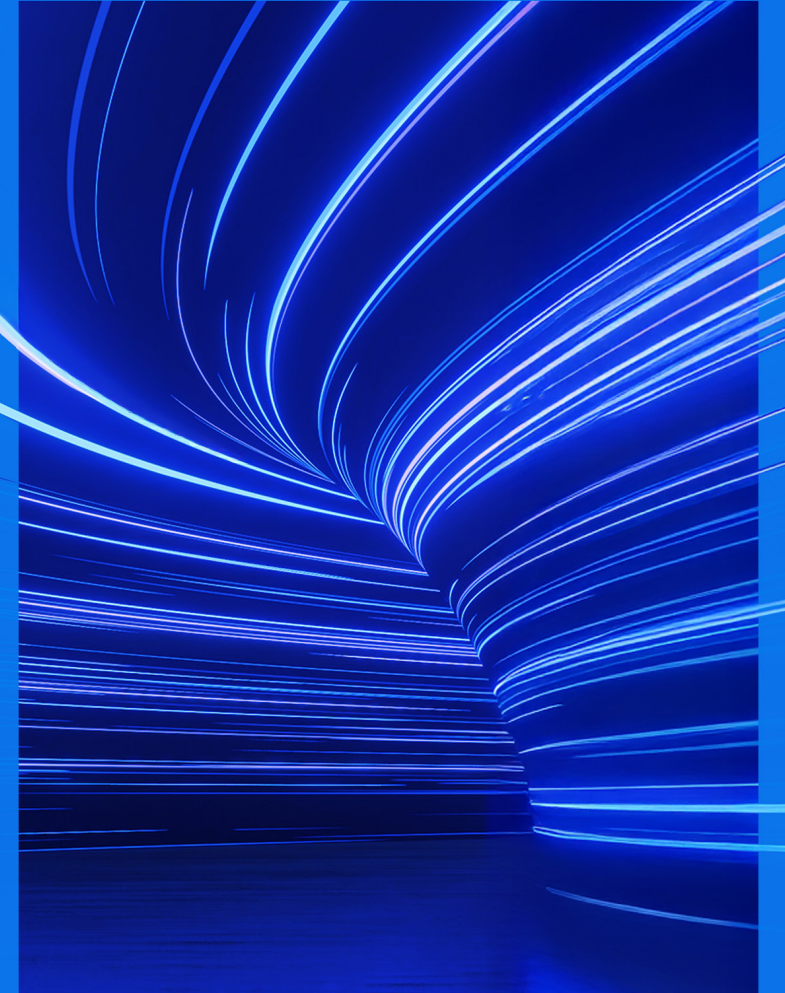




Transparency Report 2025

Building trust through quality and innovation



KPMG Values

KPMG is committed to quality and service excellence in all that we do, helping to bring our best to clients and earning the public's trust through our actions and behaviours both professionally and personally.

Our Values guide our behaviours day-to-day, informing how we act, the decisions we make, and how we work with each other, our clients and all of our stakeholders.



Our Values are:



Integrity

We do what is right.



Excellence

We never stop learning and improving.



Courage

We think and act boldly.



Together

We respect each other and draw strength from our differences.



For Better

We do what matters.

Contents

Introduction and foreword	4	Nurture inclusive, skilled teams	25	Monitor and remediate	43
A system of quality management as the foundation of quality	6	Associate with the right clients and engagements	31	Communicating effectively	47
Live by our Values-driven culture	10	Be independent and ethical	34	Financial information	49
Apply expertise and knowledge	18	Perform quality engagements	39	Partner remuneration	50
Embrace digital technology	22	Assess risks to quality	42	Network arrangements	51
				Appendix A: EU or UK Public interest entities	53



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Trust in the capital markets is built on quality. As auditors, we are entrusted with protecting investors and serving the public through the work we do every day to help Canadians make more informed financial decisions, and we have proudly served for more than 150 years. As the world becomes increasingly complex, upholding our commitment to quality is more important than ever. We fulfill this commitment by acting with integrity, maintaining independence, and rigorously adhering to professional standards.

This year's transparency report outlines our approach to quality, including our system of quality management, which is underpinned by our belief in continuous improvement, accountability and transparency as key drivers to deliver high quality audits. As the pace of change accelerates, we remain steadfast in our commitment to challenge ourselves to identify opportunities for enhancement, learn from experience, and to adapt our methodologies and processes to enhance risk management and prevent, detect and remediate issues in order to uphold stakeholder confidence in our judgements.

Our people are the greatest investment in quality, and over the past year, we made significant investments to further train, coach and empower our teams to challenge and apply professional

skepticism in all areas of the audit – an important part of our culture. With technology changing the way audits are performed, we're also making the right investments now to enable greater risk management and efficiency through digital innovation to enhance audit quality. The audit firm of the future will be enabled by technology and powered by people, and we're transforming to deliver high quality audits today – and for tomorrow.

This report is an invitation to engage with us, to better understand the standards we set for ourselves, and to hold us accountable. We are proud of our progress and remain steadfast in our pursuit of excellence. Together, we can continue to advance trust, transparency, and quality in everything we do.



Benjie Thomas
Chief Executive Officer
and Senior Partner
KPMG in Canada



Sebastian Distefano
Canadian Managing Partner,
Audit & Assurance
KPMG in Canada

Throughout this document, "KPMG", "we", "our" and "us" refers to KPMG in Canada. Any references to the KPMG global organization mean the member firms of KPMG International Limited, each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients.

No member firm has any authority to obligate or bind KPMG International Limited or any other member firm vis-à-vis third parties, nor does KPMG International Limited have any such authority to obligate or bind any member firm.

KPMG International means KPMG International Limited unless the context requires the reference to mean KPMG International Services Ltd. (which provides services, products and support to, or for the benefit of, member firms or KPMG International Limited but not services, products or support to clients) or KPMG International Cooperative (which owns and licenses the KPMG brand).

Throughout this document, references to "Firm", "KPMG firm", "member firm" and "KPMG member firm" refer to firms which are either: members of KPMG International Limited; sublicensee firms of KPMG International Limited; or entities that are wholly or dominantly owned and controlled by an entity that is a member or a sublicensee.

The overall governance structure of KPMG International Limited is provided in the [About Us](#) page of [kpmg.com](#).

Audit quality

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

We define “audit quality” as the outcome when audits are executed consistently, in line with the requirements and intent of applicable professional standards, within a strong system of quality management.

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



Introduction and foreword

A system of quality management
as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients
and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

A system of quality management as the foundation of quality

Consistent and strong controls within our firm's system of quality management (SoQM) help reduce quality issues, drive operational efficiencies, and enhance transparency and accountability. We are committed to continually strengthening the consistency and robustness of our SoQM.

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

We comply with the Canadian Standard on Quality Management (CSQM) 1, which was adopted in Canada, based on the requirements of ISQM 1 with minimal amendments.

KPMG International's global approach to SoQM



Establishes consistent **policies, procedures** and controls designed to respond to SoQM risks, supporting KPMG firms' effective SoQM.



Provides KPMG firms with a globally consistent iterative **risk assessment framework** that they have agreed to use in identifying incremental KPMG firm specific quality objectives, risks, and controls.



Supports KPMG firms with **guidance, tools, and training** to drive consistent and effective firm SoQM operation and annual evaluation.



Includes **monitoring activities** over KPMG firms' SoQM to drive global consistency.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



The globally consistent approach to SoQM is used by all KPMG firms across the global organization to drive the consistency, robustness and accountability of responses to risks within KPMG firms' processes.

