforming how audits are delivered.

We provide our professionals with training on a wide range of technologies to help ensure that our field professionals not only meet the highest professional standards, but are also upskilled in new technology. With this approach, we are bringing together the right people with the right skills and the right technology to perform quality audits.

Quality is how we make a difference.

To read about our commitment to deliver on our fundamental promise of audit quality to serve the public interest, and how our SoQM supports the performance of quality engagements, download [KPMG's Transparency Report 2023](#).

Associating with the right clients and engagements

KPMG International's global client and engagement acceptance and continuance systems and processes are designed to help KPMG firms identify and assess any potential risks prior to accepting or continuing a client relationship or performing a specific engagement.

KPMG firms evaluate whether or not they accept or continue a client relationship or perform a specific engagement. Where client/engagement acceptance (or continuance) decisions pose significant risks, additional approvals are required.

[Read more in our Transparency Report 2023](#)



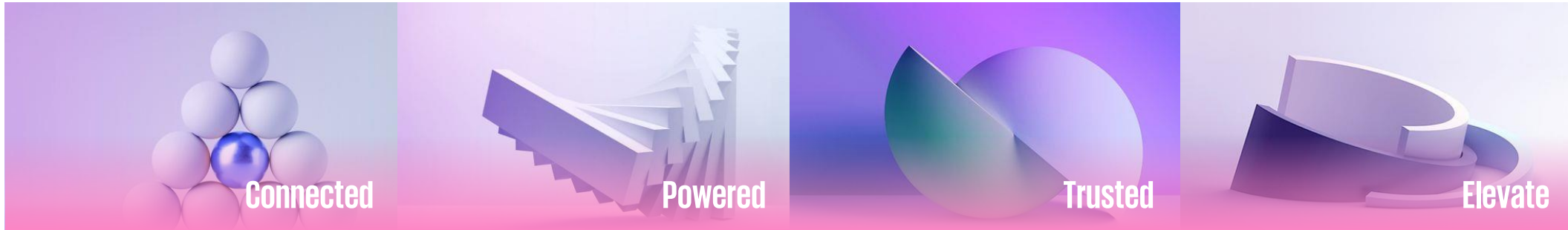
Driving a responsible tax practice

Our leadership in responsible tax is demonstrated in how we conduct ourselves, deliver our services to clients, and arrange the tax affairs of KPMG and each of its Partners. See the [Canadian principles](#) for a responsible tax practice.

We're committed to acting lawfully and with integrity, providing high-quality advice, building mutually trusting relations with tax authorities, and enhancing the Canadian tax system through strong industry collaboration. In all aspects of our behavior and work, we continue to uphold our commitment to compliance with all relevant professional, legal and regulatory requirements. This is consistent with our values and [Global Code of Conduct](#).



Enabling purposeful business transformation and trust



In an era marked by relentless digital transformation, dynamic regulatory shifts, escalating risks, and heightened societal and environmental expectations, organizations face increasingly intricate challenges. These challenges demand an ongoing re-evaluation of how long-term business value can be cultivated through sustainable practices.

Our Advisory practice teams are equipped with extensive experience helping Canadian organizations achieve their business goals. We work shoulder-to-shoulder with clients to navigate their business transformation efforts and to address ESG imperatives. Amid the ever-evolving landscape, we bring the appropriate specialists from across our Canadian firm and global network to help organizations not only bolster performance, but also make steady progress on ESG goals using the right technologies—all while creating and maintaining stakeholder trust and driving concrete business results.

Using our industry-proven business transformation methodologies and frameworks — [Connected](#), [Powered](#), [Trusted](#), [Elevate](#), we help clients effectively transform with intention. From spearheading multi-year diversity, equity, and inclusion (DEI) programs, to building trust by instilling ESG integrity through rigorous ethics and compliance initiatives, to establishing Trusted AI frameworks, and harnessing the capabilities of data & analytics for better decision-making, decarbonization goals, and operational efficiencies.

The Advisory practice teams can help organizations foster innovation, adapt to digital shifts and manage regulatory nuances and evolve as ESG-responsible and resilient leaders in their industries.

Initiatives that are helping make a difference for our clients

- [KPMG's Decarbonization Hub](#) helps organizations streamline the implementation of their decarbonization objectives. With deep climate and infrastructure experience, our cross-functional industry team focuses on navigating policy and market uncertainties, enhancing investment decision-making and governance, fostering innovation, and facilitating operational transformation.
- KPMG created Canada's first-ever [Generative AI Adoption Index](#) to measure how Canadians are using generative AI tools in the workplace, with the goal of understanding and analyzing the risks and benefits of the technology to organizations and society.
- KPMG's [Diversity, Equity and Inclusion \(DEI\) impact analytics accelerator](#) leverages data and technology to help organizations achieve sustainable DEI goals. Our dashboards showcase and uncover valuable insights, track an organization's DEI journey, and links them to key performance indicators.



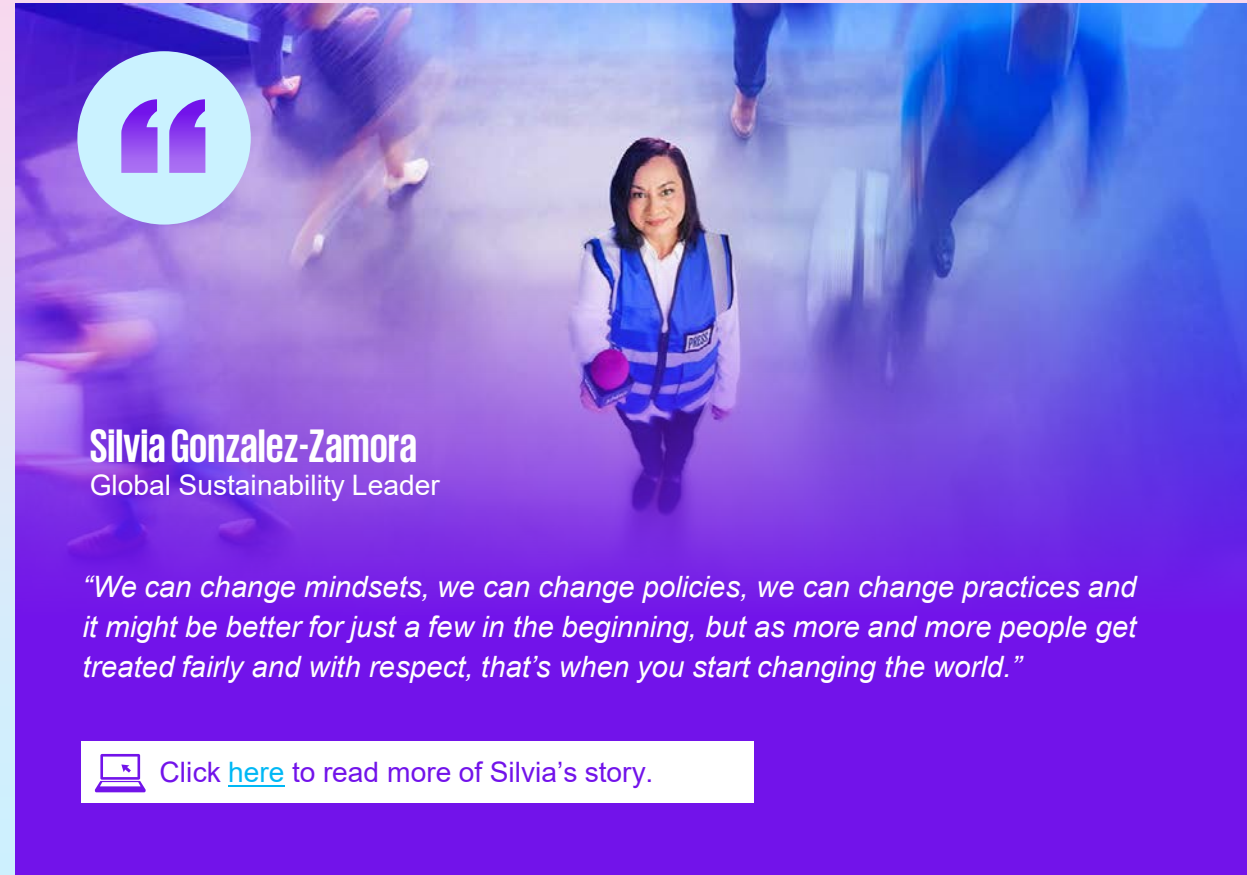
People of KPMG: Silvia Gonzalez-Zamora

You could say Silvia was born to push boundaries. Her grandmother was one of the first women to study science in Mexico, giving Silvia a lifelong passion for breaking down barriers.

This passion is what drove Silvia to become a journalist in Mexico City at the age of 18, covering mainly social issues, including the oppression and displacement of women in her country. Faced with the harsh reality that her safety was at risk while practicing journalism in Mexico, Silvia decided to switch paths and pursue a master's degree in New York, studying employment relations and the complex interconnection between employers and employees. With the support of three scholarships, she began studying at Cornell University, when suddenly her worldview changed.

"I was there on September 11, in Ithaca, NY," Silvia recalls. She saw first-hand the role fear and misinformation plays in forming biases against one another, but also witnessed inspiring stories of people helping each other, and coming together for positive change.

Silvia believes that when you bring diverse hearts, minds and voices to the table and give them a chance to thrive, their insights and perspectives can do anything.



“

Silvia Gonzalez-Zamora
Global Sustainability Leader

"We can change mindsets, we can change policies, we can change practices and it might be better for just a few in the beginning, but as more and more people get treated fairly and with respect, that's when you start changing the world."

Click [here](#) to read more of Silvia's story.

Environmental, Social and Governance (ESG)

Six market forces are driving ESG programs

Environmental, Social and Governance (ESG) topics are reshaping the business landscape, affecting financial performance and long-term business success. With heightened global pressures of geopolitical unrest, escalating climate risks, and evolving regulatory and disclosure requirements, KPMG member firms have identified six market forces driving ESG programs today.

**Responsible
resource use
and impact
on nature**

**Global focus on
tackling climate
change**

**Greater focus
on human rights
and equity**

**Increased
regulation,
reporting and
incentives**

**Major
reorientation
of capital**

**Increased focus
on trust and
transparency**

KPMG developed solutions to address these forces

We aligned our cross-functional services, technical subject matter expertise, industry-leading experience, data-driven technologies and global alliances to help our clients of all sizes understand and address the impacts of these challenges on their businesses, people, communities and the planet.

We help clients create value by:

- Developing their **ESG strategy and implementing** the necessary changes, to become a more sustainable business – including:
 - **Reducing emissions**
 - Mitigating **harmful impacts** on the environment
 - **Conducting supply chain due diligence**
 - Embedding **circular economy** practices
 - Enabling **fair business practices**
 - Leveraging **data and technology**
- Arranging **environmentally and socially responsible funding** when preparing companies for sales, mergers, or acquisitions;
- Navigating the evolving **legal and regulatory landscape**;
- **Reporting their progress** on ESG issues and metrics; and
- Providing **limited or reasonable assurance** on ESG disclosures and certification on clients' ESG reporting.

Preparing for emerging ESG reporting requirements

[ESG reporting](#) is becoming mandatory—and the move to integrated financial and ESG reporting has begun. The first formal international accounting standards for ESG have now been issued. In March of 2024, the Canadian Sustainability Standards Board (CSSB) released its first two proposed draft standards for commentary. Some Canadian organizations may soon be required to make certain disclosures in accordance with the EU Corporate Sustainability Reporting Directive (CSRD).

KPMG supports our clients across the spectrum of ESG reporting services to help gauge their readiness, develop their reports, implement data and technology solutions, and prepare for independent assurance (where required).

Spotlight on natural capital and biodiversity loss

KPMG's ESG practice helped a major Canadian technology company develop an integrated climate and nature strategy by assessing their operational and supply chain impact on nature and biodiversity—in line with Taskforce on Nature-related Financial Disclosures (TNFD) and Science Based Targets Network (SBTN). This included a data driven assessment of the organization's assets in North America as well as a review of key suppliers within their supply chain. The final output included a set of nature positive aligned goals and targets.

Helping SMEs build competitive advantage through ESG

63%

of Canadian SMEs are worried they will **lose procurement contracts or business opportunities** because they haven't focused on ESG¹

Stakeholders—including investors and suppliers—are increasingly putting pressure on small and medium sized enterprises (SMEs) to manage their ESG risks and opportunities, as well as to disclose their ESG performance. SMEs recognize that embedding ESG factors into their business operations will better position them to meet stakeholder expectations, navigate regulatory requirements and improve market positioning.

KPMG developed [ESG Discovery sessions](#) to help SMEs explore and hone-in on their ESG challenges and opportunities to unlock long-term value for their business.

¹ **Source:** [2023 KPMG CEO Outlook](#)

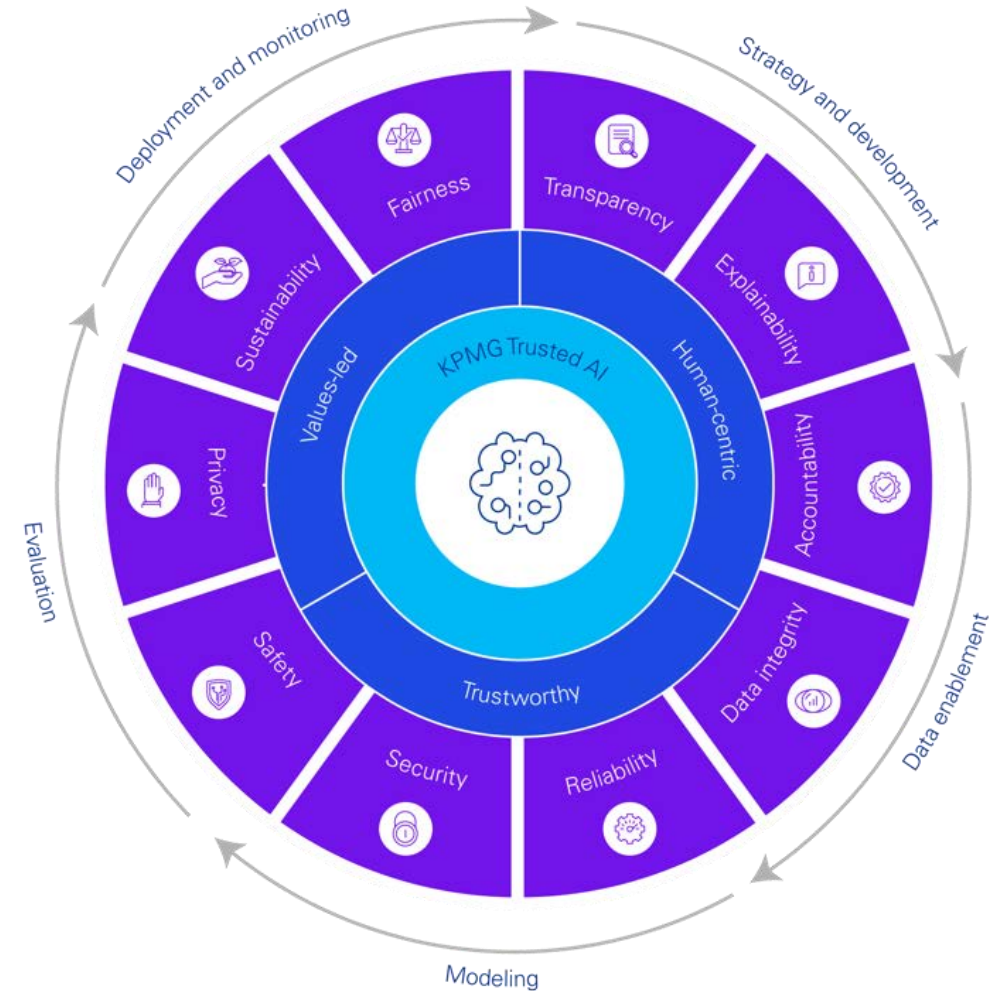
Trusted AI

Generative AI is reshaping the workforce and revolutionizing how organizations operate. It is a fast-evolving technology with the power to unlock unprecedented innovation and productivity, but one that must be used ethically, responsibly, and in compliance with modern privacy and data regulations.

KPMG is using Generative AI to transform how we empower our people and clients. We recognize that we must move forward with a trustworthy, values-led, and human-centric approach. To that end, we developed the Trusted AI Framework, a strategic approach and framework to designing, building, deploying and using AI solutions in a responsible and ethical manner that enables our firm to accelerate value with confidence and trust.

As a values-led model, KPMG's Trusted AI Framework reflects our ESG story. It recognizes that Generative AI solutions must not only be designed with fairness, integrity, and accountability at their core, but also be energy efficient, support the reduction of carbon emissions, and champion a cleaner environment.

Implementing trustworthy and ethical AI solutions is a complex business, regulatory, and technical challenge. Our Trusted AI Framework and related Risk Control Matrix address these critical considerations and will continue to adapt as the Generative AI revolution takes shape.



To learn more about our Trusted AI Framework and tool kits, click [here](#).

Responsible AI for global audits

In 2023, KPMG in Canada formed a strategic alliance with MindBridge, a Canadian AI leader, to bring advanced responsible AI to our global organization and digital audits. Specifically, we are leveraging MindBridge's AI tech in KPMG's smart audit platform, KPMG Clara, to identify unexpected or high-risk transactions and provide enhanced audit quality and public trust.