KPMG Global Quality Framework

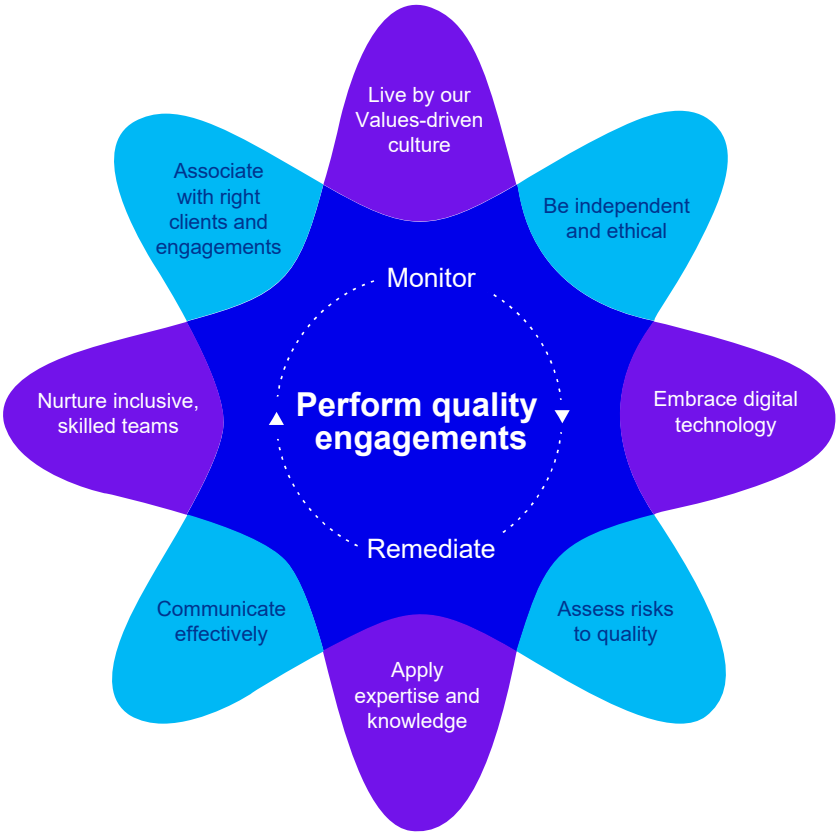
To provide more transparency on what drives KPMG audit and assurance quality, this report is structured around the KPMG Global Quality Framework. For KPMG, the Global Quality Framework outlines how we deliver quality and how every KPMG professional contributes to its delivery. The drivers outlined in the Global Quality Framework align with the 10 components of KPMG firms' SoQM and ISQM 1.

In line with ISQM 1, our SoQM also aligns with the International Code of Ethics for Professional Accountants (including International Independence Standards), issued by the International Ethics Standards Board for Accountants (IESBA Code of Ethics).

At the center of the framework is the performance of high-quality engagements, supported by ongoing monitoring and remediation. Driving continual improvement of KPMG firms' SoQM, integrated monitoring and remediation programs help enable firms to identify deficiencies, perform root cause analyses, and implement targeted remediation plans, both at the engagement level and across the broader SoQM.

The following 10 sections of the Transparency Report describe how we operate each driver in the Global Quality Framework, aligned with the SoQM components. Combined with our firm's SoQM Statement of Effectiveness, this Transparency Report summarizes how our SoQM supports the consistent performance of quality engagements. This report may also be useful for stakeholders interested in KPMG firms' Tax and Advisory services, as certain aspects of our firm's SoQM are cross-functional and apply equally as the foundation of quality for all services offered.

KPMG's Global Quality Framework



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Statement on the effectiveness of the System of Quality Management of KPMG LLP as of 30 September 2025

As required by the International Auditing and Assurance Standards Board (IAASB)'s, International Standard on Quality Management (ISQM 1) and KPMG International Limited Policy, KPMG LLP (the "Firm") has responsibility to design, implement and operate a System of Quality Management for audits or reviews of financial statements, or other assurance or related services engagements performed by the Firm. The objectives of the System of Quality Management are to provide the Firm with reasonable assurance that:

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

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

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

If deficiencies are identified when the Firm performs its annual evaluation of the System of Quality Management, the Firm evaluates the severity and pervasiveness of the identified deficiencies by investigating the root causes, and by evaluating the effect of the identified deficiencies individually and in the aggregate, on the System of Quality Management, with consideration of remedial actions taken as of the date of the evaluation.

Based on the annual evaluation of the Firm's System of Quality Management as of 30 September 2025, the Firm identified deficiencies that were evaluated as having an effect on its System of Quality Management that was severe but not pervasive.

In FY24, the Firm identified a severe, but not pervasive, deficiency in its System of Quality Management. This deficiency was attributable to the Firm failing to appropriately identify or reassess higher engagement risk for a limited number of audits involving uncommon or unusual business operations. The Firm and engagement teams did not critically challenge, evaluate and respond to these higher risk factors or circumstances, and as a result, some of these audits were not subject to certain enhanced monitoring and support programs.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

In FY25, the Firm has continued to execute audit quality initiatives to enhance the Firm’s and engagement teams’ assessment and challenge of certain higher risk factors. Despite progress made, additional time and effort is required to embed certain initiatives to fully remediate the FY24 deficiency. Additionally, a deficiency was identified related to the Firm’s need for additional senior resources with relevant expertise to support certain audit quality initiatives, including programs related to the evaluation of their effectiveness.

As of 30 September 2025, except for matters related to the identified deficiencies that have a severe but not pervasive effect, the System of Quality Management provides the Firm with reasonable assurance that the objectives of the System of Quality Management are being achieved.

Toronto, Canada, 2 December 2025



Benjie Thomas
Chief Executive Officer
and Senior Partner
KPMG in Canada



Introduction and foreword

A system of quality management
as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients
and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

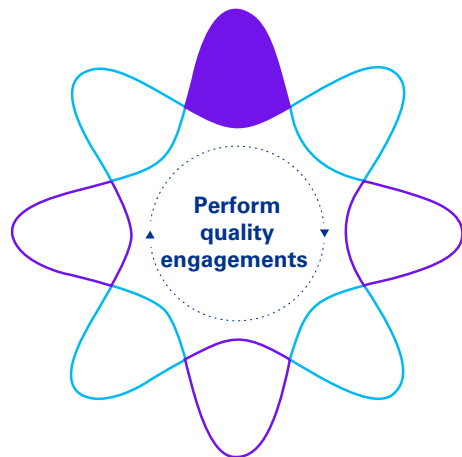
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Live by our Values-driven culture

- **Foster the right culture, starting with tone at the top**
- **Clearly articulate strategy focused on quality, consistency, trust and growth**
- **Define accountabilities, roles and responsibilities related to quality and risk management**
- **Institute robust governance structures**

It's not just what we do at KPMG that matters; we also pay attention to how we do it. Our Values are our core beliefs, guiding and unifying our actions and behaviours. Shared across all personnel, they are the foundation of our unique culture.

Foster the right culture, starting with tone at the top

Tone at the top

Our firm's leadership, working with regional and KPMG International leadership, plays a critical role in establishing our commitment to quality and the highest standards of professional excellence and ethics. **A culture based on integrity, accountability, quality, objectivity, independence and ethics is essential in an organization that carries out audit, assurance and other professional services on which stakeholders rely.**



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Clear Values and a strong Code of Conduct

At KPMG, our [Values](#) lie at the heart of the way we do things. To do the right thing, the right way, at the right time. They form the foundation of a resilient and ethical culture ready to meet challenge with integrity, so we do not lose sight of our principal responsibility to serve the public interest.