Through this multi-year collaboration, we are working in lockstep with our longtime tech collaborators at MindBridge to increase audit quality and transparency while carefully managing associated risks by putting necessary safeguards in place.



"By responsibly harnessing the power of AI, we're able to transform the audit to better serve and protect the growing needs of Canadian businesses, investors, and audit professionals, and we're excited to further advance these efforts on a global stage."

**Kristy Carscallen, Canadian Managing Partner,
Audit and Assurance**

Information technology and protection

KPMG continually invests in technologies and innovative strategies to provide our people with tools to achieve success, keep pace with change, meet and exceed stakeholder objectives, and contribute to social and environmental causes.

Our three technological priorities include:



Cloud

KPMG continues to implement a modern cloud platform that enables the firm and its clients to realize the benefits of cloud digitization. We work to implement cloud-based applications that not only meet technological needs but also prioritize sustainability by exploring opportunities to minimize emissions where possible.



Data security

To maintain the trust of our clients, we continue to implement enhanced cybersecurity controls that protect our data and our client's data against current and future threats. We actively participate in developing global security standards and maintaining compliance, and work diligently to enable innovation through technology acceleration. This means fostering the development of responsible AI solutions and providing the training and education our people need to adopt the most effective cybersecurity safety protocols.



Information protection

We have policies, processes, and controls that address confidentiality, information security, and data privacy. We provide annual training on confidentiality, information protection, and data privacy requirements. Our clients and stakeholders entrust us with sensitive information, and we are committed to observing applicable laws and regulations, and investing in systems to help keep them safe and secure. We also perform an annual SOC 2 certification and ISO (27001, 27017, 27018) audits ensuring our clients of robust data protection, integrity, and overall assurance in our services.

Setting the highest standards of ethical conduct

At KPMG, we know that trust is earned by doing the right thing. As the world rapidly changes and becomes more complex, this simple principle has never been more important. KPMG's global ethical decision-making framework, CARE (Consider, Assess, Respond, Evolve) which was created in 2023 and is used by KPMG firms, steers us to ethical decision-making and supports our purpose, values, and [Code of Conduct](#), centered on building and reinforcing trust.

The CARE framework helps our people to make ethical decisions, especially when faced with a challenging situation or ethical dilemma. It also reminds them that they do not have to make these decisions alone. The framework is backed by a portfolio of supporting materials and guides, including facilitated discussions to enable our people to practice and build confidence in making ethical decisions.

CARE

Ethical decision-making framework

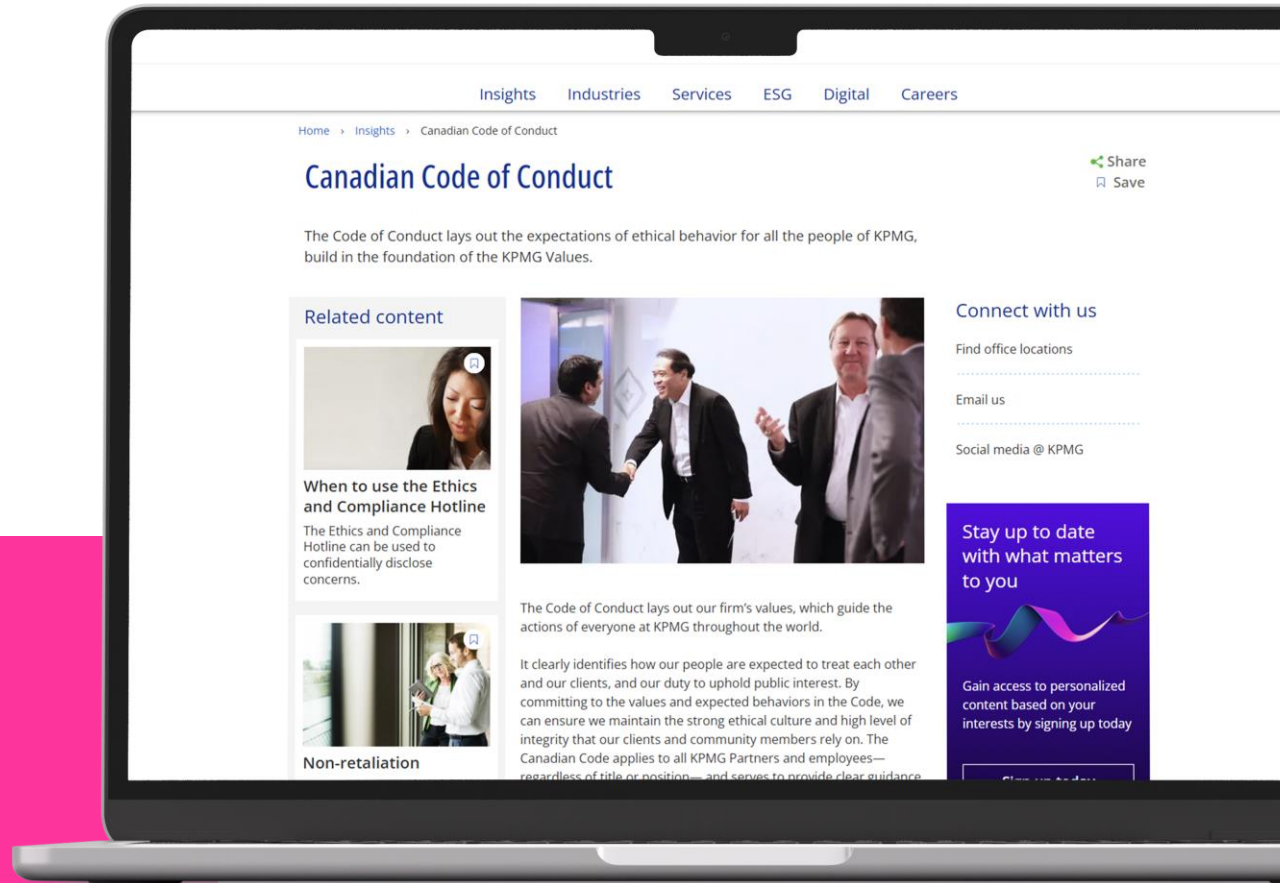


Our code of conduct

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 and guide our behaviours and actions.

Everyone at KPMG is required to confirm their understanding of, and compliance with the Code upon joining KPMG and annually after joining our team. 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 (We Do What is Right—Integrity at KPMG training). Any individuals contracted to provide services to the Canadian firm also undertake applicable ethics training.

97% of partners and employees completed training on KPMG's Code of Conduct and anti-corruption policies and procedures in 2023





Auditor independence

Auditor independence is a cornerstone of professional standards and regulatory requirements. 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 International. 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

Our Audit Quality Council considers matters relating to maintaining and improving audit quality, including the detailed findings (and related actions) from our system of quality management evaluation, external regulatory reviews, the internal Quality Performance Review program and other quality management programs, as well as papers on a range of issues designed to allow us to challenge ourselves in various aspects of audit quality and improvement.



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.

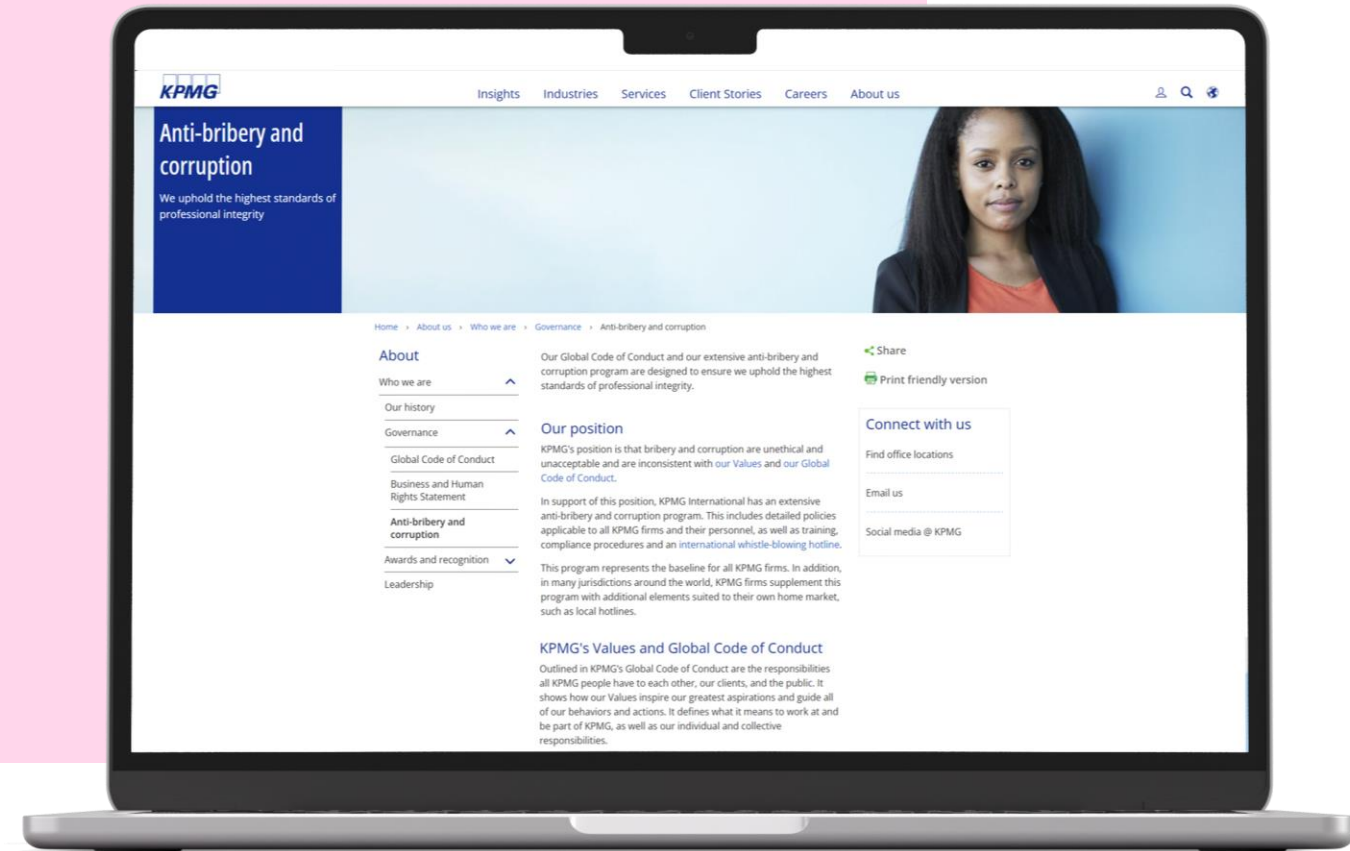
These responsibilities are fulfilled through:

- 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](#).



Committed to change

In 2022 we established an Impact Steering Committee to provide direction and oversight of our environmental, social and governance strategy including the related commitments that have been made. The Steering Committee is composed of leaders across the firm including Corporate Affairs, Impact, Inclusion, Diversity & Equity, Risk Management, People, Finance and Operations, and our ESG advisory practice. The Steering Committee is responsible for assessing the firm's ESG key areas of focus, evaluating and providing feedback on plans and progress, as well as reporting on our ESG performance internally and externally.

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 experiences 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.

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.

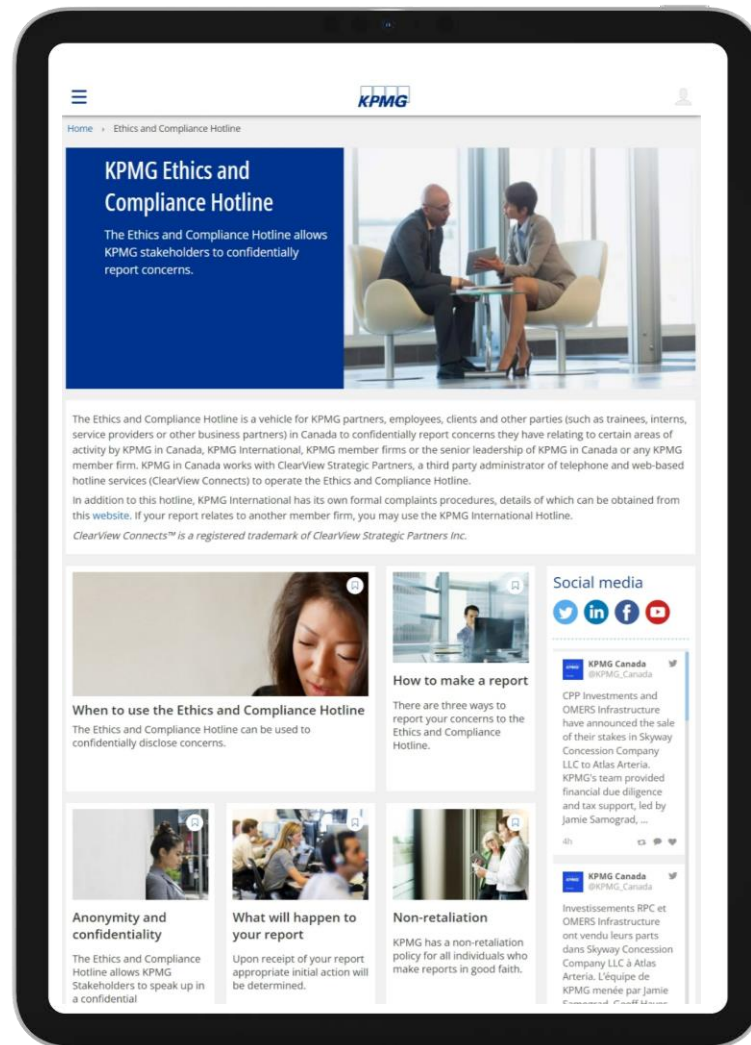
KPMG's Board Leadership Centre

Our Board Leadership Centre (BLC) is a thought leader and peer connector, engaging with leaders and board members on corporate governance and current issues to help fulfill their fiduciary duties, drive long-term value, and enhance stakeholder confidence in their organizations. We provide insights and facilitate opportunities to engage on a wide spectrum of issues driving board agendas including strategy, risk, talent, technology, ESG, regulation, financial reporting, and more.

The BLC gathers diverse perspectives from our subject matter experts and works in collaboration with KPMG BLCs around the world and other respected Canadian director organizations, enabling us to curate thought leadership and learning opportunities covering leading issues and board matters that affect public and private company governance today.

Bringing International Sustainability Standard Board (ISSB) to Canada

KPMG and 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 [Canadian Code of Conduct](#). 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.

Human rights

KPMG International is committed to respecting human rights, as outlined in our [Business and Human Rights Statement](#), which is in line with [the UN's Guiding Principles on Business and Human Rights](#) and builds on our longstanding support for the UN Global Compact. This means supporting the protection of human rights, avoiding being complicit in human rights abuses (including those involving business relationships) and helping to eliminate all forms of forced, compulsory and child labor.

Ethical behaviour is of utmost importance to us, as reflected in our Business and Human Rights Statement. Additionally, our [Global Code of Conduct](#) and our [Canadian Code of Conduct](#) articulates our zero tolerance for behaviour that is illegal, unethical or breaches human rights — within both our global organization, Canadian firm, and our suppliers.

In 2023, KPMG in Canada engaged its local ESG team members on a human rights diagnostic assessment to better understand our approach to managing human rights risks. Further to the assessment, we have created an initial roadmap to guide our actions. We will build on the momentum of the assessment, and are dedicated to putting our human rights commitment into action.



People

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



Our commitments

At its core, KPMG is a people business. When the best people choose to build a career with us, we can all thrive: our clients, our colleagues, our communities, and our planet.

For this reason and more, we prioritize a culture where all our people are inspired to bring their authentic selves to work, supported in all aspects of their careers, and empowered to make impacts in their offices and communities.

Ultimately, our **people make the difference**.



Inclusion, diversity and equity



Inclusion, Diversity & Equity requires ongoing and sustained commitment to drive real change. As a firm, our commitment is deeper than ever. We are proud of the work we are collectively leading to continue to advance truth and reconciliation, disability inclusion, anti-racism, and mental health within and outside of our firm. In today's complex world, ID&E is critical to business sustainability, both from a talent and business perspective. Now more than ever, in corporate Canada it's imperative that we double-down on advancing inclusion, equity and well-being as necessary components to a thriving and future-proofed business.

Rob Davis, Chief Inclusion, Diversity, and Equity Officer, Tax Partner



KPMG has been recognized as a 2024 Top Employer for Diversity for the 17th consecutive year.

Our inclusion, diversity, and equity strategy

We are steadfast in championing ID&E in everything we do. KPMG’s commitment to ID&E empowers our people to live their authentic selves and share their unique perspectives and talents.

KPMG’s ID&E strategy focuses on three key pillars:

<div>01</div> <div>An equitable & inclusive workplace</div>	<div>02</div> <div>A mentally healthy & resilient team</div>	<div>03</div> <div>Recognized as inclusion, diversity & equity leaders</div>
We actively build allyship and remove barriers so everyone can bring their whole selves to work, experience belonging, and have equal access to opportunity.	We take meaningful steps to reduce the stigmas of mental health and provide the right resources, education, and support to promote mental health and well-being among our people and their families.	We maintain a strong voice on inclusion with our people, clients, and communities and collaborate with external organizations to advance our inclusion and social impact goals.

People with Disabilities	Indigenous Peoples	People of Colour	Black People	2SLGBTQIA+	Women	Newcomers to Canada
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A collaborative ID&E approach

- ID&E is a collaborative journey. Our firmwide, people-driven strategy includes:
- **A national executive ID&E Council**, comprising 25 leaders who provide input into our collective ID&E strategy and execute ID&E programs and initiatives in their respective business areas.
 - **ID&E leadership roles**, responsible for advancing ID&E and mental health at the firm, such as Chief ID&E Officer, ID&E team, and an ID&E talent attraction team.
 - **Human resources and business enablement teams**, which continuously work to embed ID&E into all talent and business programs and processes.
 - **Leaders and people**, who are educated as allies and responsible for serving as inclusive leaders and team members who contribute to an environment of belonging.

KPMG's ID&E approach is amplified by 35 KPMG People Networks* and

5000+ passionate network members at KPMG.

These networks play a fundamental role in fostering allyship, creating a safe and inclusive workplace, amplifying the voices and experiences of all our people, and informing our ID&E, talent, business strategy, and organization priorities.

Our national People Networks include:

Indigenous Peoples	2SLGBTQIA+
National Indigenous Peoples Network	Pride@KPMG Networks
Black People	Newcomers to Canada
Black Professionals Network	Newcomer Advisory Committee
People with Disabilities	Women
Disability Inclusion Network Special Family & Friends Network	Regional Women's Networks Women in Tech Women in Law
Ethnic/Faith-Based Networks	
India Network East Asian Network Korean Network Latin America Network	Salam Network Sikh Network Jewish Network Christian Network

* The 35 networks are inclusive of regional chapters of the national networks

Our commitment to disability inclusion

In January 2024, KPMG was excited to release its first formal [Disability Inclusion Action Plan](#). While our commitment to Disability Inclusion is not new, this action plan accelerates and deepens our efforts to create a more inclusive and equitable workplace for People with Disabilities.

KPMG's Disability Inclusion Action Plan was developed with the input from our Disability Inclusion and Special Family & Friends Networks, who told us where we can have an impact as a firm. The plan outlines the efforts we will take to enhance accessibility in our talent and business practices and bring greater attention to the voices and experiences of People with Disabilities throughout our firm. The plan also guides KPMG in fostering stronger inclusion and belonging for our People with Disabilities by providing the education and resources we all need to take an informed and active allyship role and champion disability inclusion in corporate Canada.

Pillar 1: Advance an equitable & inclusive culture

Address biases and barriers to advance an equitable and inclusive culture where People with Disabilities and caregivers of People with Disabilities are provided what they need to thrive and achieve their professional goals.

Pillar 2: Build allyship

Advance allyship with People with Disabilities by raising awareness of biases and barriers, and providing ongoing education and skill-building opportunities.

Pillar 3: Be a trusted & active contributor to disability inclusion

Serve as an active voice for change in our communities by continuously engaging and collaborating with external organizations and not-for-profits that contribute to positive, sustainable benefits for People with Disabilities.



As the leader of our firm's Disability Inclusion Network, I have seen the personal impact our network can have. Often people join the network wondering if they are alone at the firm. They end up connecting with a community of other People with Disabilities, as well as leadership that encourages and supports them in being voices for change.

Rafay Khan, Senior Consultant, Deal Advisory, Disability Inclusion Network Lead



Answering the call: Our role in Truth and Reconciliation

In October 2022, our firm was proud to take the next step in our commitment to Truth and Reconciliation with the release of our formal [Action Plan](#).

Our plan was created in consultation with our National Indigenous Peoples Network and Indigenous team members, as well as Indigenous-led organizations with whom we have formed deep relationships.

Our vision

Make a widespread impact in advancing Truth and Reconciliation by co-creating strong, sustainable, and respectful relationships with Indigenous Peoples, dedicating resources and making investments that advance knowledge, and enabling empowerment and equal opportunity for Indigenous Peoples to build prosperity for current and future generations.

Our mission

Advance an equitable and inclusive culture where Indigenous Peoples have sufficient supports to thrive and achieve their professional goals. We will do this by educating and raising awareness of the truth about the shared history of our country, building allyship, and serving as a trusted and active contributor in Indigenous communities and organizations to contribute to positive and sustainable socioeconomic benefits.

Every year, we will share our progress with the [Truth and Reconciliation Action Plan](#) to hold ourselves accountable.



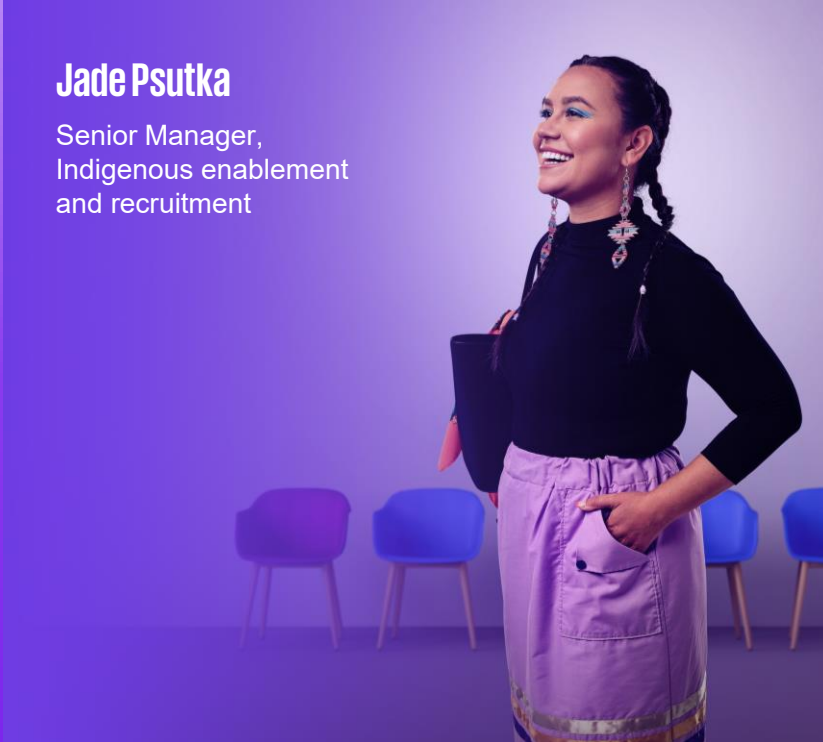
"As a member of the Shawanaga First Nation and of mixed ancestry, KPMG in Canada's Truth and Reconciliation Action Plan is a source of accomplishment, purpose and pride for me. I feel incredibly fortunate to be a leader at a firm making these strides and commitments."

Tammy Brown, Executive Sponsor of Truth and Reconciliation, Deputy Chair of KPMG's Board of Directors, Audit Partner

People of KPMG: Jade Psutka

Jade Psutka

Senior Manager,
Indigenous enablement
and recruitment



As a member of the Oneida Nation of the Thames from the Turtle Clan, Jade knows Indigenous Peoples possess vast skills, abilities and perspectives that can help drive a brighter, more inclusive future.

As a specialized recruitment strategist, Jade works with HR representatives, business leaders, academics, First Nations, and Inuit and Métis communities to break down barriers and bring Indigenous perspectives to the forefront. Supporting talent is not only her job, it's her passion.



“Creating inclusive workplaces isn’t just the right thing to do. It’s good business. Diverse perspectives lead to insights that drive innovative solutions for our teams and clients making inclusive recruiting a business imperative.”

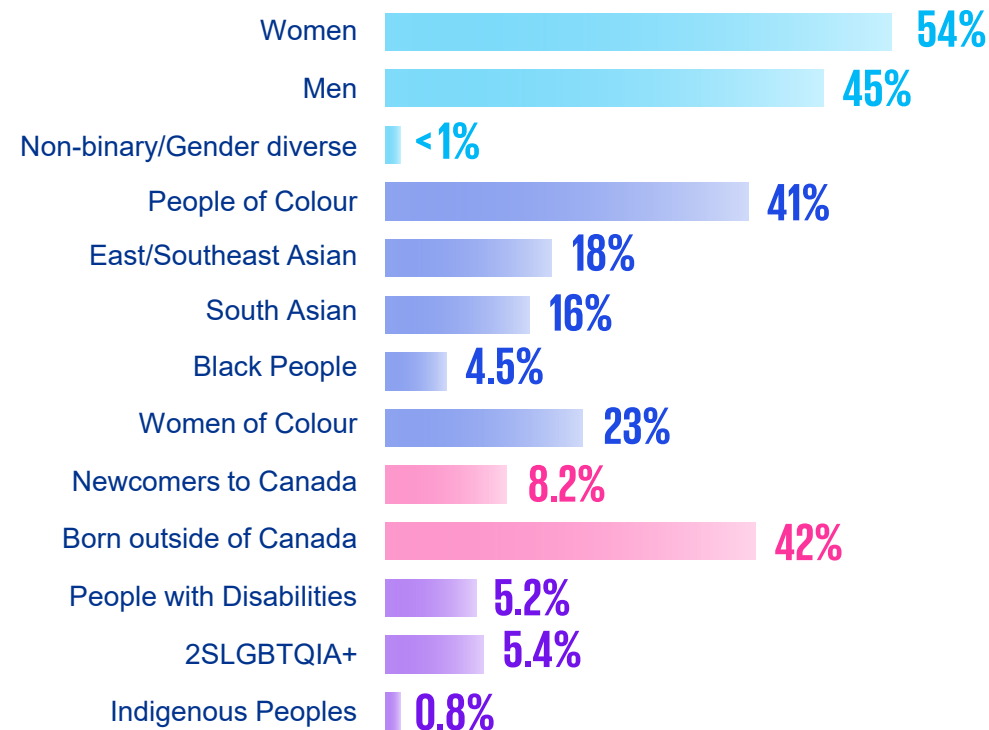


Click [here](#) to see more of Jade’s story.

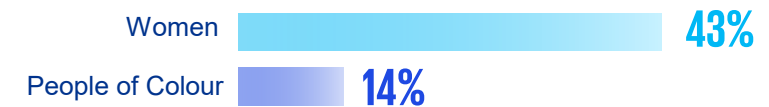
Diversity at KPMG

Our firm captures information about the diverse identities of our people on an ongoing basis to understand our representation, identify diversity gaps, and measure outcomes across all talent processes, including recruitment, onboarding, advancement, performance, retention, employee experience, and more.

Diversity of the firm



Diversity of our leadership team



Diversity of our board of directors



Diversity of our executive ID&E Council



*People with Disabilities, 2SLGBTQIA+, Indigenous Peoples, Newcomers to Canada

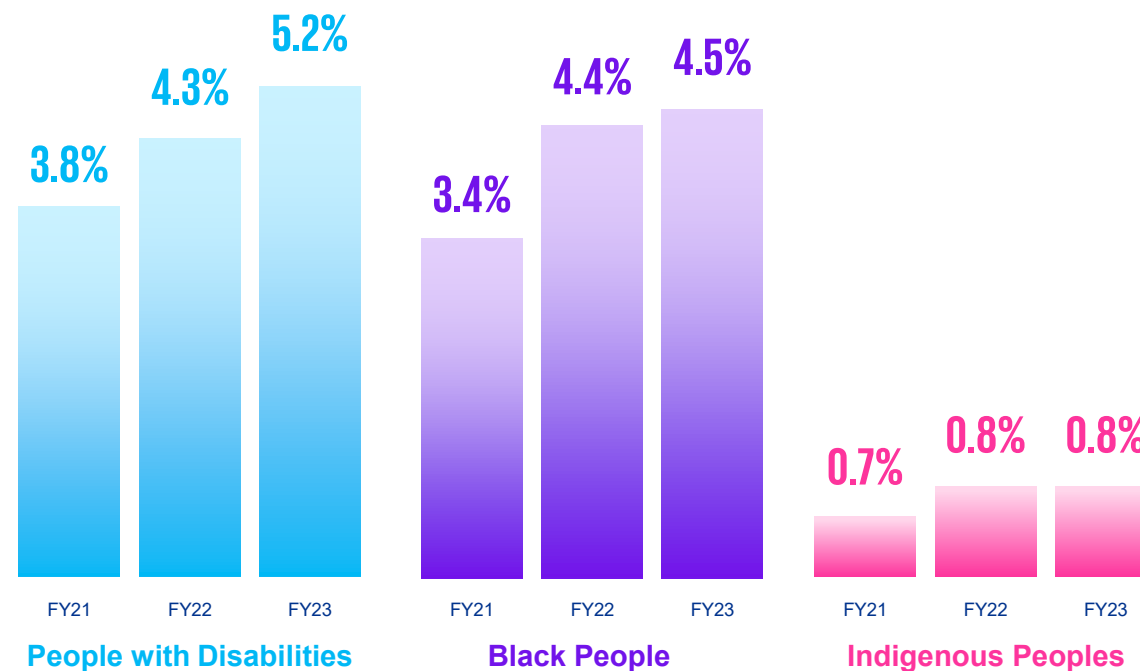
Data is updated as at Oct. 1, 2023.

Progress against our collective ID&E goals

Diversity of the firm

KPMG is intent on ensuring our firm represents the diversity of the communities in which we live and work. We know representation matters and have set goals to increase representation of ID&E priority groups where we have gaps. Those goals, which are linked to leadership compensation, include reaching representation of 6% People with Disabilities, 5% Black People, 1.7% Indigenous Peoples by Oct. 1, 2025.

These goals exist to drive accountability and focus our collective efforts to remove barriers, address biases, and create opportunities. We will achieve them by continually advancing an equitable and inclusive culture and implementing strategies that strengthen recruitment, onboarding, advancement, retention, and the development of our people.



Diversity of the Partnership goals

In 2018, our firm established clear goals to advance the diversity of our partnership team. Today, those goals continue to hold us accountable for addressing gaps in the diversity of our partnership team compared to the demographics of our firm and our country.

For example, KPMG is committed to increasing representation for Women and People of Colour at the leadership level to 33% and 26%, respectively, by Oct. 1, 2025. We will do so by championing equitable and inclusive talent identification, recruitment, and work allocation processes, providing mentoring programs for underrepresented talent, and ensuring our talent development programs represent the diversity of our senior manager pools.

We know representation matters to our people. They want to see themselves reflected on our partnership team and want to work with leaders who share their lived experiences and can be a source of inspiration. Our commitment to promoting and hiring leaders who represent the diversity of our firm and our communities is key to showing our people that they have equal access to opportunity and advancement within our firm.



Supporting newcomers to Canada

Every year, at least 5% of our people identify as new immigrants to Canada, meaning they arrived in the country within the last two years. We recognize that immigrants represent critical talent for our firm and our country, possessing unique experiences, talents, and perspectives that make us stronger and more impactful as a firm. At the same time, our new Canadian arrivals have specific needs that must be addressed, particularly during the onboarding and integration phases. Knowing this, KPMG conducts regular employee listening surveys to understand and measure our newcomers' experiences at every stage of their employee journey so we can continue to support them at every step.

In 2021, we formed our first Newcomer Advisory Committee to advise us on our newcomer support strategies and initiatives. This group is made up of KPMG team members and leaders who have lived experience as immigrants to Canada, and are passionate about helping others going through the same journey.



Highlights of the programs and practices we have in place to support newcomers to Canada include:


- Ongoing intercultural competence training for both newcomers and their performance managers.
- Facilitated opportunities to form supportive networks, such as being set up with a peer buddy when they join the firm, and gaining access to a newcomers to Canada six-month mentoring program. Newcomers are also encouraged to join a network where they can connect with other newcomers, ask questions, and receive relocation and settlement guidance.
- Ongoing practical support such as settling-in services and guidance on everything from seeking permanent residency, understanding Canadian benefits and finances, and filing personal tax returns.

Measuring our ID&E impact

Every year, KPMG surveys our people to understand how they feel about our firm strategy, leadership, and culture via our Global People Survey. Our questions are designed to gain a more in-depth understanding of our people’s experience related to inclusion, equity, and mental health.

The survey scores are reviewed through the lens of our ID&E priority groups and shared regularly with senior and geographic leadership, executive ID&E council, and board of directors. Whenever gaps are identified, we engage our People Networks to help us understand those gaps, remove barriers, and create a more inclusive workplace.

Here are a few outcomes from our 2023 Global People Survey:

	I am treated with dignity and respect at work	Partners actively champion inclusion, diversity and equity in the workplace, recognizing and respecting the value of differences	I can be myself at work without concern for how I will be accepted	Everyone at KPMG has equal opportunity to advance regardless of differences such as sexual orientation, gender, race, ethnicity, and more	I feel like I belong at KPMG
Favourable	91%	83%	85%	78%	79%
v. 2022	-1%	+2%	+0%	+0%	*NEW* question for 2023
v. 2021	-1%	+2%	+2%	+2%	*NEW* question for 2023

Inclusive and equitable recruitment

KPMG has a focused strategy for talent recruitment. It includes tracking who has applied to the firm, who we are hiring, and assessing and addressing any barriers in our recruitment strategy, process, and goals. We continue to advance our inclusive recruitment processes and invest in connecting equity-deserving talent to opportunities at KPMG. Initiatives include:

A dedicated ID&E talent attraction team

We have invested in four dedicated ID&E recruiters who focus on removing biases and barriers in our recruitment processes and attracting talent to the firm, with a focus on Black People, Indigenous Peoples, and People with Disabilities.