We are committed to the highest standards of professional behaviour in everything we do. Ethics and integrity are core to who we are and within our [Global Code of Conduct](#) we outline the responsibilities all KPMG people have to each other, our clients and the public. It shows how our Values and Purpose inspire our greatest aspirations and guide our behaviours and actions. It defines what it means to work at and be part of the KPMG organization, as well as our individual and collective responsibilities.

In addition, we have a [Canadian Code of Conduct \(the Code\)](#) that applies to all our partners and employees — regardless of title or position — and serves to provide clear guidance to help them make sound choices, exercise good judgment and highlight resources available to help uphold those principles.

Everyone at KPMG can expect to be held accountable for their behaviour, consistent with the Code and is required to confirm their compliance with it. Individuals are strongly encouraged to speak up if they see something that makes them uncomfortable or that is not

in compliance with the Code or our Values. Everyone at KPMG is required to report any activity that could potentially be illegal or in violation of our Values, KPMG policies, professional standards and applicable laws or regulations.

To safeguard this principle of holding each other accountable, each KPMG firm has agreed to establish, communicate and maintain clearly defined channels to allow KPMG personnel and third parties to make inquiries about, raise concerns in relation to, provide feedback on and notify reportable matters, without fear of reprisal, in accordance with applicable laws or regulations.

Our firm maintains an Ethics and Compliance hotline that allows reports to be made through an independent third-party provider. The firm encourages 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 channels of communication are impractical.

The hotline is available to external parties as well, and any person, including clients, vendors and professionals from other KPMG firms working on any KPMG engagements, may file reports in three ways:

By calling the dedicated toll-free number, 1-833-554-5107

By accessing a web-based reporting system at: www.clearviewconnects.com or by mailing

directly to ClearView Connects at the following address:

ClearView Connects
P.O. Box 11017
Toronto, Ontario, Canada
M1E 1N0

Reports filed through the hotline are directed to our Canadian Managing Partner, Quality and Risk Management (CMP QRM) for review and, if necessary, appropriate firm resources for investigation and resolution are assigned. Reports are handled confidentially and anonymously to the extent allowable by law and consistent with the needs of a thorough investigation.

The [KPMG International hotline](#) is another mechanism for KPMG personnel, clients and other third parties to confidentially report concerns they have relating to KPMG International, activities of KPMG firms or KPMG personnel. KPMG International considers how to respond to each report received through the hotline and where necessary, investigates and takes appropriate action.

The KPMG International hotline is also operated by ClearView Connects and can be reached toll-free from Canada by calling +1 866-246-9224.

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

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



In addition to the processes outlined above, the Global People Survey provides our leadership and KPMG International leadership with key insights into how KPMG Values are being lived. It also provides valuable information on the attitudes of employees and partners regarding quality, leadership and tone at the top.

KPMG's Global Values Week – Building a values-driven firm of the future

In May of 2025, countries and territories in the KPMG global organization came together to celebrate Our Values during a week-long series of events. Through the activities, stories and conversations throughout Global Values Week, our people engaged in dialogue around our five Values and the role they play in our everyday work, with a focus on strengthening trust through ethical behavior. This organization-wide celebration was supported by a Values Immersion initiative in our firm that included leader-led group sessions focused on living our Values under pressure.

Audit & Assurance culture is guided by our Values

We have a culture of High Challenge, High Support.

We recognize that trust comes from striving to achieve the highest ethical and quality standards.

This works best when paired with an environment that is committed to growing and developing our people.

This creates a culture where the best work happens when challenge and support work together.

What is High Challenge?

We apply professional skepticism and critical thinking to our work, and we question ourselves, our processes, management and one another.

What is High Support?

We proactively show up for each other and consistently offer the most impactful resources, expertise, learning opportunities and coaching in a safe environment.

Culture Guiding Principles

We have eight guiding principles that underpin our culture of High Challenge and High Support.

- **Purpose:** Our work matters. We are innovative and curious. We embrace new ideas to deliver Excellence and quality.
- **Quality:** Quality is our number one priority. We act in the public interest with the highest ethical and quality standards. We are confident to ask for support to uphold quality.

- **Challenge:** We are empowered and have the Courage to challenge ourselves, management and one another.
- **Learn:** We listen, learn and evolve. We have a growth mindset, supporting each other throughout the Firm For Better.
- **Coaching:** We deliver sustainable quality through coaching each other and supporting our colleagues health and wellbeing.
- **Teamwork:** We foster an open, safe and inclusive environment where we can speak up and be supported. We build diverse high performing teams who work Together.
- **Integrity:** We lead consistently with our Values, doing the right thing, and receiving support particularly when under pressure. We are always professional in how we act and behave.
- **Measure:** We measure our culture of audit and assurance quality. We recognize and reward the impact of our people and embrace improvement areas.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



The KPMG multidisciplinary model

The KPMG global organization is at its strongest when its over 276,000 people across 138 countries and territories, aligned behind a common set of values, are working together to provide quality services to some of the most important organizations in the world, from the public sector to finance to healthcare. Regardless of the sector or industry they operate in, KPMG’s people leverage multidisciplinary knowledge and experience from across the organization to deliver audit and assurance, tax and consulting services to clients and stakeholders, earning their trust by meeting our commitment to deliver professional excellence. We firmly believe that our multidisciplinary model is the best way to serve clients and is essential to delivering high quality.

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

Our business

Our firm is a professional services firm that delivers audit and assurance, tax and advisory services. We operate out of more than 40 offices across Canada and had an average of more than 10,000 partners and employees in the year to 30 September 2025 (2024: 10,000).

Our audit and assurance services in Canada are delivered through KPMG LLP. Full details of the services we offer can be found on our [website](#).

Our strategy

Our strategy is set by our Management Committee and approved by our Board of Directors (the Board) and demonstrates a commitment to quality and trust. Our focus is to invest significantly in priorities that are aligned to our global strategy.

Introduction and foreword

A system of quality management
as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients
and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Defined accountabilities, roles and responsibilities related to quality and risk management

Leadership responsibilities for quality and risk management

Our leadership team is committed to building a culture based on integrity, quality, objectivity, independence and ethics, demonstrated through their actions.

Our firm has agreed to seek input from the chair of the relevant Global Steering Group or their delegate on the performance of certain leaders within the firm whose role most closely aligns with the activities of the Global Steering Group. Input is sought as part of the annual performance process and is based on an assessment of the leader’s performance, which includes matters of public interest, quality and risk management activities.

The following individuals have leadership responsibilities for quality and risk management in our firm.



Chief Executive Officer and Senior Partner

In accordance with the principles in ISQM 1, our Chief Executive Officer and Senior Partner (CEO/SP), Benjie Thomas is the leader who has ultimate responsibility for our SoQM.

Details of some of the measures the CEO/SP and the rest of the Management Committee have taken to ensure that a culture of quality prevails within our firm are set out in the [Perform quality engagements](#) section.



The Management Committee

The Management Committee consists of the CEO/SP, the Canadian Managing Partners and such additional partners as may be determined from time to time by the CEO/SP. The Management Committee has the overall responsibility for managing KPMG in Canada, including the quality, strength and profitability of the firm’s operations.

Members of the Committee are appointed for an indefinite term until removal by the CEO/SP.