Embedding inclusion and equity in our recruitment processes

With input and feedback from our People Networks, we continually review our recruitment processes to identify and address potential biases and barriers. Some of the changes we have made include:

- Updating all role postings with inclusive language.
- Implementing 'Unbiasing the Recruitment Process' and 'Indigenizing the Recruitment Process' training, which is mandatory for recruiters and recommended for hiring managers.
- Introducing standardized interview guides and evaluation rubrics to minimize hiring manager bias and ensure a consistent evaluation process.

Supporting early career talent

We deliver innovative scholarship, internship, and mentorship programs to support Black People, Indigenous Peoples, and People with Disabilities at the high school and post-secondary education levels to support their career goals.

Indigenous Peoples: In 2012, we launched KPMG's Indigenous Student Awards. To date, we have provided 205 scholarships and 51 internships, and launched a 12-week mentorship program for Indigenous youth.

Black People: In 2021, we collaborated with ABEEL Foundation and ICON Talent Partners to launch KPMG's Black High School Student Scholarship and Internship program. To date, we have provided 31 scholarships and internships and plan to provide 15 more students with this opportunity in 2024. Participants in the program said that the workplace culture at KPMG has become their benchmark when looking at job opportunities.

People with Disabilities: In 2021, in collaboration with the Canadian National Institute for the Blind (CNIB), we launched KPMG's Scholarship Program for People with Disabilities. To date, we have provided 12 scholarships, and in 2024, we will provide an additional eight students with this opportunity and will launch an internship program.

Inclusive and equitable recruitment

In 2023, KPMG launched [Bridges to Business](#), a five-year \$250,000 investment to develop programming to help accelerate equitable access to opportunities for Indigenous business students at the University of Alberta.

Talent outreach initiatives

We work closely with our People Networks to make meaningful connections with talent through organizations such as:

- 01 Indspire, Our Children's Medicine, Inclusivity for **Indigenous Peoples**.
- 02 ICON Talent Partners, ABEEL Foundation, CAUFP, BLAXPO, BFUTR, BlackNorth for **Black People**.
- 03 Specialisterne Canada and the Canadian National Institute for the Blind for **People with Disabilities**.
- 04 ACCES Employment and Windmill for **Newcomers to Canada**.
- 05 Pride at Work Canada for the **2SLGBTQIA+ community**.



KPMG's neurodiversity journey

Neurodiversity and fostering neuro-inclusion has been a priority across the firm. Our collaboration with Specialisterne started in January 2021, and to date we have hired 23 neurodiverse individuals across Canada. During this time, we launched an internal neurodiversity portal, mentorship program, engineering internship program, and hosted firmwide neurodiversity education sessions to equip our performance managers and support an inclusive workplace for neurodiverse talent.

Health and well-being

KPMG is making consistent progress towards our goal of creating a mentally healthy and resilient team. We are doing this by investing in programs, initiatives, and resources that create a safe and supportive environment in which our people are comfortable discussing mental health challenges and potential strategies.



Spotlight on: Dedicating time for well-being



We are committed to giving back to our people in ways that are meaningful to them, and one thing we know our people value most is time to spend on the things that matter. Initiatives like our Summer Splash and Winter Refresh were created to provide our people with additional paid days off at key times of the year.

In its third year, Summer Splash makes every summer long weekend extra-long with five additional paid days off between May and September. Our people have spent their time connecting with loved ones, exploring, and giving back in their communities.

In December 2023, our Winter Refresh gave employees the gift of time with 10 consecutive days off during the holiday season for an extended break from work.

Health and well-being



The way we work

We offer employees flexibility, recognizing the need to balance role requirements along with individual, team, and client needs and preferences. To achieve this, we are intentional in our approach and offer creative ways to help our people achieve greater work-life balance in ways that work for them.



Remote and in-person flexibility

KPMG does not mandate a rigid working schedule; rather, we offer guidance outlining in-person and remote work scheduling meant to help our employees get the most out of our work environment. While employees should defer to the expectations of their local geographic leadership teams, Performance Manager (PM), and/or Engagement Manager, flexibility in where and how we work is a key part of KPMG culture.



Work day flexibility

We hire extraordinary talent and give them the freedom to manage their day and deliver service excellence. In a culture based on teamwork and trust, we believe people can manage appointments that arise during working hours while still meeting their work commitments for the day.



Tools for the new workplace

In 2023, KPMG launched Workspace Services, a new hoteling platform that provides a streamlined experience to employees planning for in-person office services and workspace booking.

Spotlight on: Remote work and travel program




KPMG Roam is our remote work and travel program that gives our people the opportunity to explore new and diverse experiences by offering increased 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).

Diverse experiences make a world of difference. And since launching in 2022, the program has seen over 400 employees travel to 12 eligible destinations around the world. Our people's response to the program has been overwhelmingly positive, with many citing the benefits of gaining fresh perspectives in their remote working destinations that they can then take into client work.

Mental health: A strategic priority

Building a mentally healthy and resilient team has long been a strategic priority for us. We are proud that in 2017, KPMG became the first organization in corporate Canada to appoint a Chief Mental Health Officer, Denis Trottier. Denis is a former KPMG Audit Partner who has lived experience with depression. He connects with our people and leaders across the country to share his story to reduce stigma and advance our people's mental health knowledge so they can support themselves and those around them.

Our 2023 Mental Health Employee Engagement Survey scores

	I feel equipped to deal with challenges that impact my mental health	I feel comfortable approaching a colleague if I have a challenge with my mental health or a team member's mental health	Leaders and managers on my team demonstrate their commitment to mental health through their actions
			
Favourable	76%	83%	77%
v. 2022	*NEW* question for 2023	+4%	+2%



 [Read Denis' blog here](#)



We strive to provide our people with culturally relevant education and supports to help our diverse team members proactively manage their mental health. For example, KPMG offers:

\$3,000 annual mental health benefit

Available to our people and eligible dependents to spend with counsellors, psychologists, marriage and family therapists, and more.

Mental health education for all new hires, managers, and partners

Our people have the opportunity to hear from our Chief Mental Health Officer and receive mental health education, tools and supports at key milestones in their career journey.

Enhanced employee and family assistance program

Our people can directly access trained clinicians and have the choice of seeking counsellors with a preferred background; for example, a Black or 2SLGBTQIA+ counsellor.

Six mental health networks and a national well-being network

Our people have access to networks dedicated to raising awareness, advancing education and allyship, and reducing stigma through storytelling.

50 personal care hours

Our people have paid time away from work so they can prioritize their mental health, well-being, and personal commitments.

Additional time off to support well-being

Recognizing the positive impact of time off, in 2023 we continued to provide our people with additional time off with seven summer and winter days to recharge.

Inclusive benefits

Our firm continues to refine our flexible, inclusive benefits by listening and responding to our people. KPMG has been a leader in corporate Canada by introducing innovative new benefits including:

Indigenous wellness benefit

A market-leading benefit that provides an annual allowance of up to \$500, which can be used for Indigenous healers, traditional medicines, and ceremonies.

Daily living equipment benefit for People with Disabilities

A benefit that provides coverage for living aid equipment for employees and partners of KPMG (i.e., excluding dependents) up to \$500 or \$1,000 annually based on the individual's selected level of medical coverage.

Enhanced family leave

KPMG provides parents the choice of two options for financial support when taking time off for family leave: family leave top-up for 17 weeks or paid time off for up to 4 weeks. Financial assistance for adoption and non-medical surrogacy-related expenses is also available to all employees, and they can enroll in benefit coverage for fertility drugs and treatment for themselves, their dependents, and their surrogate.

Gender affirmation

Our coverage includes a \$10,000 lifetime maximum amount, available to our employees and their eligible dependents in tandem with eligible provincial reassignment coverage, covering a wide variety of surgeries supporting gender.

A lifestyle spending account

This account is used 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.

KPMG Roam

Please refer to "Spotlight on: Remote work and travel program".

Read more about our approach and journey to expanding our inclusive benefits offerings in this [blog](#) written by our Inclusion, Diversity & Equity and Benefits & Well-being leaders.

Continuous learning

KPMG believes deeply in the value of providing continuous learning and professional development opportunities at every stage of our people's careers. We do this by supporting professional development, nurturing mentorship opportunities, creating everyday learning activities, and providing our people with the technologies and resources they need to grow and perform at their best.

Our learning programs are designed with people at their core to ensure the experience is impactful to their professional growth. This is reflected in initiatives like our Data Analytics and Visualization Micro-credential Program developed in collaboration with Simon Fraser University's Beedie School of Business.

Degreed: KPMG's learning experience platform

Degreed provides employees access to several content libraries, including LinkedIn Learning, Pluralsight, Intuition, and Udemy for Business. The curriculum is delivered through variety of delivery formats, such as in-person classrooms, virtual classrooms, online refresher courses, self-paced e-learning, micro-learning, and web-based materials. Learning solutions are catalogued by complexity to address different job levels and learning requirements.

Supporting professional development

KPMG provides financial support for professional development, tuition reimbursement, subsidies for professional association memberships, in-house apprenticeships, and mentoring programs. Financial bonuses are also provided for completion of professional accreditations and development courses.

\$1,152

**Average training cost
per individual in FY23**

32.8

**Average training hours
per individual in FY23**

Spotlight on: Senior manager program



Whether it's people, projects, or initiatives, we believe everyone can lead and grow in their own way—and KPMG's continuous learning environment is meant to help. In accordance with our Big Bets, KPMG is steadfast in providing all our people with pathways to opportunities. In 2023, over 1,000 employees across our geographies and functions dedicated time to advancing their development as participants in our leadership milestone programs, senior manager program, new managers conference, and Leading from Within.

Launched in Fall 2022, our senior manager program brings newly promoted and hired senior managers together for training sessions, leadership panels, and interactive events that empower attendees to make an impact within their teams and drive innovative solutions for our clients and business. Because this program is designed exclusively in collaboration with McGill university, participants also receive a McGill Executive Institute Certificate upon completion.

KPMG also offers a wide range of learning opportunities to employee at all levels, including a micro-credential learning program developed in collaboration with Simon Fraser University (SFU), CPA training and mentorship, and customizable learning pathways in our digital upskilling platform, Degreed.

Spotlight on: Leaders of Tomorrow Circle



When people think about KPMG, we want them to think about the purpose-led, values-driven and diversely talented individuals who make us who we are.

Leaders of Tomorrow Circle (“LOTC”) is one of the many ways we bring our [Employee Value Proposition](#) to life. Individuals at the senior manager level and below from across our geographical and functional teams act as a listening and sounding board to our CEO, Elio Luongo. At monthly meetings, leaders share their honest perspective on firm initiatives and help shape the future of KPMG.

In 2023, input from the LOTC, including feedback from an in-person session at the KPMG Calgary Ignition Centre spent working with leadership on Generative AI use cases, contributed to our firm’s ability to stay ahead of emerging trends in GenAI and ESG.

Planet

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



Our commitments

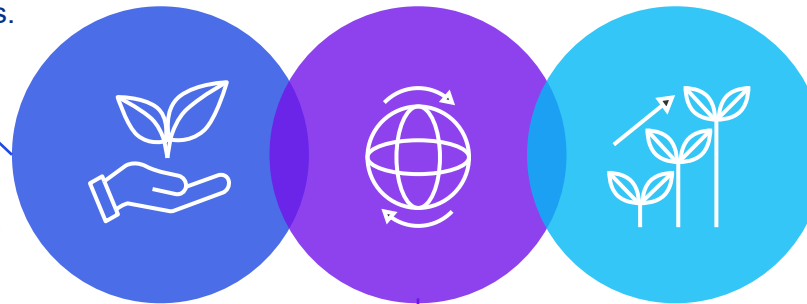
Our planet is at a crossroads. Choosing a healthier and more sustainable path means taking meaningful action on climate change and environmental challenges, both within our firm and the communities in which we live.

Making a net positive impact on our planet is no small mission, but it is one that KPMG has fully embraced. We are developing strategies intended to help us reduce our emissions by 50% as of 2030 by adopting more sustainable practices, strategies, and technologies. We are in the process of developing a Climate Action Plan that will outline our strategy, metrics, and actions, which will be published at the end of 2025.¹ We are equally driven to support our clients and industry collaborators along their own net-zero and sustainability journeys.

We understand that there is no “finish line” when it comes to creating a healthier and more resilient planet. It is a path that requires constant assessment, education, awareness, and adaptation across key focus areas.

Decarbonization¹

- Achieve net-zero carbon emissions by 2030²
- Power our offices with 100% renewable electricity
- Reduce the firm’s impact on the environment through accessing its internal carbon price fund
- Improve our sustainability performance reporting process



Nature and biodiversity

- Seek to better understand and improve our impact on nature and biodiversity
- Nurture an environmentally aware and active workforce to drive change in our communities

Climate risk

- Give financial markets, clients and our leaders clear, comprehensive, high-quality information on the impacts of climate change

1. Please refer to page 79 for more information on our upcoming Climate Action Plan.

2. The Science-Based Target initiative (SBTi) has released a draft version of its updated Corporate Net-Zero Standard. KPMG in Canada and KPMG International are reviewing the draft as part of their collective re-baselining process and are assessing its impacts on their net-zero targets.

KPMG's environmental strategy

Here are the five pillars of our national strategy that help us execute our commitments:

01 Decarbonization	02 Circularity	03 Nature and biodiversity	04 People engagement	05 Governance
Implementing best practices, training, and technologies needed to reduce emissions, both within our operations and across our engagements.	Exploring end-of-life strategies for our assets, and reviewing and honing our catering and hospitality practices.	Exploring ways to reduce our environmental impact, forging eco-forward collaborations, and enhancing employee awareness.	Providing our people with eco-forward technologies, education, and awareness initiatives that engage them in our environmental commitments.	Establishing internal structures and policies that champion best practice across our firm.



KPMG has been making progress against its environmental strategy.
In 2024, we were recognized as one of Canada's Greenest Employers for the 16th consecutive year!

People of KPMG: Atin Prakash



Atin Prakash
Partner, ESG

Before finding his home in Calgary at KPMG as a Partner in the ESG Practice, Atin worked across India, Asia and Europe, helping organizations navigate the complexities and changing regulations that emerged in the ESG space. It's this global experience that gives Atin the insights to help his clients navigate this same dramatic shift we are now seeing here in Canada. "I think the biggest challenge right now is the speed of change, and the lack of clarity on where regulations are going to end up." It is through these lived experiences that Atin has the unique foresight to help his clients create sustainable changes and envision long-term progress.

Equally valuable is his professional background. Having worked across multiple disciplines as a consultant, Atin understands that ESG is a holistic experience that touches every aspect of an organization. "ESG isn't something that can exist in isolation. It's inherently interdisciplinary," he explains. Therefore, for profound, lasting change to happen, it must be done collaboratively. He draws on KPMG's wealth of talent to build multi-disciplinary teams with a wide range of expertise: "Our team consists of engineers like myself, but we also have economists, data specialists and CPAs."

Atin believes the work he and his clients are doing is just the beginning of the ESG and sustainability movement here in Canada. As the space continues to grow, he sees many opportunities for innovation and progress, both at home and across the world. "There's a lot of momentum that can help solve environmental issues," he says, hopeful about a better future for the planet. And he's excited to help bring it to life.

"Humans are quite resilient. I think there's a lot of positive momentum towards innovation and lasting change, and KPMG is working alongside these companies to support this evolution."

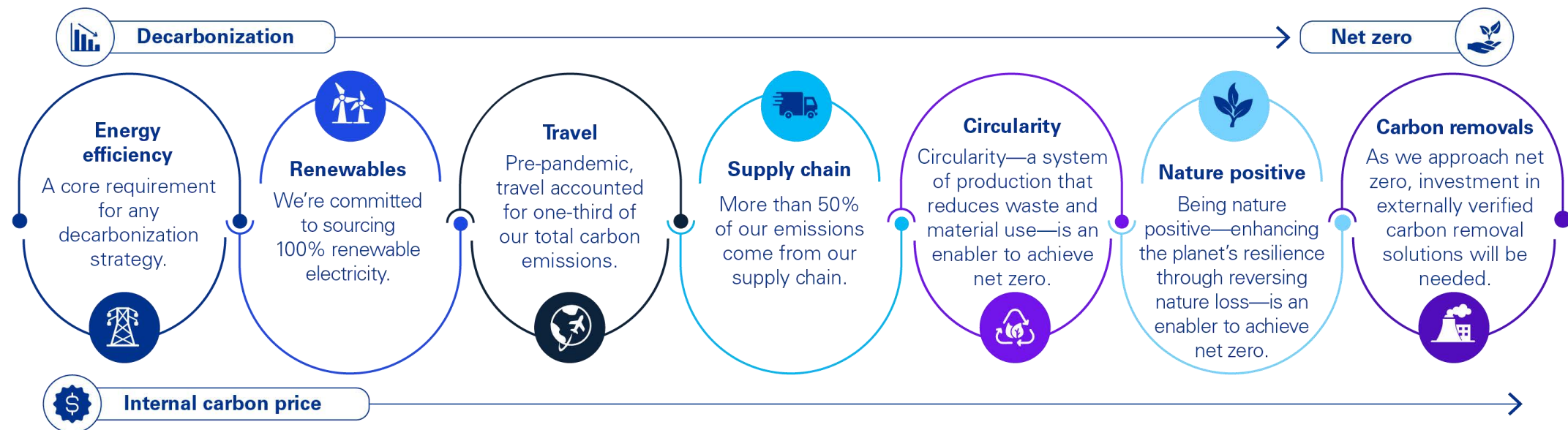


Click [here](#) to see more of Atin's story.