Quality and Risk Management Partner

Our firm’s Canadian Managing Partner, Quality and Risk Management (CMP QRM) is responsible for the firm’s direction and execution of risk, compliance, and quality. The CMP QRM is a member of the Management Committee, has a direct reporting line to our CEO/SP, and consults, as appropriate, with the CEO/SP, the Regional Risk Management Partner, Global Quality & Risk Management resources and general counsel or external counsel.

The seniority of the CMP QRM position and the reporting lines are indicative of the importance that the firm places on risk management and quality issues. The CMP QRM is supported by a team of partners and professionals in each of the functions.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Ethics and Independence Partner

Our firm's Ethics and Independence Partner (EIP) has primary responsibility for the direction and execution of ethics and independence policies and procedures in our firm and reports on ethics and independence issues to the CMP QRM.



The Audit, Tax and Advisory functions — Canadian Managing Partners

The Canadian Managing Partners of our three client service functions (Audit & Assurance, Tax and Advisory) are members of the Management Committee, and each is accountable to the CEO/SP for the quality of service delivered in their respective functions. They are responsible for the execution of the quality and risk management procedures for their specific functions within the framework set by the CMP QRM. These procedures make it clear that, at the engagement-level, risk management and quality management is ultimately the responsibility of all professionals in the firm.

Our Canadian Managing Partner of Audit & Assurance (CMP Audit & Assurance) is responsible for the effective management and control of the Audit & Assurance function. This includes:

- Setting a strong tone and culture supporting audit quality through communication, engagement support and commitment to the highest standards of professional excellence, including professional skepticism, objectivity, and ethics and integrity;
- Developing and implementing an audit that is aligned with the firm's quality requirements; and
- Working with the CMP QRM to monitor and address quality and risk matters as they relate to the Audit & Assurance practice.



National Audit Leadership Team

The National Audit Leadership Team (NALT) includes the CMP Audit & Assurance, Audit Functional Managing Partners for each of the four business units across the country, the National Enterprise Leader for Audit & Assurance, the Audit & Assurance Resource Management Leader, the Chief Technology Officer, Audit & Assurance, Partner in Charge of the Department of Professional Practice, and the Partner in Charge of Clients & Markets.

The NALT is accountable for the management of the Audit & Assurance practice in Canada including implementing a strategy and plan that demonstrate a strong tone and culture supporting audit quality and ensuring the practice has appropriate capability and capacity to manage the audit client portfolio.

The NALT is accountable for ensuring the Audit & Assurance practice adheres to quality management policies and procedures and sponsors the adoption of new approaches to improve audit quality including the adoption of new methodology and technology tools.



Audit Quality Council

In addition, within the Audit & Assurance function, our Audit Quality Council considers matters relating to maintaining and improving audit quality, including the detailed findings (and related actions) from our SoQM evaluation, external regulatory reviews, the internal Quality Performance Review (QPR) program and other quality control 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.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Institute robust governance structures

Our legal and governance structure

The Canadian firm of KPMG LLP (KPMG in Canada) is a limited liability partnership formed under the laws of Ontario. It is wholly owned by its partners.

In Canada, for the year ended September 30, 2025, there was an average of 1,042 KPMG partners¹ (2024: 1,011).

Our firm has two principal governing documents: a Partnership Agreement and Operating Procedures.

Together, these documents establish the structure and principal procedures of governance for our firm. The key governance and management bodies of our firm are the Management Committee and the Board.

The CEO/SP is a member of the Board and the Chair of the Management Committee. The CEO/SP is responsible for the direction of the activities and policies of KPMG in Canada, appoints the members of the Management Committee and recommends to the Board the allocation of profits to members of the Management Committee. The initial term of the CEO/ SP is five years, with eligibility for reappointment for one additional term of three years.

The Board

KPMG in Canada’s business, property and affairs are managed under the direction of the Board. The Board is responsible for the firm’s stewardship, including oversight of strategic planning, risk management and succession planning, as well as the appointment of the Chair and the Deputy Chair of the Board.

The Board is comprised of the CEO/SP and 17 individual partners. Except for the CEO/SP, upon the appointment of any member of the Board to the Management Committee, such person shall automatically cease to be a member of the Board. The CEO/SP initial term is five years. All other members of the Board are appointed for a three-year term and are nominated by the Nominating Committee. Board members are eligible for election for two full consecutive terms only.

Key governance committees

There are seven board committees that deal with key aspects of the governance that report into the Board. These are the:

- Public Trust & Quality Committee
- Succession Committee
- Operations & Finance Committee
- Partner Compensation Committee
- Communications & Governance Committee

- Partner Rights Committee
- Partnership Admissions, Acquisitions and Alliances Committee

Details about the role and responsibilities and composition of each of these key bodies are set out as follows, while recognizing that the Board, collectively, has the ultimate authority and responsibility for such matters.

Public Trust & Quality Committee:

The role and responsibility of the Public Trust & Quality Committee is to support the Board’s mandate to provide direction and oversight of the firm’s commitment to quality and integrity. The Committee determines the matters to be brought forward for discussion at the Board, examples of which include:

- Audit quality, including internal and external inspection results, oversight of SoQM including the status of testing, deficiencies identified, remediation status and conclusions, and audit transformation and priorities
- Tax quality and transparency, including internal inspection results and “Principles for a Responsible Tax Practice”
- Advisory quality, including internal inspection results
- Ethics and independence

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

¹The current and prior year numbers include partners in KPMG LLP and related entities



- Code of conduct
- Compliance, including results of the KPMG Quality and Compliance Evaluation, Global Quality & Compliance Review, Independence audits, Anti-Money Laundering and Counter-Terrorism Financing
- Reputational risk
- Legal or regulatory matters related to professional oversight issues raised by regulatory or governmental agencies and/or authorities

This Committee is comprised of six members of the Board (excluding the CEO/SP) one of whom shall be Chair of the Committee. Committee members and the Chair are appointed by the Board on the recommendation of the Board Chair for a one-year term.

Succession Committee:

The role and responsibility of the Succession Committee is to review the processes and procedures regarding the development of future leaders, including client service leaders, industry leaders and firm management. This Committee is comprised of six members, or such other number of members as shall be specified by the Board, who are appointed by the Board for a one-year term.

Operations and Finance Committee:

The role and responsibility of the Operations and Finance Committee is to review the strategic

direction set by the Management Committee and to ensure the annual business plan and the financial plan of the firm reflect these strategies. This Committee is comprised of seven members, or such other number of members as shall be specified by the Board, who are appointed by the Board for a one-year term.

Partner Compensation Committee:

The role and responsibility of the Partner Compensation Committee is to review the Management Committee’s annual recommendations for compensation to all partners, the Management Committee and the CEO/SP, in accordance with the Partnership Agreement and Operating Procedures. This Committee is comprised of six members, or such other number of members as shall be specified by the Board, who are appointed by the Board for a one-year term.

Communications and Governance Committee:

The role and responsibility of the Communications and Governance Committee is to provide direction and oversee our firm’s approach to governance matters, including recommendation to the Board of appropriate governance processes and structures, reviewing the requirements for committees of the Board and monitoring compliance with recognized governance guidelines. This Committee is comprised of six members, or such other number of members as shall be specified by the Board, who are appointed by the Board for a one-year term.

Partner Rights Committee:

The role and responsibility of the Partner Rights Committee is to assist the Board by reviewing appeals by partners related to such matters as compensation, termination and disciplinary actions. This Committee is comprised of six members, who are appointed by the Board for a one-year term.