Decarbonization: Our path to net zero

As a leading ESG services provider in the Canadian market, KPMG is committed to walking the decarbonization talk. We are united in our focus to reduce emissions and are improving the quality of the data we rely on to quantify our emissions and broader environmental impact. To that end, we have improved our methodology, increased the number of Scope 3 categories included in our emissions inventory, introduced new levers to reduce firm-wide emissions, and supported retrofits at KPMG offices to reduce energy consumption opportunistically. Our efforts to achieve our net-zero goals are foundational to broader KPMG efforts to improve environmental sustainability in Canada and to contribute to societal net zero.

Our route to net zero



Decarbonization: Our path to net zero

Through KPMG International, KPMG in Canada has committed to the Paris Agreement’s goal of restricting global warming to 1.5°C above pre-industrial levels, and to decarbonize our business by 50% by 2030, relative to a 2019 baseline year. KPMG International’s [science-based target](#), which KPMG in Canada has adopted, has been validated by the Science Based Targets initiative’s Target Validation Team. Our target reads as follows: “KPMG commits to reduce absolute scopes 1, 2, and 3 GHG emissions 50% by 2030 from a 2019 base year. KPMG also commits to increase annual sourcing of renewable electricity from 50% in 2019 to 100% by 2030.”¹

In 2023, we are proud to report the following milestones in our journey:

- Reduced our Scope 1 natural gas emissions by 62% and our Scope 3 downstream leased assets emissions, which accounts for the portions of KPMG office space that have been subleased, by 19% in 2023 relative to 2019.
- Reduced our Scope 1, 2 and 3 emissions by 25% in aggregate, relative to 2022.
- Procured renewable energy certificates (RECs) for our electricity consumption to substantiate [our commitment](#) to power KPMG using 100% renewable energy.

Energy consumption and renewable energy certificates

	FY22	FY23
Purchased electricity (MWH)	18,290	18,292
Renewable energy (MWH)	10,593	18,292
Renewable energy (%)	56%	100% ⁱ
Energy consumption per FTE ⁱⁱ	1.82	1.70

ⁱ KPMG procured renewable energy certificates (RECs) to substantiate our commitment to power KPMG using 100% renewable energy. In 2022, we purchased RECs to address our Scope 2 electricity consumption in all provinces considered non-renewable. That includes all provinces except British Columbia, Manitoba, Newfoundland and Labrador, and Québec, each of which operate a grid with 95% renewable energy and technically meet the threshold required for a “renewable grid.” We focus our attention and our dollars on the Canadian grids with the greatest emissions. However, following a consultation with CDP and RE100, we updated our approach in 2023 and have purchased RECs to account for our Scope 2 electricity consumption in every Canadian province.

ⁱⁱ The tCO2e per full-time equivalent is calculated using the total partner and employee headcount less contingent labour as of October 1 of each year.

1. The Science-Based Target initiative (SBTi) has released a draft version of its updated Corporate Net-Zero Standard. KPMG in Canada and KPMG International are reviewing the draft as part of their collective re-baselining process and are assessing its impacts on their net-zero targets.



Decarbonization: Our path to net zero

Between 2022 and 2023, KPMG's Scope 3 business travel emissions increased by 99% year-over-year. And while we remain 50% below 2019 baseline levels, we have taken steps to make a greater impact in this area by:

1

Updating our existing travel policy that requires KPMG business travellers to travel economy class on domestic, transborder, and international flights under six hours in length, and encouraging KPMG people travelling through the Toronto-Ottawa-Montreal corridor to do so by train.

2

We introduced a partner compensation program KPI to recognize significant reductions in air travel.

3

Introducing an internal carbon price that levies a \$40 per tonne fee to business units across the country for every tonne of CO₂e generated as a result of their business operations, including their travel.

In 2023, [CDP](#) assessed the level of detail and comprehensiveness of KPMG International's reporting and submissions. KPMG International earned a 'B', which demonstrates coordinated action on climate issues at the largest KPMG firms across the global organization, including KPMG in Canada.

Moving ahead, we continue to accelerate our journey to net zero by improving our methodologies, enhancing our data quality, and making additional investments in our environmental sustainability program. We remain steadfast in our net zero ambitions for the firm and for the broader community, and are developing a Climate Action Plan in 2024 to support our continued work.

Net-Zero Challenge

KPMG has joined Environment and Climate Change Canada's (ECCC) Net-Zero Challenge. Launched by ECCC Minister Steven Guilbeault in August 2022, the Net-Zero Challenge is a home-grown decarbonization initiative that encourages Canadian businesses across industries to implement credible and effective net-zero plans for their facilities and operations by 2050. KPMG is proud to participate in the Challenge and to build momentum around net-zero planning in the Canadian context.

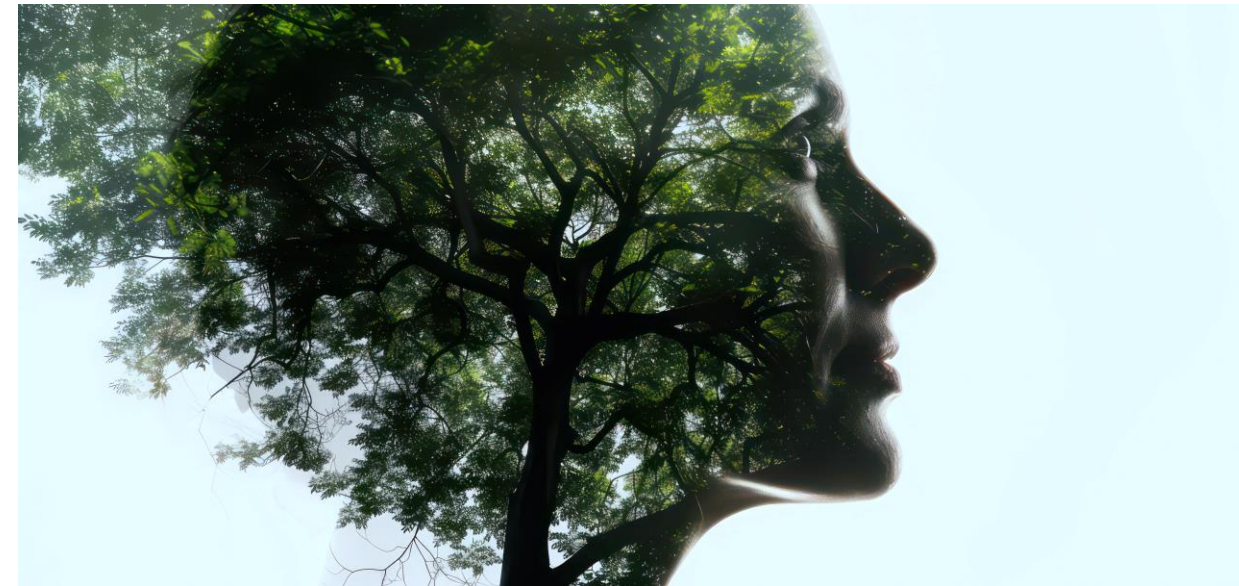
Decarbonization: Reducing our purchased goods and services emissions

At KPMG, as with many organizations, purchased goods and services represent a significant portion of our total spend, significantly impacting our environmental sustainability. To meet our decarbonization targets, we must deliver meaningful emissions reductions across our supply chain. This includes using quality data to better understand how our dollars contribute to our vendors' emissions and how we can minimize our impact.

To that end, we recently updated our approach to calculating purchased goods and services emissions. In 2023 we implemented a hybrid that relies on CDP emission factors for the fiscal years 2020 to 2023 and the [Greenhouse Gas Protocol](#)'s Quantis outputs for fiscal year 2019.

KPMG in Canada has also participated in KPMG International's CDP Supply Chain program since 2022. Our participation increases our confidence in our purchased goods and services data because it allows us to draw on data generated by engaging our largest suppliers to obtain our "allocated emissions" or the emissions generated by our suppliers that are attributable to KPMG as a result of the goods and services we purchase from them.

We are reviewing our approach to calculating our purchased goods and services emissions to incorporate the Canadian results of the CDP Supply Chain program and other enhancements. We plan to include updates to our approach to purchased goods and services estimates in our upcoming Climate Action Plan.



Decarbonization: Our carbon footprint

Maintaining an accurate inventory of our carbon footprint is the first step to assist in our decarbonization journey. The following chart shows our gross Scope 1, 2 and 3 emissions, as well as emissions per individual in FY19 (baseline year), FY22 and FY23:

Emissions in tonnes of carbon dioxide equivalent (tCO2e)	FY19 (base year)	FY22	FY23
By category and source ^{i, ii, iii}			
Scope 1: Natural gas	3,249	1,689	1,247
Scope 2: Electricity and steam consumption ^{iv}	2,248	1,811	2,113
Scope 3 (Category 1): Purchased goods and services	43,142	65,039	42,198
Scope 3 (Category 3): Energy-related activities not included in scope 1 or scope 2 (electricity generation)	117	106	119
Scope 3 (Category 6): Business travel (air)	13,018	3,506	6,937
Scope 3 (Category 6): Business travel (other) ^v	2,983	519	1,086
Scope 3 (Category 13): Downstream leased assets ^{vi}	425	306	344
Gross emissions	65,182	72,976	54,044
Scope 2: Electricity emissions for which renewable energy certificates have been purchased ^{vii}	0	1,506	1,727
Net emissions ^{viii}	65,182	71,470	52,317
Intensity of net emissions			
tCO2e per FTE ^{ix}	8.88	6.83	4.87

ⁱ Emission factors for Scope 1 and Scope 2 have been updated to 2021 National Inventory Report factors published by the Government of Canada (the most recent year at the time of the analysis). Our previous methodology used 2019 emission factors consistently for all years.

ⁱⁱ Previously, emissions estimates for locations where utilization data was unavailable were calculated using a Canadian average. Now, our updated calculations are based on an average actual usage per square foot of other locations for which we have data within the same province or a nearby province. In these cases, the appropriate provincial emission factor is applied.

ⁱⁱⁱ Our FY23 methodology for KPMG operations includes buildings and their associated emissions that were not previously included. In previous years, these buildings were included in the real estate portfolios of regional leadership and were therefore excluded from KPMG's national real estate portfolio and from our emissions analysis.

^{iv} Electricity emissions are now divided between *Scope 2: Electricity Consumption* and *Scope 3: Energy-Related Activities Not Included in Scope 1 and Scope 2* to account for electricity lost during transmission and distribution. In our previous methodology, total electricity emissions were calculated under *Scope 2: Electricity Consumption* only.

^v In this instance, Scope 3 Business Travel (Other) includes the emissions associated with hotel stays as well as car and rail travel.

^{vi} Our previous methodology did not distinguish between office space under KPMG's operational control and subleased space during emission calculations. Emissions associated with subleased space are now categorized under *Scope 3: Downstream Leased Assets* and have been removed from KPMG's Scope 1 and Scope 2 in our new methodology.

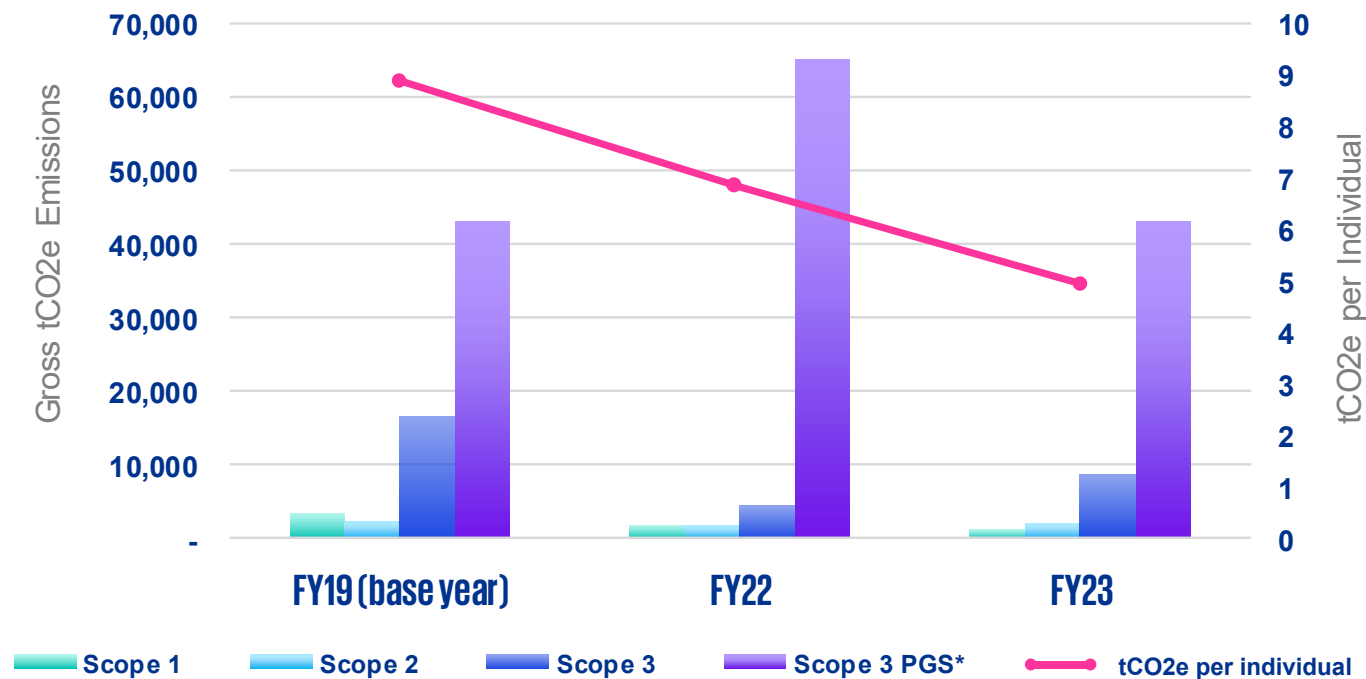
^{vii} KPMG prefers to purchase renewable energy certificates (REC) that originated in the jurisdictions where the electricity is consumed. To calculate the impact of our REC procurement on our Scope 2 electricity emissions, we applied the provincial National Inventory Report's emissions factor for electricity consumption to the volume of RECs (MWH) we purchased in each province for which RECs were purchased.

^{viii} Net emissions are emissions adjusted for procured renewable energy certificates and offsets. KPMG in Canada did not retire any offsets in 2023.

^{ix} The tCO2e per fulltime equivalent is calculated using the total partner and employee headcount less contingent labor as of October 1 of each year.

Decarbonization: Our carbon footprint

Our operational greenhouse gas footprint



*Purchased Goods and Services



Decarbonization: Updating our methodology

We enhanced our methodology to achieve greater data accuracy and to expand our emissions inventory.

In FY23, we began the process of updating our methodology for calculating emissions associated with our business operations. Updating our methodology improved our overall data accuracy and reporting. Key updates to our approach include:

Previous methodology	New methodology
Estimation of building data characterized by the use of a Canadian average, which is applied to offices missing usage data.	Estimation of building data characterized by the use of provincial averages, which are applied to offices missing usage data in each province.
2019 National Inventory Report (NIR) emission factors were applied to all years.	2021 NIR emission factors were applied the month they were published (the most recent year at the time of the analysis).
Only offices within the national real estate portfolio were included in our analysis.	All offices are included in our data to improve the accuracy of total building emissions.
Space subleased by KPMG to other companies were treated as spaces over which KPMG had operational control and were included in our Scope 1 and Scope 2 emissions.	Space subleased by KPMG to other companies are treated as spaces over which KPMG does not have operational control and are included in Scope 3: downstream leased assets.
The emissions associated with our Scope 2 electricity consumption were included in our inventory.	The emissions associated with both our Scope 2 electricity consumption and those associated with Scope 3 transmission and distribution loss are included in our inventory.
Relied on Quantis to calculate Scope 3 purchased goods and services emissions.	Transitioned to a hybrid approach relying on CDP emission factors and Quantis to calculate Scope 3 Purchased Goods and Services emissions.

For more information on the updates to the methodology, please refer to the notes associated with our Emissions in tonnes of carbon dioxide equivalent (tCO₂e) table.

Decarbonization: Internal carbon price and the initiatives it is funding

In FY23, KPMG launched its internal carbon price (ICP), a fund financed through internal transfers by KPMG business units across the country based on their business operations and real estate emissions. Billed at \$40 per tonne, our ICP supports our decarbonization and environmental strategies. In the fund's inaugural year, the firm invested in a series of initiatives to engage our people and to advance our decarbonization strategy. Our FY23 investments included:

01	The purchase of renewable energy certificates (RECs) to fulfill the commitment of using 100% renewable energy in operations.
02	Rewilding and afforestation projects in Alberta, British Columbia, Saskatchewan, and Quebec, which aim to sequester carbon and improve biodiversity. (See Project Forest case study on p. 74, Interactive map on p. 75).
03	Sponsoring the Nature Conservancy of Canada's annual Big Backyard BioBlitz, which resulted in 58,000 nature-based observations and recordings of species.
04	Lighting retrofits in Saskatoon, during which lighting was upgraded to energy-efficient LED panels that are projected to reduce energy consumption by 51%.
05	World Oceans Day 2023 programming that engaged over 750 KPMG attendees in a presentation on seaforestation and sustainable fisheries.