Partnership Admissions, Acquisitions and Alliances Committee:

The role and responsibility of the Partnership Admissions, Acquisitions and Alliances Committee is to review the recommendations of the Management Committee for the admission of internal and direct entry candidates to the partnership, after giving due consideration to the process undertaken and the needs of the firm to admit new partners in relation to succession planning, demographics, diversity and growth.

The Committee also reviews the recommendations of the Management Committee related to business acquisitions as well as strategic alliances. This Committee is comprised of seven members, or such other number of members as shall be specified by the Board, who are appointed by the Board for a one-year term.

See page 51 for information on the KPMG legal structure and page 52 for information on the KPMG International Governance structure.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

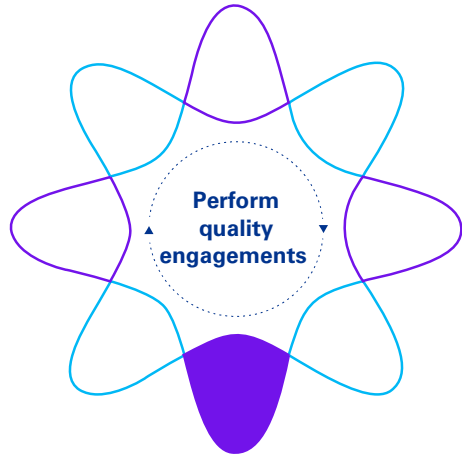
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Apply expertise and knowledge

- **Methodology aligned with professional standards, laws and regulations**
- **Technology-enabled standardized methodology and guidance**
- **Deep technical expertise and knowledge**
- **Policies on applicable requirements, standards and laws**

We are committed to continuing to build on our technical expertise and knowledge recognizing its fundamental role in delivering quality services.

Methodology aligned with professional standards, laws and regulations

Consistent audit and assurance methodology and tools

We use KPMG International's audit and assurance methodologies, tools and guidance to drive a consistent approach to planning, performing and documenting audit and assurance procedures. Key elements include:

- Meeting applicable standards, including standards issued by the Auditing and Assurance Standards Board (AASB) in Canada, the Canadian Sustainability Standards



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Board (CSSB), the International Auditing and Assurance Standards Board (IAASB), the Public Company Accounting Oversight Board (PCAOB), and the American Institute of CPAs (AICPA);

- Identifying risks of material misstatements and designing and performing procedures to respond to these risks; and
- Usage by our audit and assurance professionals to drive consistent interpretation on the application of the applicable standards.

Our audit and assurance methodologies emphasize applying appropriate professional skepticism in the execution of procedures and drive compliance with relevant ethical requirements, including independence. The methodologies evolve to reflect new and revised audit standards and requirements as well as to keep pace with innovative and technological advances that drive quality and efficiency.

Technology-enabled standardized methodology and guidance

KPMG is redefining the audit and assurance process through the use of leading technology, including AI, to facilitate risk-based and data-informed engagements. This digital strategy is supported by KPMG Clara, a scalable and user-friendly cloud-based platform that facilitates consistent execution across KPMG firms worldwide. KPMG Clara delivers KPMG’s audit and assurance standardized methodologies through data-driven workflows that adhere to relevant audit and assurance standards, and assist our engagement teams in meeting the ever-changing landscape of corporate reporting and related audit and assurance requirements.

Driving consistency and quality through offshoring

The Canadian Resource Centre (“CRC”) is a shared service centre offering additional resources to assist us in performing routine and non-judgmental audit procedures under our supervision and review. This drives greater consistency and quality and offers standardized procedures and solutions.

Deep technical expertise and knowledge

Access to specialists

Specialist experience is an increasingly important part of modern audit and assurance engagements and is a key feature of our multidisciplinary model. Our engagement teams have access to a network of KPMG specialists to consult – either within their firm or in other KPMG firms. These specialists receive the training they need to help ensure they have the competencies, capabilities and objectivity to appropriately fulfil their role on our audit and assurance engagements.

The need for specialists to be assigned to an engagement in areas such as information, technology, tax, treasury, actuarial, forensic, valuations and various sustainability topics is considered as part of the engagement acceptance and continuance process, as well as during the planning and conduct of the engagement.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

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

Significant external events and conditions, such as the impacts arising from geopolitical shifts, natural disasters, climate effects and inflationary pressures may give rise to business risks that can have significant implications for financial statements. These potential financial statement implications may include increased complexity, subjectivity and uncertainty when making accounting estimates and key judgments, such as asset impairments, asset valuations and management's going concern assessment. Guidance is available to assist engagement teams in our firm to respond to the potential impacts arising from these significant external events and conditions.

We have access to an online financial reporting resource centre maintained on behalf of KPMG that highlights the potential financial statement implications of matters that may arise from significant external events and conditions,

as well as an audit quality toolkit that addresses the potential audit and reporting implications. This guidance is updated as new significant accounting, auditing and reporting issues emerge.

Licensing and requirements for IFRS® Accounting Standards and US GAAP engagements

Licensing

All KPMG professionals in our firm are required to comply with applicable professional license rules and satisfy the Continuing Professional Development requirements of the Chartered Professional Accountant body in the Province where they practice. KPMG's policies and procedures are designed to facilitate compliance with license requirements. We are responsible for ensuring that audit professionals working on engagements have appropriate audit, accounting and industry knowledge, and experience in the financial reporting framework applicable to the engagement.

Requirements – US GAAP engagements

KPMG has specific assignment requirements for engagements where the financial statements or financial information is prepared in accordance with US GAAP and/or audited in accordance with US auditing standards, including reporting on the effectiveness of the entity's internal control over financial reporting (ICOFR). These provide that at a minimum, all engagement partners, managers, engagement in-charge senior accountants and, if appointed, the Engagement Quality Control (EQC) reviewers assigned to the engagement have completed relevant training and that the engagement team, collectively, has sufficient experience to perform the engagement or has implemented appropriate safeguards to address any shortfalls.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



ESG Assurance quality

KPMG is committed to fulfilling our public interest role in providing assurance that supports investor confidence and stakeholder trust.

In 2025, we continued to enhance our ESG assurance capabilities to meet evolving market developments, including the completion of the first wave of Corporate Sustainability Reporting Directive (CSRD) assurance engagements.

Key developments included:



Updated methodology suitable for providing assurance on all sustainability reporting standards, including CSRD, European Sustainability Reporting Standards (ESRS) and EU Taxonomy disclosure requirements.



Expanded training programs for our engagement teams focused on the latest ISSB and ESRS standards, integrated into the KPMG Clara workflow to help ensure consistency and quality.



Strengthened global expertise through investments in ESG talent and increased access to subject matter professionals across the KPMG organization.



Shared insights from the [ESG Assurance Maturity Index 2025](#), based on a survey of 1,320 senior executives and board members with ESG reporting and assurance knowledge. The findings emphasized the importance of readiness, transparency, and continuous improvement.

Policies on applicable requirements, standards and laws

At our firm, all personnel are expected to adhere to KPMG International and our firm's policies and procedures, including independence policies, and are provided with a range of tools and guidance to support them. Our policies and procedures for audit and assurance engagements incorporate the relevant requirements of accounting, auditing, assurance, ethical, quality and risk management standards that are consistent with ISQM 1, and other relevant laws and regulations.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

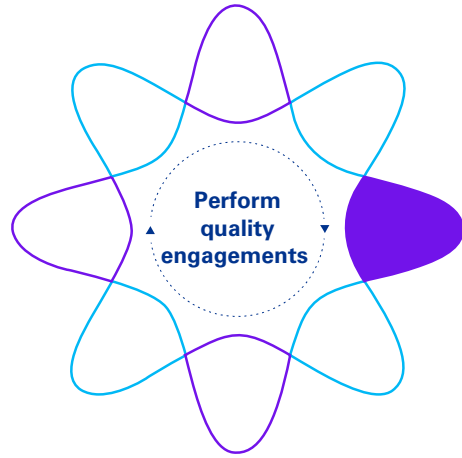
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Embrace digital technology

- **KPMG Clara**
- **Intelligent, standards-driven audit and assurance workflows**
- **AI, data and evolving technologies**

At KPMG, our mission is clear: to lead boldly, move fast, and act responsibly as we are anticipating the technologies that will shape our near future and are driving an ambitious innovation agenda. We continue to transform the audit and assurance experience for our professionals and clients. Leading technologies used across the KPMG global organization are enhancing audit quality by increasing our ability to identify and respond to the issues that matter.

KPMG Clara

KPMG's commitment to continuously evolving quality drives our investment in technology and innovation. In 2025, AI integration into KPMG Clara, our global smart audit and assurance platform, was expanded and accelerated to help our auditors respond more effectively to risks and deliver deeper insights.

KPMG Clara serves as the cloud-based digital foundation for globally consistent, high-quality audits that leverage the latest technologies and innovations, such as AI and other emerging technologies.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Intelligent, standards-driven audit and assurance workflows

As a scalable, intuitive cloud-based platform, KPMG Clara drives globally consistent execution across all KPMG firms. It enables delivery of KPMG audit and assurance methodologies through data-enabled workflows, which are aligned with the applicable standards, providing an empowered and seamless experience to auditors.

AI data and evolving technologies

AI in the audit now and in the future

Building trust in the capital markets is central to KPMG’s public interest role. In 2025, the use of AI within KPMG Clara was expanded to further enhance quality, consistency and responsiveness as part of our forward-thinking, digital-first audit and assurance vision.

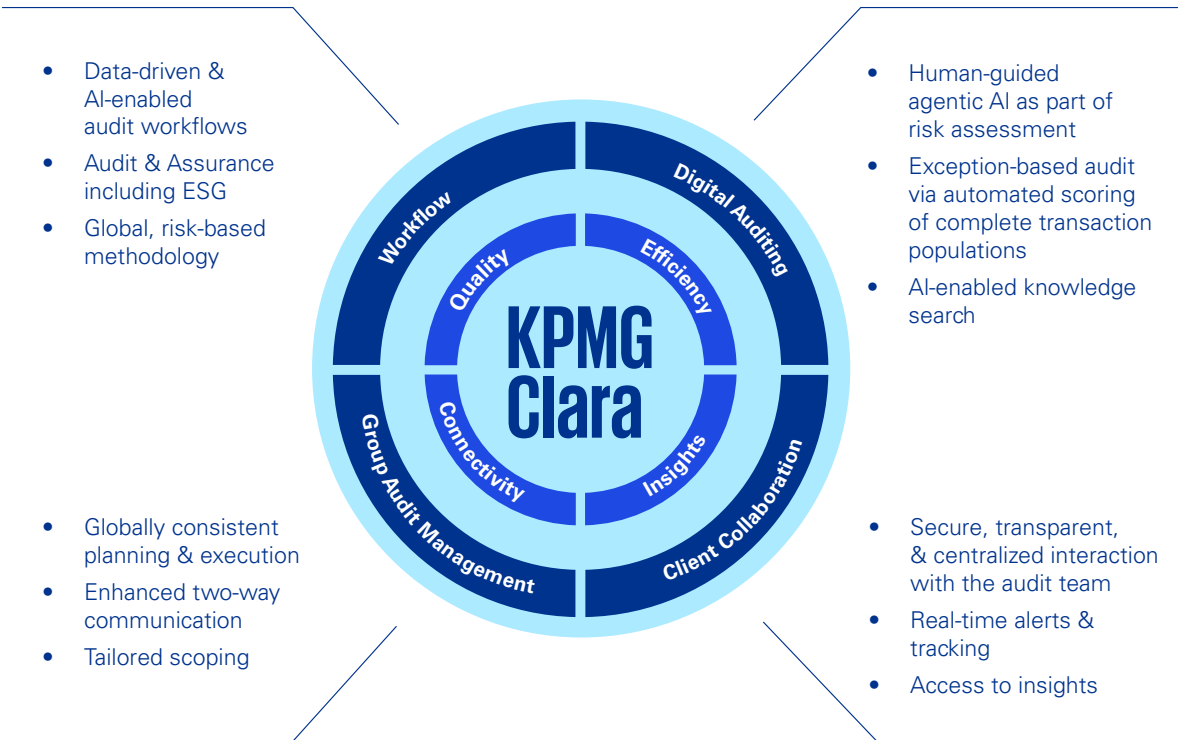
We are continuing the deployment of generative AI and AI agents, which perform audit tasks in concert with human review. AI agents can now assist audit and assurance teams by reviewing engagement documentation, flagging potential fraud risks, and designing and performing substantive testing procedures aligned with KPMG’s methodology. Additionally, through transaction scoring, KPMG’s auditors are able to leverage advanced automated algorithms to analyze and risk-score complete populations of transactions (rather than sample), identifying

outliers and areas requiring further investigation. These enhancements enable over 95,000 auditors globally to focus on high-risk areas, exercise professional judgement and skepticism where it matters most, and strengthen audit quality.

All AI capabilities within KPMG Clara are developed under KPMG’s **Trusted AI framework**, ensuring a human-in-the-loop approach that helps safeguard quality, data integrity, accuracy, reliability, security and ethical standards.

These capabilities are integral to our vision of a transformed AI-first, human centric audit that delivers deeper insights and reinforces trust in the integrity of financial and non-financial information.

Looking ahead, we remain committed to responsibly deploying emerging technologies to support our professionals, enhance audit quality, and meet the evolving needs of the capital markets.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Client confidentiality, information security, and data privacy

The importance of maintaining client confidentiality is emphasized through a variety of mechanisms, including the KPMG Global and our firm’s Code of Conduct.

We have policies on information security, confidentiality, personal information and data privacy. We have a document retention policy concerning the retention period for audit documentation and other records relevant to an engagement in accordance with applicable laws, regulations, and professional standards.

KPMG provides training on confidentiality, information protection and data privacy requirements to all KPMG personnel annually.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

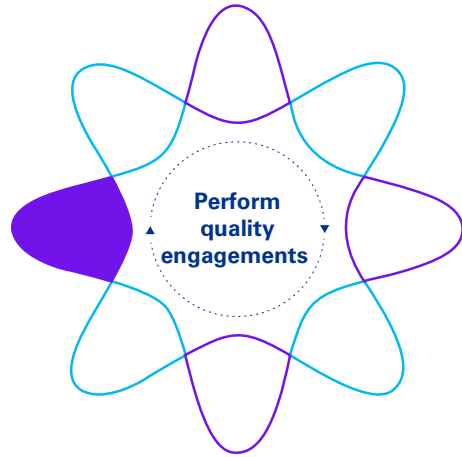
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Nurture inclusive, skilled teams

- **Recruit appropriately qualified individuals who bring diverse skills, perspectives and experiences**
- **Assign an appropriately qualified team**
- **Invest in AI and data-centric skills**
- **Focus learning and development on technical expertise, professional acumen and leadership skill**
- **Recognize quality**

Our people make the real difference and are instrumental in shaping the future of audit and assurance at KPMG. We put quality and integrity at the core of our practice. Our engagement teams have diverse skills and capabilities to address complex problems.