Closing the loop: Our circularity vision

Circularity is one of the key levers to achieve our net-zero emission reduction targets for scope 3 upstream emissions. As such, developing circular solutions to mitigate our environmental impact in our business operations is an organization-wide priority.

Our circularity survey



In 2023, we conducted a survey among our offices across the country to gauge the impact of their internal circularity practices with respect to appliances, electronics, furniture, waste, the use of single-use plastics, and other key products. We then used the results of our survey to inform our circularity strategy and, priorities and inspired the launch of a national waste management campaign and the *Sustainable Hospitality, Green Events & Corporate Souvenirs Guideline*.

Our vision to tackle e-waste in 2024

KPMG has been committed to circularity in e-waste for many years now. We have a long-standing relationship with vendors who purchase KPMG IT equipment—laptops, network infrastructure, etc.—at the end of their KPMG life. However, our recent circularity survey identified a need for a greater emphasis on the end-of-life treatment of KPMG computer peripherals—including, for example mice, keyboards, headsets—notably those in smaller offices.

In FY24, an e-waste program dedicated to addressing KPMG IT peripherals will be launched in collaboration with our regional Green Champions Network, our local sustainability committee teams, and with guidance from our IT team. Our plan includes identifying e-waste recycling vendors for offices that do not have access to e-waste recycling through their landlord, and developing guidance and reference materials to local teams to ensure that IT peripherals are donated or recycled moving forward.

Case study: Waste management campaign, and the sustainable events guideline



In 2023, KPMG launched a national waste management campaign.

A collaboration between the National KPMG Impact team and our regional Green Champions, the campaign featured a wide range of events across the country, including waste management facility tours, low-waste holiday workshops, lunch and learns, and other interactive activities created to engage our people.

The campaign also launched our *Sustainable Hospitality, Green Events and Corporate Souvenirs Guideline* nationally. This guideline helps our people across the country reach the firm's 2030 net-zero emission goal by providing decision-makers with alternatives and best practices when planning for corporate events, ordering souvenirs, and managing other activities related to KPMG's hospitality operations and event marketing.

Protecting our planet: Nature and biodiversity

A sustainable planet is one in which all life thrives. And yet, unprecedented degradation in nature over the last 50 years has put key natural ecosystems at risk of collapse, threatening to impact the people, communities, and economies that rely on them.

KPMG is intent on turning the tide. We are taking meaningful steps to improve our impact on nature and biodiversity, and encourage the same from everyone in our network.

Understanding and improving our impact on nature and biodiversity

Biodiversity

In January 2022, KPMG International conducted an analysis using the Integrated Biodiversity Assessment Tool (IBAT).^{*} The analysis assessed 21 KPMG Canada offices which were chosen to represent the impact on biodiversity of the Canadian offices. These selected cities represent 60% of our footprint in Canada and reflect our presence in a variety of provinces.

The study indicated that urgent action is not required to address biodiversity at our offices across Canada. Nevertheless, we continue pursuing efforts to protect Canadian biodiversity through firmwide initiatives and monitor our national and provincial mitigation plans.

Baseline water stress

KPMG recognizes the vital importance of water to healthy communities, ecosystems, and economies. In 2023, we conducted a baseline water stress assessment of our 53 offices across Canada using the World Resources Institute's (WRI) Aqueduct 3.0 water risk framework. We found that 83% of our offices are located in areas where baseline water stress is low (<10%) while 8% of our offices are located in areas where baseline water stress is low to medium (<20%).



^{*} IBAT Multi-Site KPMG Offices Biodiversity Report, 2022. Generated under license from the Integrated Biodiversity Assessment Tool on 27 January 2022. <http://www.ibat-alliance.org>

Case study: Project Forest



In 2023, KPMG invested funds in afforestation projects with Project Forest.

Our collaboration with Project Forest will sequester carbon and improve biodiversity across Alberta, British Columbia, and Saskatchewan.

Our investments will support:

Alberta: A shelterbelt featuring native and locally-adapted trees and food and medicine-bearing plants in Siksika Nation, near Calgary, will create a natural buffer between the community and roadways.

British Columbia: A rewilding project with Doig River First Nation on the riverbank that will transition unproductive agricultural land into native boreal forest. The community will have access to traditional hunting and foraging grounds through a network of trails.

Saskatchewan: A traditional food and medicine forest with Cumberland House Cree Nation in the Saskatchewan River Delta. Through this we can contribute to a forest that will feed and strengthen the community for years to come.

Our collaboration with Project Forest demonstrates our commitment to nature and biodiversity, and to KPMG's Truth and Reconciliation Action Plan. It also offers our people opportunities to actively engage in afforestation and rewilding activities. In Calgary, our people planted 750 trees.

Nature and biodiversity map



Vancouver

43 GVA team volunteers undertook a shoreline cleanup initiative with Sea Smart School Society, an organization dedicated to marine education. Covering 62,400m², the team's dedicated efforts resulted in the removal of 8.63kg of garbage, 5.98kg of recycling, and an astonishing 1,024 cigarette butts. This collective endeavour made a significant impact in preserving the shoreline's health and raising awareness about environmental conservation.



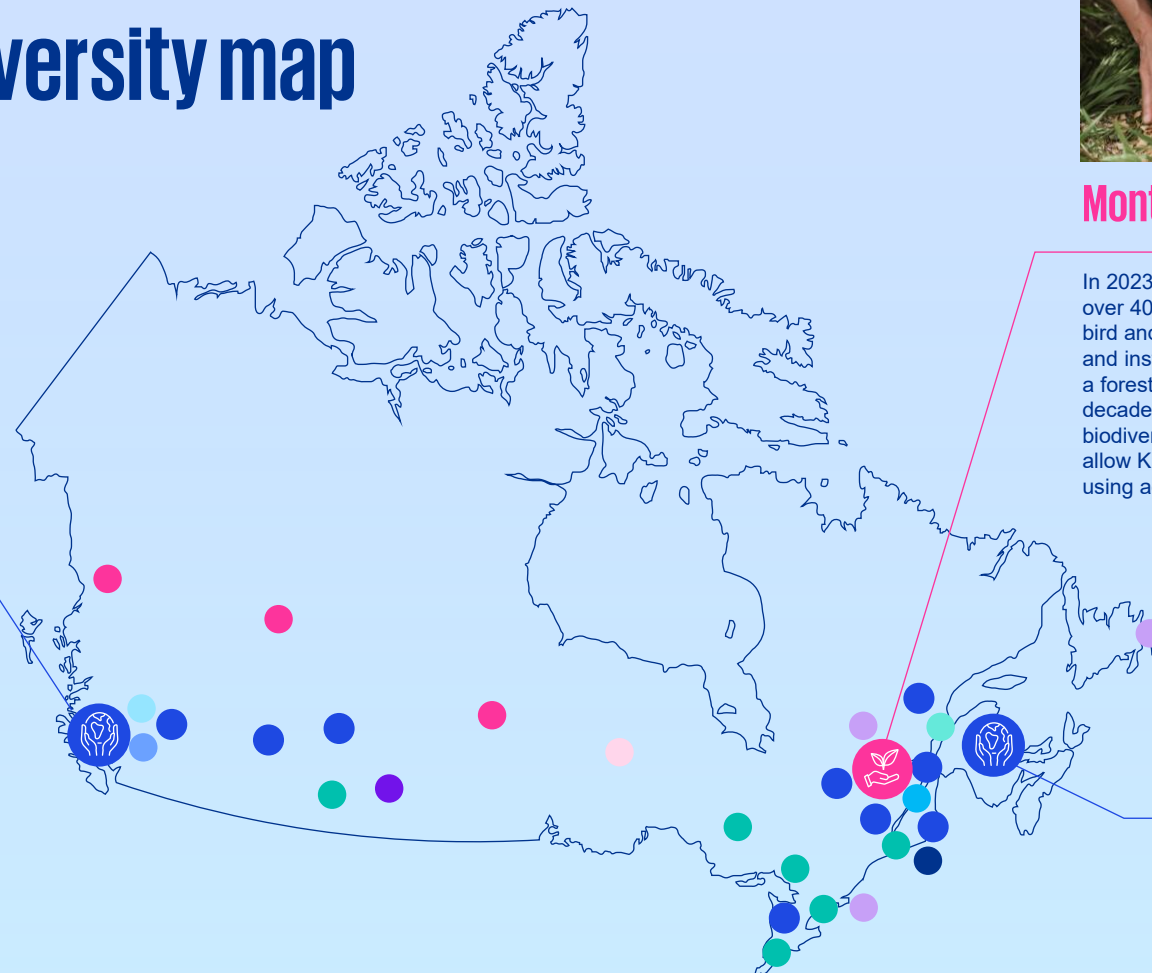
Montréal

In 2023, we expanded our partnership with Carbone Québec, planting over 400 trees and fruit trees at our 2023 tree-planting event. Several bird and bat nesting boxes, as well as insect hotels, were constructed and installed by our employees. This year, we are helping to steward a forest in the Greater Montreal Area which will sequester carbon for decades to come and serve as a staging area for local KPMG biodiversity and tree-planting events. Our partnership in Quebec will allow KPMG's people to digitally monitor the afforestation project using aerial photos, drones, and GPS imagery.



Fredericton

KPMG volunteers from our Fredericton office completed a riverside clean up in October 2022. The team collected 19 bags of garbage, bike parts, a TV mount, a needles box, and a wide range of other waste. This clean-up was the first in a three-year commitment that KPMG has made to the Fredericton Trails Coalition.



● Clean-up
 ● Rewilding (tree-planting)
 ● Native Seed Planting Workshop
 ● Bee hive
 ● Stewardship (mulching)
 ● Species count
 ● Biodiversity lunch & learn
 ● Urban gardening
 ● KPMG investment in rewilding
 ● Community Garden
 ● Nocturnal Garden

The power of our people: People engagement

KPMG is committed to environmental stewardship. We work with community partners on various campaigns to invest in our planet and empower and inspire our people to take action and be environmental changemakers. Highlights include:

Earth Day

As part of our Earth Day campaign, which built on the 2023 Earth theme of “Invest in Our Planet,” we reflected our commitment to sustainability by investing in conservation and reforestation projects with Carbone Québec and Project Forest. Earth Day activities were organized across the country, and included regional cleanups, tree-planting events, and lunch and learn activities on topics ranging from COP15 to sustainable gardening.

World Oceans Day

KPMG hosted a national lunch and learn session featuring a panel of ocean conservation experts from Ocean Wise for World Oceans Day 2023. Over the course of the session, leading researchers educated our people about the importance of protecting aquatic ecosystems and sustainable fisheries, and the role of oceans in carbon sequestration. Shoreline clean-up activities were also arranged by Ocean Wise in Toronto, Calgary, and Vancouver, where 86 KPMG volunteers joined the clean-up events and removed 55.3kg of litter from 3km of shorelines.

Nature Conservancy of Canada’s Big Backyard BioBlitz event

Summer 2023 was an excellent opportunity to engage our people in an outdoor activity. Our people became citizen scientists by documenting local species through the iNaturalist app; this information will contribute to biodiversity surveying and conservation program planning.



People of KPMG: Calgary's Green Champions



Calgary's Green Champions embody our ESG values in their mission to create a cleaner, more sustainable future for Calgarians. In 2023, they inspired 135 KPMG participants to serve as Green Ambassadors and advocate for environmental and social change. Highlights include contributing volunteers to Ocean Wise clean-ups that collected 13.8 kgs of garbage during Waste Reduction Week and helping Project Forest plant 750 trees. The activities (among others) go a long way towards upholding KPMG's commitment to being a good corporate citizen and contributing to a safer, healthier, and more sustainable tomorrow.

Championing best practice: Sustainability governance and policies

Impactful ESG strategies are founded on solid governance. KPMG has built its approach on frameworks, policies, and oversight teams which help keep our ESG targets in focus and hold us accountable for actions and behaviours.

Sustainability governance framework

KPMG's environmental sustainability performance is monitored through Our Impact Steering Committee, Green Champions Network, and Environmental Council.

Established in late 2022, the Environmental Council is comprised of subject matter experts and leaders who oversee the implementation of our environmental policy and provides advice and recommendations to the firm on topics such as environmental sustainability, procurement and office building management. The Council also assesses and prioritizes our sustainability needs, drives our sustainability agenda, reviews progress against our commitments, and ensures we are taking action to reach our net-zero emissions target.

The Green Champions Network drives regional green initiatives that align with the firm's ESG objectives. Launched in late 2021, it is spearheaded by volunteers who lead regional sustainability committees and initiatives. Members meet monthly to represent and share best practices among different regions. They also work with

the regional Impact Leads to strategize and create campaigns that bring a voice to environmentally important work across the firm. Some of the notable campaigns spearheaded by the Green Champions Network include the sustainable fashion campaign in 2022 and the Waste Management Campaign in 2023.

Sustainability policies

Our commitment to building a more sustainable future is reflected in our [Environmental Policy](#). This policy outlines our work to achieve net-zero emissions by 2030, power our offices with 100% renewable electricity, set an Internal Carbon Price to better manage our business travel and operations, offset our greenhouse gas emissions, raise awareness for climate risk among our people, clients and the community, and better understand and improve our impact on nature and biodiversity.

In addition to the **Environmental Policy**, KPMG has a **Travel Policy** that encourages employees to make informed decisions about their travel to reduce their environmental impact.

Future-proofing our business operations and beyond

KPMG's journey towards a more sustainable and resilient future is far from over. We recognize the progress we're making only counts if we stay the course, remain champions for change, and ensure our climate strategies adapt to the climate risks, economic shifts, and geopolitical events to come. We also know that reducing our impact on the environment requires a firmwide commitment to reaching net zero by 2030 and that we must constantly reassess how we address climate risks, water pollution, deforestation, and biodiversity loss as the issues evolve. By taking action today, we can—and will—play an important role in creating a future in which we all thrive.

Climate Action Plan

KPMG aspires to contribute to a just and fair net-zero transition as we work towards becoming a net-zero emissions business by 2030. As part of this goal, we are preparing to publish a Climate Action Plan. We believe it is important to formulate and disclose our climate commitments, actions and metrics so that we can report our progress against the plan on our environmental impact. To that end, we formed a working group with subject matter experts in early 2024 to help the firm develop our Climate Action Plan that is set to launch at end of 2025.

Climate risk

Climate risk is a concept that refers to how we assess the consequences and likelihood of climate change impacts on our business, and how we will respond and adapt to the resulting challenges. Our climate risk approach informs our

environmental strategy and is represented in our efforts to share clear, comprehensive, and quality information on climate change and its impacts with our people, clients, financial markets, and the broader community. It is important that we all understand the impacts of climate change and the actions that can be taken to reduce our collective impact.

To that end, we took a number of meaningful steps in 2023, including but not limited to:

- Improved our data quality
- Continued contributing to leading international reporting regimes
- Joined new initiatives
- Started reporting on nature-related risks
- Leveraged our ICP to engage our people, support environmental work, and retrofit office spaces

KPMG International has published a [Climate Risk Report](#) aligned to [the Taskforce on Climate-related Financial Disclosures \(TCFD\)](#) in March 2024. The report—which features a description of the transition risks to large KPMG member firms, including KPMG in Canada—will further enhance our national analyses and inform our responses to the climate risks facing KPMG.

Prosperity

Making a positive and economic impact.



Our commitments

Prosperity is measured by more than the bottom line. For KPMG, it is defined by an organization's efforts to uplift its communities and society at large. Achieving genuine prosperity means investing in our communities, contributing to economic growth, forging pathways to meaningful employment opportunities, and providing services to clients to help them drive sustainability. **It's about being a good corporate citizen.**

Prosperity is a key pillar for KPMG. Our teams across Canada have made significant contributions toward economic and social prosperity through their consultancy, advocacy, volunteering, and donations. Together, we are unlocking prosperity in line with the UN Sustainable Development Goals.

Make a positive social and economic impact



Support the communities in which we operate

Champion education and lifelong learning

Economic contribution

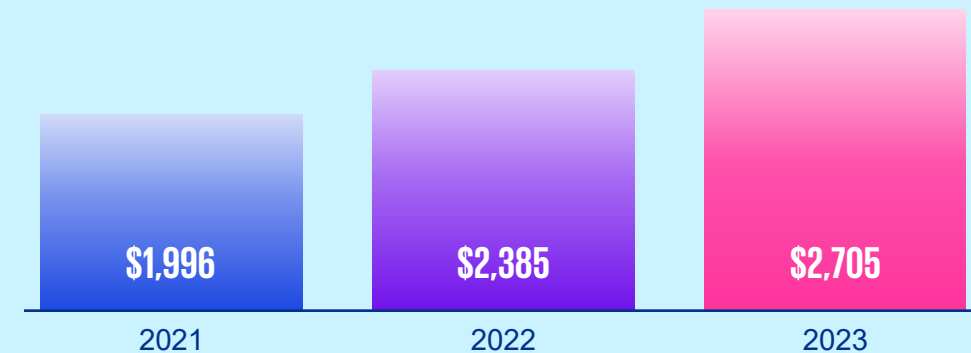
Every day, KPMG people play a vital role in helping client organizations create value. Our stakeholders—clients, governments and regulators, employees, and the public—have high expectations of us. We respond by recruiting truly outstanding people and providing them with the quality of assignments, training, support, and international opportunities they need to flourish professionally and personally.