To invest in the building of skills and capabilities of KPMG professionals, KPMG in Canada promotes a continuous learning environment and supports coaching.

Recruit appropriately qualified individuals who bring diverse skills, perspectives, and experiences

One of the key drivers of quality is ensuring that KPMG professionals have the appropriate skills and experience, motivation and purpose to deliver high-quality audit and assurance services. This requires the right recruitment, development, reward, promotion, retention and assignment of professionals.

Recruitment

We have invested in understanding how we can attract the talent we need now and in the future across our firm.

Our recruitment strategy is focused on drawing entry-level talent from a broad talent base,



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



including working with established universities, colleges and business schools, but also working with secondary schools, helping build relationships with a younger, inclusive talent pool at an early age. We also recruit significant numbers at an experienced hire and partner level.

All candidates apply and are employed following a variety of selection processes, which may include application screening, competency-based interviews, and qualification/reference checks.

These leverage fair and job-related criteria to ensure that candidates possess the appropriate skills and experience to perform competently, are suitable and best placed for their roles.

Where individuals are recruited for senior level positions, a formal independence discussion is conducted by the Ethics and Independence Partner or a delegate. We do not accept any confidential information belonging to the candidate’s former firm/employer.

Hires in the year ended 30 September 2025 (Audit & Assurance practice)

Experienced hires	2025: 192	2024: 253
Campus hires	2025: 600	2024: 692

Profile of KPMG in Canada Audit & Assurance personnel

	Partner	Senior Manager	Manager	Senior Accountant	Staff Accountant
Number as at 30 September 2025	388	614	439	1,219	873
Average length of tenure at the firm (years)	20.1	9.7	5.5	3.4	1.5
Retention rate	93.9%	81.7%	76.8%	63.2%	83.8%

Inclusion and access to equal opportunity

KPMG is committed to fostering a culture that welcomes everyone. This commitment has been core to our culture for many years and aligns with our Values and business strategy. We will continue to reflect the diverse communities we work within, while fostering a sense of belonging, and harnessing the collective power of our different perspectives and experiences to better serve our people, clients and society.

Learn more about the KPMG commitment to have an inclusive culture built on trust in our [Global](#) and [Canadian](#) Impact Plans.

Health and well-being

In our firm, we are committed to protecting the health of our people, both physically and mentally, and providing an environment of empathy and support that allows our people to thrive and deliver high-quality work to our clients. Professional services can be a fast-paced and demanding environment, so we are creating a culture where people can be open about their well-being — and reach out for support when they need it.

Reward and promotion

Reward

We have compensation and promotion policies that are informed by market data and are clear, simple, fair and linked to the performance review process. This helps our partners and employees

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



understand what is expected of them, including audit quality accountabilities outlined in role profiles and the audit quality goal issued globally by KPMG International. The connection between performance and reward is achieved by assessing performance across a peer group to inform reward decisions.

Reward decisions are based on consideration of both personal and individual firm performance.

The extent to which our people feel their performance has been reflected in their reward is measured through the annual Global People Survey, with action plans developed as required.

Promotion

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

The process for admission to partnership is rigorous and thorough, involving appropriate members of leadership and Board members. The criteria for admission to the KPMG in Canada partnership are consistent with our commitment to our Values and being an employer of choice. A Partnership Admissions, Acquisitions and Alliances Committee is responsible for reviewing the internal and direct entry candidates proposed by the Management Committee before approval is requested from the Board.

Our audit and assurance partners are prohibited

from being evaluated on or compensated based on their success in selling non-assurance services to their audit clients. See [Partner remuneration](#).

Assign an appropriately qualified team

A critical driver of quality management is the selection of the engagement team to deliver effective and high-quality audit and assurance services. At KPMG, we have policies, procedures and controls in place to assign engagement partners and other professionals to a specific engagement on the basis of their skill sets, relevant professional and industry experience, and the nature of the assignment or engagement.

Functional Managing Partners, Audit and Assurance working with Professional Practice Partners are responsible for the engagement partner assignment process. Key considerations include engagement partner experience and capacity – based on an annual engagement partner portfolio review – to perform the engagement considering the size, complexity and risk profile of the engagement and the type of support to be provided (i.e. the engagement team composition and specialist involvement). The Department of Professional Practice (DPP) monitors the partner assignment process for each business unit.

Audit teams generally comprise an audit partner, manager, in-charge senior accountant and junior team members. Larger engagements often

have more than one audit partner to support the signing partner. With multinational audits, appropriately capable audit partners and staff are assigned from the relevant KPMG firms.

Audit and assurance engagement partners are responsible for determining that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the audit or assurance engagement, KPMG policies and procedures, professional standards and applicable legal and regulatory requirements and any changes that may arise during the engagement. This may include involving specialists from our own firm, other KPMG firms or external experts.

Where the right resource is not available in our firm, we have access to a network of highly skilled KPMG professionals in other KPMG firms. At the same time, policies require all KPMG audit and assurance professionals to have the appropriate knowledge and experience for their assigned engagements.

When considering the appropriate competence and capabilities expected of the engagement team as a whole, the engagement partner's considerations may include the following:

- Understanding of, and practical experience with, audit and assurance engagements of a similar nature and complexity through appropriate training and participation;
- Understanding of professional standards and

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Partner and manager hours as a percentage of total audit hours for the year ended 30 September:



legal and regulatory requirements;

- Appropriate technical skills, including those related to relevant information technology and specialized areas of accounting, auditing or assurance;
- Knowledge of relevant industries in which the client operates;
- Ability to apply professional skepticism;
- Understanding of KPMG's quality control policies and procedures; and
- Quality Performance Review (QPR) results and results of regulatory inspections.

Role profiles to drive quality

Driving a consistent approach to accountability for quality, we have a set of role profiles, issued by KPMG International, articulating the technical and behavioral competencies, and individual levels of accountability for contributing to audit quality and the SoQM. Reviewed annually to support the focus on continuous improvement, the role profiles offer KPMG personnel involved in audit delivery a clear articulation of their role and responsibilities. To connect the role profiles to goal setting, a mandatory audit quality goal is in place for those covered by the role profiles.

Investing in AI and data-centric skills

The KPMG organization is strategically investing in prospective talent by collaborating with leading learning institutions, while investing in building

a future-enabled workforce equipped with the skills needed to thrive in a data-driven, AI-enabled audit environment.

In our firm, we are recruiting and training professionals who specialize in software, cloud capabilities and AI and who can bring leading technology capabilities to the smart audit and assurance platform that we use. We provide training on a wide range of technologies to help ensure that field professionals not only meet the highest professional standards but are also educated in new technology. With this approach we are bringing together the right people with the right skills and the right technology to perform exceptional audits.

We are committed to advancing the audit profession by offering the training and experience our people need to accelerate their careers in a data-driven world.

We recognize that serving today's global companies requires more than a deep knowledge of accounting and auditing. Harnessing the power of data requires industry professionals that are savvy about data and analytics and have the critical thinking skills needed to translate data patterns and anomalies into higher quality audits, all while providing relevant and meaningful business insights.