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

Despite economic and geopolitical uncertainty, KPMG continued to achieve consistent growth. In 2023 KPMG reported a revenue of \$2.7 B, a 13.4% increase from 2022.

Revenue

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

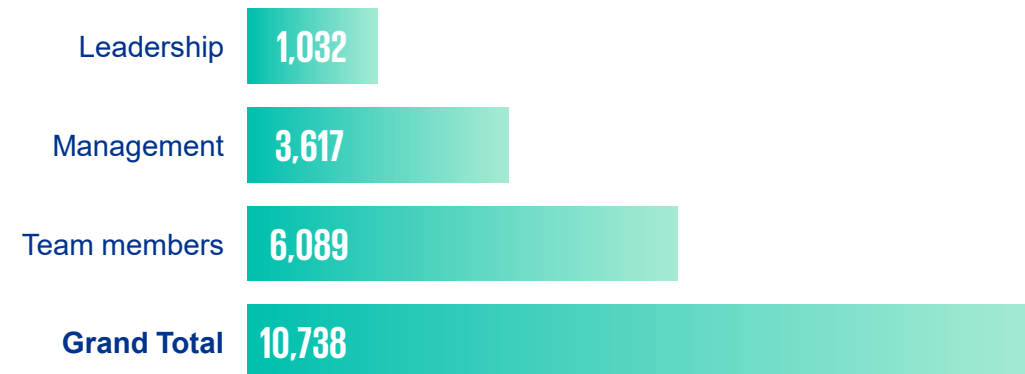


All figures expressed in millions of Canadian dollars

Employment

KPMG takes its societal role seriously, creating jobs and developing careers both within and outside the firm. We had 10,738 full-time employees in FY23, 3% growth from FY22. In that time 3,387 were new hires, including 1,990 campus hires. New hires benefit from structured development, professional qualifications, and opportunities to make an impact through work and community initiatives. Our headcount continued to grow by another 7% to 11,506 as at Jan. 31, 2024.

KPMG's workforce breakdown



Workforce breakdown as of Sept. 30, 2023.

Technology and innovation

Our continuous investment in technology and innovation helps ensure we're in step with the accelerating pace of technological change, positioning us for future success so we can meet stakeholder expectations and our growth objectives.



Spotlight: Operational Risk Skills Development Centre

In 2023, we joined forces with Microsoft Canada to launch the Operational Risk Skills Development Centre, an initiative that provides hands-on training at no cost to businesses and governments to help them build cybersecurity protection, navigate the opportunities and challenges of generative AI, and implement it responsibly.

Spearheaded by our Quebec office, the Operational Risk Skills Development Centre represents a joint investment of \$1.7 million over three years.

Currently in its first phase, training is delivered in French, with the potential of more than 11,000 executives benefitting from this training. Courses are provided on cybersecurity for small and medium-sized business leaders and board members, and generative AI for C-Suite and board members.

93% of Canadian CEOs are concerned that the emergence of generative AI will make them even more vulnerable to cybersecurity breaches. Only **56%** feel equipped to face a cyberattack.

Source: 2023 CEO Outlook - Canadian insights

The latest CEO Outlook from KPMG International revealed that 93% of Canadian CEOs are concerned that the emergence of generative AI will make them even more vulnerable to cybersecurity breaches. However, only 56% of them feel equipped to face a cyberattack. The Operational Risk Skills Development Centre aims to address this issue by providing comprehensive training to help businesses and governments stay ahead of the curve, and fill the gap between technology and people, which is a key part of risk management.

Through this collaboration with Microsoft, KPMG aims to strengthen cybersecurity and promote generative AI as a transformative opportunity. The creation of the Operational Risk Skills Development Centre marks a significant step in the global alliance between KPMG International and Microsoft, and will help to accelerate innovation, keep businesses secure, and enable sustainable growth for the Quebec economy and beyond.

Case study: Driving pay equity

The Canadian subsidiary of a multinational financial group needed support in complying with pay equity laws for its Canadian employees.

Assembling a team of compensation and pay equity professionals, KPMG helped to embed technology-enabled efficient processes and drove insights to streamline the client's pay equity efforts.

The KPMG team used a proprietary pay equity calculator to automate the steps required to achieve pay equity and allow for detailed audit tracking and report validation. The team also developed a dashboard that provided an interactive visualization of pay equity results, gender wage gap analyses and dynamic organizational insights.

The engagement included the review of job documentation and employee data to assess pay equity risks, implement a gender-neutral job evaluation system, and formulate a compensation philosophy in line with business objectives. The next phase involves supporting the client in establishing a pay equity committee and guiding them through the steps of legislative compliance over a 12-month period.

With KPMG's support, the client is working to comply with pay equity laws and develop compensation practices free from gender discrimination. The social objective of providing equitable remuneration is central to this project and has wide societal impact within households and communities.



Kleo: KPMG's private generative AI platform and internal chatbot

We launched an in-house generative AI platform called KPMG Kleo, where KPMG people can confidently use this emerging technology in a secure, private environment. Since its launch in December 2023, it has been proven to improve efficiency and access to information—with more than a third of users saving over three hours of work per week, allowing them to focus on more strategic, high-impact work.

Powered by Azure OpenAI's GPT-4 model, Kleo was developed in KPMG's secure custom cloud environment. Throughout Kleo's development, we adhered to an AI risk management framework to promote responsible use of generative AI aligned with KPMG's [Trusted AI](#) principles and internal guidelines and professional standards. This framework reinforces the role of generative AI as a supportive tool that supplements the integrity and judgment that our firm's professionals bring to every project.



Good corporate citizenship

The private sector has a critical role to play in Canada's economic and social prosperity. Being a good corporate citizen means stepping up to that role and working with governments, not-for-profits, academia, and communities to develop responsible and sustainable strategies that effect real change.

Aligning with the UN Sustainable Development Goals

KPMG adheres to an impact strategy that is in line with the United Nations Sustainable Development Goals (SDGs), the global blueprint for tackling the most urgent social, economic, and environmental issues. These SDGs form the basis of our impact goals, which advocate for a future that is inclusive, sustainable, and prosperous. The national KPMG Impact team, the firm's leadership along with a company-wide network of teams, resources, and allies, work together to bring this impact strategy to life. This allows us to take significant action on matters that our people care deeply about, as well as those where our collective impact can be most significant.

Our 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.



Our collective impact

In FY23, we continued to make substantial contributions toward societal change and environmental sustainability through our Impact contributions and sponsorships, fundraising efforts, community contributions, and donations focusing on our impact priorities. Our total financial support to the community increased by 26% to \$12M since 2022, enabling us to deepen our impact in our communities.

46,835

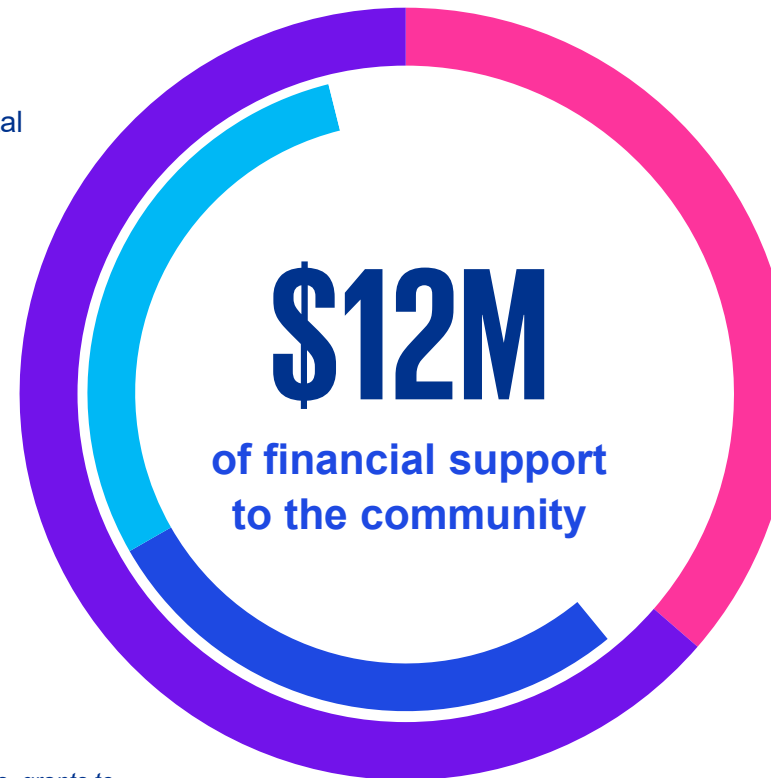
volunteer and pro bono hours by KPMG people*

2,707

number of KPMG volunteers

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

***KPMG Foundation numbers include disbursements to support community programs, grants to educational institutions, and disaster and humanitarian relief.*



\$4.7M

KPMG-sponsored fundraising

\$7.3M

sponsorships

** \$3.54M

KPMG Foundation

\$3.76M

contribution to community organizations



Impactful community initiatives

We are proud to contribute our skills, resources, and passion to organizations and initiatives that meet a compelling community need. Over the years, we have focused our charitable and nonprofit support on areas where we have a significant presence (e.g., education and lifelong learning) and on programs and initiatives where we can make a meaningful impact. This includes donations from the KPMG Foundation, the firm's nonprofit entity that functions as the charitable arm of KPMG.

Through these community investments, we utilize the range of skills within our organization to make a positive difference in the lives of those in need while also using our public voice to create a more equitable and prosperous future for underserved communities.

10by30 global goal

KPMG International's 10by30 commitment aims to economically empower 10 million disadvantaged young people by 2030 through education, employment, and entrepreneurship. We are proud to contribute to this global 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 educational institutions

We're continuing to strengthen our global collaboration with UNESCO and rallying behind an initiative we call "IT's Her Future" to empower girls and women with technology skills. To scale our reach, we will leverage technology, make donations, and expand volunteering and pro bono work.

Global Skills Academy

In collaboration with UNESCO, we're forging an innovative collaboration to scale up the Global Skills Academy (GSA), which includes 23 members of the Global Education Coalition. The GSA aims to provide access to free and demand-driven online training opportunities to increase learners' employability and resilience in a changing labor market. The objective is to encourage and inspire existing and new GSA members to further collaborate and combine skills and resources to create a more inclusive, equitable and prosperous world as set out by the UN Sustainable Development Goals.

To ensure the plan is informed by data and evidence-driven insight, UNESCO has undertaken research—funded by KPMG International—to analyze the labour market opportunity, skills gap and best practices to bridging the deficit at scale.

Empowering women in tech with The King's Trust Canada

KPMG is pleased to sponsor The King's Trust Canada (TKTC) Young Women in Tech program, in support of IT's Her Future. TKTC helps youth facing barriers secure meaningful employment through training and mentorship.

More than 130 young women and non-binary youth participated in the Explore and WorkReady series where KPMG volunteers served as speakers and mentors. The program offered additional skill-building activities to build confidence and set participants up for employment success.

At end of 2023, we renewed our support of the TKTC Young Women in Tech Program to continue engaging more female-identifying youth who aspire to have a career in tech. To build on previous program success around technology and digital literacy, the program will focus on our collaboration to reach a diverse group of youth facing barriers to close the gaps in skills, experience, and ultimately, jobs.

Python coding train-the-trainer course

KPMG Impact and the KPMG Women in Technology community partnered to host a 10-week Python coding train-the-trainer course, with the aim to train a team of KPMG volunteers who can teach Python coding to learners from underserved communities.

Over 100 KPMG people completed the course and earned a certificate. We're now forming a volunteer team to identify community engagement opportunities and hone in on where volunteer trainers can use their new coding skills, with a focus on helping underrepresented youth. Some of our trainers have already given back to the community by engaging in several initiatives, such as participating in The King's Trust Canada's Python Coding introductory workshop, and supporting Canada Learning Code's Coding for Teens workshop as mentors. We'll identify more engagement opportunities in 2024.

Preparing high school students for the future of work through Junior Achievement Canada

As part of our 10by30 global commitment to economically empower 10 million disadvantaged young people by 2030, we're supporting Junior Achievement (JA) Canada's World of Choices program, a national interactive career pathways initiative.

JA inspires the next generation to realize their potential and make a positive impact in their communities. Through their network of local offices, they collaborate with educators, volunteers, and organizations across Canada to deliver hands-on, immersive, and digital learning experiences to young people. JA commits to ensuring accessibility and inclusivity through programs that help youth build transferable skills in work readiness, financial health, and entrepreneurship.

To date, we have directly reached 1,233 students between the ages of 13 and 18 to help prepare them for the future of work. In addition, local KPMG offices have been supporting many local JA programs over the years including the Company Program, which builds an entrepreneurship mindset among high school students.

Case Study: Pro bono to overcome digital challenges in education



Alloprof is a charitable organization in Quebec that aids students in overcoming academic challenges through free professional services and digital academic support resources. They work with a team of teachers and specialists to develop online resources, assisting 550,000 students annually. However, the shift to distance learning after the pandemic and changes in Alloprof's services have led to digital challenges. A cross-functional KPMG team provided pro bono services that addressed their challenges by assessing Alloprof's cybersecurity, upgrading their IT plan, and understanding the impact of Bill 25 on their operations, which requires the protection of personal information and impacts their organizational compliance. The results included a maturity report, gap correction recommendations, and a gap analysis report on Bill 25 requirements. With KPMG's help, Alloprof continues to invest in Quebec's youth, providing free professional services and digital tools to support their academic journey.

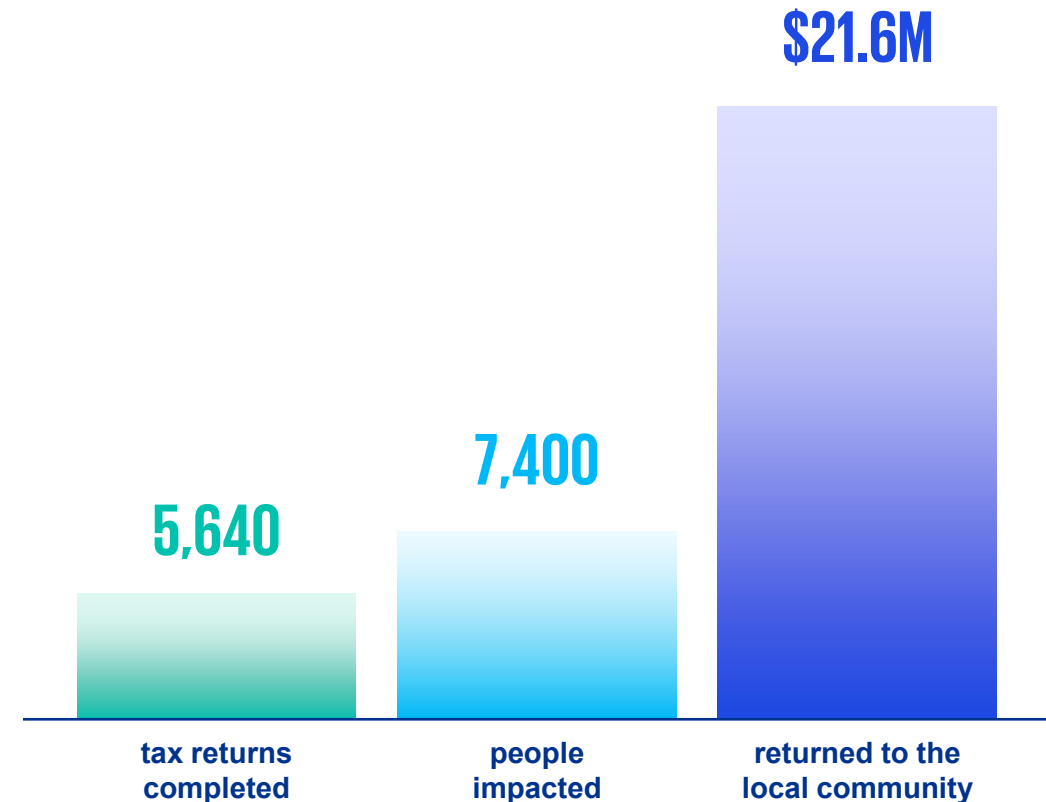
Initiatives that reduce inequalities

Food Banks Canada Tax Clinics

2024 marks the fifth year of KPMG's participation in Food Banks Canada's Tax Clinic Program. Through this collaboration, KPMG recruits team members to serve as volunteer tax preparers and/or administrative volunteers during the tax season. In 2023, our volunteers helped to complete 5,640 tax returns in five primary tax clinics in British Columbia, Ontario, and Saskatchewan, impacting more than 7,400 people and returned almost \$21.6M to the local community. We also provided funding support that enabled eight other locations to collect additional data that show the true impact of tax clinics. The locations that received small grants completed 4,786 returns and got back an additional \$15.5M for the community.

Building resilient communities

KPMG has a long-standing history of supporting United Way Centraide across Canada. This support continued in 2023 as our staff collectively contributed more than \$4M to local United Ways through our annual campaign, helping to provide opportunities, and tackle inequalities within our communities. Our contributions helped United Way Centraide support over 5,800 community programs, including those focused on fighting poverty, helping youth be all they can be, and building healthy and resilient communities.



Initiatives that reduce inequalities



Providing humanitarian and disaster relief

In an era of climate change turmoil, record-breaking natural disasters, and humanitarian crises, we have a responsibility to help where we can. This is especially true when it comes to supporting vulnerable populations that are disproportionately at risk.

Taking this to heart, the KPMG Foundation has donated \$675,000 so far to provide relief and support these humanitarian crises and natural disasters in FY23 and the early part of FY24:

Earthquakes in Turkey and Syria, Morocco, and Afghanistan

Wildfires cross Canada including in Alberta, Nova Scotia, Quebec, and British Columbia

Humanitarian crisis in the Middle East

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

People of KPMG: Aanu Adeleye



Aanu Adeleye

Senior Manager,
Audit and Assurance

Aanu's passion for giving back started early. During her childhood in Nigeria, her father and mother raised their kids with a strong sense of community, "Everything we did was rooted in giving back and showing gratitude." Aanu's family was active in local community organizations, as well as finding ways to help closer to home: They spent their mom's birthday every year cooking and sharing food with those in need.

At age 10, Aanu's world shattered when she tragically lost her mom. But she found strength in family. Her father dedicated himself to his new role as primary caregiver, raising Aanu and her siblings with a caring hand, constant calm, and strong values — like the value of a good education, which guided Aanu to New York City to earn a degree in architecture. It was there that she discovered her love of accounting.

Today she's a Senior Manager in Audit, focusing on the public sector.



"I am passionate about my work because I believe that the public sector is vital to the social and economic well-being of our society."



Click [here](#) to read more of Aanu's story.

Riding to conquer cancer



For more than a decade, KPMG has been supporting the Princess Margaret Ride to Conquer Cancer, BC Cancer Foundation's Tour de Cure, and the Enbridge Tour Alberta for Cancer. These events are some of Canada's largest and most impactful athletic fundraisers. Every year the rides bring together a passionate community of thousands to cycle 200 kilometres over an epic weekend to raise funds for life-saving cancer research.

Over the years, 2,790 Team KPMG cyclists have raised a combined total of over \$9.2M.* And, during the 2023 ride alone, KPMG and 165 Team KPMG cyclists in the GTA, GVA and Alberta contributed more than \$722,797.*

Collective impact highlights

Ride to Conquer Cancer: Over 200+ types of cancer treated, including some of the rarest forms

Tour de Cure: Over 100 leading-edge clinical trials supported annually

Tour Alberta: Supports 17 cancer centres across the province

* Contribution numbers are a combination of KPMG sponsorship dollars and our cyclists' personal fundraising.

Impact in our local communities

To enhance the reach of the KPMG Impact national team, we have Impact Leads in our regional offices. These committed individuals, who also maintain various professional positions within the company, promote the impact strategy in their local areas. They champion local community alliances, motivate and mobilize KPMG people to engage in skills-based volunteering, board service, fundraising campaigns, and contribute to our Impact commitments in a way that resonates with them.

Here are a few examples of impact accomplishments across the country.



World Partnership Walk: KPMG employees rally for a global cause

In 2023, a dedicated team of KPMG employees rallied behind the mission of Aga Khan Foundation Canada by supporting the World Partnership Walk, one of the main fundraising events for the foundation. Supported by the firm, the fundraising team went beyond the walk and explored creative avenues to engage colleagues, raise awareness about the important causes, and fundraise. By organizing high-engagement activities, including educational lunch and learn sessions, online silent auctions, and a thrilling 3 x 3 basketball tournament, the team managed to successfully engage over 150 KPMG colleagues and raise \$12,600.

All donations raised through the fundraising efforts directly support Aga Khan Foundation's global development programs, aiming to alleviate poverty and provide sustainable economic opportunities for people across Africa and Asia. The Aga Khan Foundation runs over 180 initiatives in 15 countries tackling poverty on many fronts: improving access to quality education and health; increasing food security; creating economic opportunities for women and men; and building strong, resilient communities and local institutions.



Supporting Indigenous business students at the University of Alberta

In October 2023, KPMG put its [Truth and Reconciliation Action Plan](#) in action by committing to a five-year, \$250,000 investment with the University of Alberta to develop programming to help accelerate equitable access to jobs, training, and education opportunities for Indigenous business students.

Launching in summer 2024, the BRIDGES to Business for Indigenous Students program will be delivered in collaboration with the University of Alberta's School of Business with the goal of increasing the presence of Indigenous peoples in corporate Canada and expanding awareness of Indigenous cultural knowledge in the business community.

Funded by the KPMG Foundation, the program represents our first official collaboration with a post-secondary business school created to support Indigenous students.

KPMG actively promotes [Indigenous access to education](#) through the **Indspire Indigenous Student Awards**, which provides financial support to Indigenous students pursuing studies such as business, economics, accounting, information technology, and taxation; and the **KPMG Indigenous Internship Program**, which welcomes those in audit, tax, advisory, digital, and Environmental, Social and Governance practices.



"We are excited to welcome KPMG as a collaborator in making business education more accessible for Indigenous students. At the Alberta School of Business, we are committed to growing the number of Indigenous students who are able to use business education to empower themselves and their communities, while ensuring their experience is a positive and welcoming one. This collaboration with KPMG will help us take a significant step in that direction."

Leo Wong, Associate Dean, Education
Alberta School of Business, University of Alberta

Introducing high school students to entrepreneurship

KPMG people in our Calgary office participated as mentors in Junior Achievement's Company Program in 2023. The program introduces high school students to entrepreneurship by giving them an opportunity to create and operate an after-school business, with the help of KPMG mentors. Last year, the revenue returned to student shareholders across 22 teams totaled more than \$23,000, with \$2,100 donated to local charities. For the 2023-2024 cohort, more KPMG people are mentoring students who are creating a business to produce a mental wellness box, and eco-friendly streetwear.



KPMG alumni event champions Indigenous art and sustainability



Bizindamowin: To learn from listening

Raising the voice of Canada's Indigenous communities is key to our 'Truth and Reconciliation Action Plan' (T&RAP). In November 2022, KPMG used its GTA Alumni Reception to advance this very goal. The event, entitled Bizindamowin (Ojibwe for "to learn from listening"), was held at the Fairmont Royal York in Toronto. It welcomed 37 Indigenous artists from across the country to exhibit and sell their unique pieces during an Indigenous Art Exhibition that was attended by nearly 900 KPMG team members and alumni. Some 47 art pieces were sold throughout the evening, with 100% of the proceeds going directly to the artists. The KPMG Foundation matched all sales to fund scholarships for Indigenous students studying at the Ontario College of Art and Design (OCAD) in Toronto.

The event was brought to life by our internal GTA Events team, our National Indigenous Peoples Network, and Massivart, a Montreal-based creative agency and public art firm. Beyond showcasing Indigenous voices and talents, the evening championed sustainable practices in a Zero Carbon Building-certified venue, the Fairmont Royal York. Guests were served locally and sustainably-sourced food, the venue featured energy-saving lighting and technologies with cooling provided from Toronto's Deep Lake Water Cooling system, and leftover food and giveaway items were donated where possible.

24h Tremblant

Quebec's 24h Tremblant challenges teams to spend 24 consecutive hours engaged in winter sports ranging from skiing to snowboarding, alpine touring to running, and more. It is also a fundraising event through which Fondation 24h Tremblant raises money for organizations committed to the betterment of children's health and well-being, including the Fondation Charles-Bruneau, Fondation Tremblant, CHEO Foundation, the CHU Sainte-Justine Foundation, and the Montreal Children's Hospital Foundation.

A longtime supporter, KPMG is proud to be associated with committed foundations that share the same goal of nurturing the health and well-being of our children.

In FY24, KPMG's team of 248 'superheroes' collectively raised close to \$189,000.



KPMG Pride Centre at Cambrian College in Northern Ontario



We are unwavering in our commitment to creating inclusive, safe, and affirming spaces for all. As such, KPMG people in Northern Ontario and the KPMG Foundation embraced the opportunity to join Cambrian College in creating the KPMG Pride Centre, a space where all students can go for support and education on matters related to 2SLGBTQIA+. The initiative saw nearly \$40,000 contributed toward pride-centered programming and bursaries for the Cambrian student population.

KPMG has been a longtime supporter of Cambrian College. “We are honoured to support the Pride Centre and Pride initiatives at Cambrian College,” said Tiffany Cecchetto, Office Managing Partner in Northern Ontario and Executive Inclusion, Diversity & Equity Council member. “At KPMG, creating inclusive, safe, and affirming spaces is core to who we are.”



Celebrating KPMG volunteers

Every year, KPMG's national Impact Awards and the Financial Support for Volunteering programs recognize our people for demonstrating their volunteering passions and making the difference in their community.

KPMG Impact Awards recognize three categories of impact: Social Changemakers; Inclusion, Diversity & Equity/Mental Health Champions; and Greenest Champions. In FY22 and FY23, we donated more than \$140,000 to our awardees' charities of choice.

Our Financial Support for Volunteering program honours KPMG people who volunteer between 25 to over 50 hours per year with donations to the organizations where they volunteer. In FY22 and FY23, we donated close to \$65,000 to their volunteer organizations.

People of KPMG: National recipients of 2023 Impact Awards

The 2023 KPMG Impact Awards turned the spotlight on regional and national changemakers throughout our firm, awarding more than \$70,000 to their charities. We're proud to highlight our national award recipients in this report.



Thelma Muronzi

National Social Changemaker

Thelma Muronzi with KPMG's Technology Risk Consulting practice was recognized for several social impact initiatives. They include founding Cyber LifeHax delivering cybersecurity education for seniors and other vulnerable people through the Kamloops Adult Learners Society, and providing educational programs such as the Zimbabwe Application Security Bootcamp.



Vikram Deswal

Most Volunteer Hours

Vikram Deswal from our Information Technology Services team received the spotlight for volunteering over 500 hours in 2023. These hours were spent supporting youth cricket players in Toronto during his weekends by managing teams, overseeing league schedules, and assisting with off-field functions and performance analytics.

People of KPMG: National recipients of 2023 Impact Awards

The Salam Network

ID&E and Mental Health Champion

The Salam network is an active KPMG People Network comprised of over 450 members across Canada who are passionate about raising awareness and understanding of the Muslim faith through collaborations and educational events, such as the annual Ramadan Fast Challenge. The Network's leadership team received a 2023 Impact Award for its ongoing efforts to connect the Muslim community within KPMG and externally with our clients and the community.

Salam Network leadership team:

Asma Hasan
Sharjil Salim
Sabeen Awan
Mohammad Nadeem
Saqib Jawed
Nancy Curto
Hena Awan
Summaia Raouf

Hibah Rehman
Munam Majeed
Muneera Chowdhury
Dana Hassoun
Sharique Muqeem
Fahd Umer
Meena Aziz
Owais Siddiqui

Intkhab Ali
Rami Yamin
Nosra Reguig
Habiba Imam



People of KPMG: National recipients of 2023 Impact Awards

Calgary Green Champions

The Calgary Green Champions Network earned an Impact Award for its success in raising awareness for environmental initiatives and sustainable practices among our people and communities. Recently, this included hosting information sessions about sustainable food practices, participating in the City of Calgary's pathways and river cleanups, and joining the firm's national involvement in Project Forest and the Ocean Wise shoreline cleanup.

Calgary Green Champions Network leadership team:

Shivank Gupta
Bevin Sears
Janel T Tiernan
Zitin Munshi
Carrie Zhang
Oke Isaac-Onwah



Final thoughts from our Impact Leader

More than 15 years ago, KPMG developed a 'Community Leader' strategy that inspired our firm to take a more purposeful and values-driven approach to interacting with the world around us. All these years later, I am proud to read the pages of this 2024 edition of *Our Impact Plan*. Not only does it confirm we took that original strategy to heart—it shows how we are continuing to build on its foundational vision.

This is not the time to be complacent. The environmental challenges, social issues and geopolitical tensions we face cannot be shrugged off for future generations to manage. As a national organization with deep-rooted ties to businesses and communities across the country, KPMG will continue striving for better. Not because being a good corporate citizen makes for a good news story, but because future generations' health and prosperity will rely on the actions we take today.

We have challenges ahead of us, but this report fills me with optimism.

On the environmental front, we are more committed than ever to Canada's net-zero vision. We've joined Environmental and Climate Change Canada's Net-Zero Challenge and made changes throughout our operations to prioritize decarbonization, resource conservation and sustainable growth.

Our People Pillar is also getting stronger. We're making strides to ensure our firm embodies the diversity of our communities—and that our people are included, know they belong and see their ideas and perspectives reflected in the way we operate. We've also increased our community investments by 26 per cent since 2022, and launched a global ethical decision-making framework to ensure our values are upheld worldwide.

As KPMG Impact Leader, I hear stories every day about the grassroots-level programs and initiatives we're supporting that make tangible, positive impacts in communities across the country. I am so thankful for the commitment of the people making this happen—our Impact Plan Steering Committee, the National KPMG Impact team, the National ID&E team, the Executive ID&E Council, Impact Leads across our Canadian offices, our Green Champions, KPMG Foundation stakeholders, our many People Networks—and everyone at KPMG working together to make an impact every day.

Caroline Harvey

Managing Director,
Corporate Affairs & Impact Leader
KPMG in Canada



Indexes and explanations

Reporting approach

Our disclosures for **Our Impact Plan Canada 2024** 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 being 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 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 re-evaluate 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 FY23 (Oct. 1, 2022 – Sept. 30, 2023) unless otherwise stated in the report. Our metrics have not been externally assured.

Governance

Theme	Metrics	Location and notes
Governing purpose	Setting purpose	A message from our CEO (p. 4) Governance: Our commitment; Our values (p. 10-11) Governance: KPMG’s multi-disciplinary model (p. 15)
Quality of governing body	Governance body composition	Governance: Our governance, leadership and structure (p. 13-14)
Stakeholder engagement	Material issues impacting stakeholders	About this report: Material issues (p. 5)
Ethical behaviour	Anti-corruption	Governance: Our Code of Conduct (p. 28) Governance: Zero tolerance of bribery and corruption (p. 31) Governance: Speaking up, safely (p. 33)

Governance

Theme	Metrics	Location and notes
Ethical behaviour	Protected ethics advice and reporting mechanisms	Governance: Ethics from the top (p. 30) Governance: Speaking up, safely (p. 33)
Risk and opportunity oversight	Integrating risk and opportunity into business process	Governance: KPMG’s multi-disciplinary model (p. 15) Governance: Audit: Quality is how we make a difference (p. 16) Governance: Associating with the right clients and engagements (p. 17) Governance: Driving a responsible tax practice (p. 18) Governance: Enabling purposeful business transformation and trust (p. 19-20) Governance: ESG (p. 22) Governance: Trust AI; Responsible AI for global audits; Information technology and protection (p. 24-26) Governance: Auditor independence; The Audit Quality Council (p. 29-30) Governance: Ethics from the top (p. 30) Governance: Committed to change (p. 32)

People

Theme	Metrics	Location and notes
Dignity and equality	Diversity and inclusion	People: Inclusion, diversity and equity (p. 36-49)
	Pay equality	Not reported due to (D).
	Wage level	Not reported due to (D).
	Risk for incidents of child, forced or compulsory labor	Governance: Human rights (p. 34)

People

Theme	Metrics	Location and notes
Health and well-being	Health and safety	People: Health and well-being (p. 50-55)
Skills for the future	Training provided	People: Continuous learning (p. 56-58)

Planet

Theme	Metrics	Location and notes
Climate change	Greenhouse gas (GHG) emissions	Planet: Decarbonization – Our carbon footprint (p. 67-68)
	TCFD implementation	Planet: Future-proofing our business operations and beyond – Climate Risk (p. 79)
Nature loss	Land use and ecological sensitivity	Planet: Protecting our planet: Nature and biodiversity – Understanding and improving our impact on nature and biodiversity (p. 73)
Freshwater availability	Water consumption and withdrawal in water-stressed areas	Planet: Protecting our planet: Nature and biodiversity – Understanding and improving our impact on nature and biodiversity (p. 73)

Prosperity

Theme	Metrics	Location and notes
Employment and wealth generation	Absolute number and rate of employment	Our highlights at a glance – Prosperity: Absolute number of employment (p. 8) Prosperity: KPMG’s workforce breakdown (p. 83) Some aspects not reported due to (A).
	Economic contribution	Prosperity: Economic contribution; Revenue; Employment (p. 82-83) Prosperity: Our collective impact (p. 88) Some aspects not reported due to (A).
	Financial investment contribution	Not reported due to (M).

Prosperity

Theme	Metrics	Location and notes
Innovation of better products and services	Total R&D expenses	Prosperity: Technology and Innovation; Spotlight: Operational Risk Skills Development Centre (p. 83-84) Some aspects not reported due to (D).
Community and social vitality	Total tax paid	Not reported due to (A).



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

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