Offered through Simon Fraser University – Beedie School of Business, KPMG Digital Academy is an industry-leading program that provides our audit and assurance professionals the opportunity to build their skills for the future through specialized courses on the latest advancements

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

in technology and data and analytics and prepares them for an era of machine learning, artificial intelligence and other digital advances.

Participants earn a Graduate Certificate in Accounting with Digital Analytics. Following successful completion of the Graduate Certificate program, students are able to continue their learning to earn a Master of Science Degree in Accounting with Cognitive Analytics. Working in teams, students develop advanced and innovative applications of data analytics in the Audit & Assurance practice.

Focus learning and development on technical expertise, professional acumen and leadership skills

Commitment to technical excellence and quality service delivery

All our professionals are provided with the technical training and support they need to perform their roles. This includes access to internal specialists and the Department of Professional Practice (DPP) for consultation.

Lifetime learning strategy

In our firm, we are committed to developing a culture of continuous learning in line with our desire to provide access to learning for a lifetime — where KPMG partners and employees can continually enhance their competencies and skills through functional, ethical and accelerated learning. With a focus on enabling

excellence, our continuous learning culture helps our people make the difference for both clients and themselves.

Formal training

Rapid advances in technology have made education and reskilling more important than ever. Providing our people with opportunities to learn and develop their careers is a key pillar of KPMG's Global People strategy.

Annual training priorities for development and delivery are identified by the Audit Learning and Development groups at global, regional and, where applicable, KPMG firm level.

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

We deploy a variety of learning solutions that are designed to reinforce the KPMG Values and ensure our audit and assurance professionals get the fundamentals right, develop the necessary skills and attitudes to make appropriate judgments and apply professional skepticism that enhance quality and the value of audit.

Ongoing mentoring and on-the-job coaching

Learning is not confined to a single approach — rich learning experiences are available when needed through coaching and just-in-time learning and aligned with job-specific role profiles and learning

paths. We also provide courses to enhance personal effectiveness and develop leadership and business skills.

Mentoring and on-the-job experience play key roles in developing the personal qualities important for successful careers in audit and assurance, including professional judgment, technical excellence and instinct.

We support a continuous learning environment where KPMG partners and employees contribute to building the team capacity, coaching other team members and sharing experiences.

Our partners and employees are further developed for high performance through the ability to participate in country rotational and global mobility opportunities.

Recognize quality

Personal development

Our approach to performance development, 'Open Performance Development', is built around the 'Everyone a Leader' performance principles, which are supplemented by the 'global audit technical core competencies' to provide a holistic view of expectations for those involved in audit and assurance engagements. The performance development approach includes:

- Audit quality role profiles (including audit quality accountabilities and responsibilities);
- A goal library (including a mandatory audit



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



quality goal applicable to everyone covered by the audit role profiles and additional optional audit quality content); and

- Standardized review forms (with provision for audit quality ratings).

Open Performance Development is linked to the KPMG Values and designed to articulate what is required for success — both individually and collectively. We know that by being clear and consistent about the behaviors and competencies we expect and rewarding those who demonstrate them, we will continue to drive a relentless focus on quality.

At the same time, we are driving a shift in our performance-driven culture, supported by and enacted through leading technology made available by KPMG International that allows us to embed audit quality into the assessment of performance and the decisions around reward, as well as drive consistency across the global organization.

We consider quality and compliance metrics in the overall performance assessment, promotion and remuneration of partners. These evaluations are conducted by performance managers and partners who are able to assess performance.

Commit to creating a workplace where our people can thrive

Together through our people's diverse perspectives and experiences, we make a meaningful difference for our clients, people and

communities. We are proud of the continued recognition of our dedication to creating an inclusive and diverse community and believe these milestone accomplishments contribute to our overall success as a firm.

We are proud that we have been recognized by many organizations, including:



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

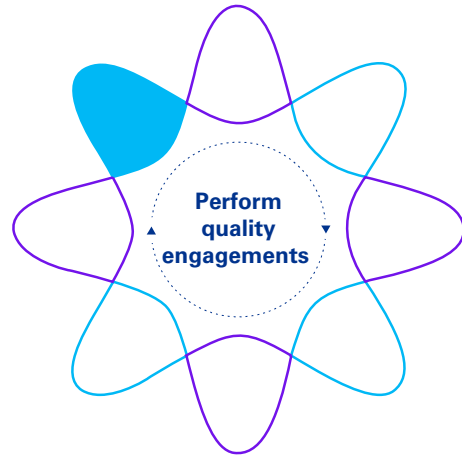
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Associate with the right clients and engagements

- **Global client and engagement acceptance and continuance policies**
- **Accept appropriate clients and engagements**
- **Manage portfolio of clients**

Rigorous global client and engagement acceptance and continuance policies are vital to being able to provide high-quality professional services.

Global client and engagement acceptance and continuance policies

KPMG International's global client and engagement acceptance and continuance policies and processes are designed to help our firm and all other KPMG firms identify and evaluate potential risks prior to accepting or continuing a client relationship or performing a specific engagement.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Each KPMG firm evaluates whether to accept or continue a client relationship or perform a specific engagement. KPMG’s client and engagement principles, ACCEPT, aid in the decision-making process as to which clients we accept and what

work we will do for them. The ACCEPT principles are available to KPMG firms and can support them in identifying, assessing, and managing client and engagement-related risks. ACCEPT enables ethical decision-making and

complements our global CARE (Consider, Assess, Respond, Evolve) ethical decision-making framework. Where client/engagement acceptance (or continuance) decisions pose significant risks, additional approvals are required.

Each letter of ACCEPT guides us to consider:

- A** **All stakeholders are important:**
Could the client (or entity) and/or engagement erode stakeholder trust?
- C** **Conflicts of interest and objectivity:**
Are there any objectivity or Independence concerns or any potential conflicts?
- C** **Client (or entity) considerations:**
Do we want to work with them?
- E** **Engagement considerations:**
Can we successfully deliver the product or service?
- P** **Public interest:**
Is the client (or entity) and/or engagement consistent with protecting the public interest?
- T** **Terms & commercial considerations:**
Can we comply with contractual obligations and manage financial outcomes?

Accept appropriate clients and engagements

Client evaluation

Our evaluation of a prospective client includes an assessment of the client’s risk profile and background information on the client, its key management, directors and owners. If necessary, the evaluation includes obtaining and assessing additional information required to satisfy applicable legal/ regulatory requirements.

To maximize objectivity, a centralized team has been established in Risk Management to carry out these due diligence procedures on behalf of engagement teams.

A second partner, as well as the evaluating partner, approves each prospective client evaluation. Where the client is considered to be high risk the functional Risk Management Partner or a sufficiently skilled and experienced delegate is involved in approving the evaluation.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Engagement evaluation

We consider a range of factors when we are evaluating each prospective engagement including:

- Potential independence and conflict of interest issues.
- Intended purpose and use of engagement deliverables.
- Public perception.
- Whether the services would be unethical or inconsistent with our Values.

In addition, the evaluation of an audit and assurance engagement includes an assessment of the competence of the client’s financial management team and the skills, experience and capacity of KPMG professionals. Where we are providing audit services for the first time, additional independence evaluation procedures are performed, including a review of any non-audit services provided to the client and of other relevant business, financial and personal relationships.

Similar independence evaluations are performed when an existing audit and assurance client becomes a public interest entity or additional independence restrictions apply following a change in the circumstances of the client.

Any potential independence or conflict of interest issues are required to be documented and resolved prior to acceptance.

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

Continuance process

We undertake regular re-evaluations of all audit and assurance clients to identify risks in relation to continuing our association and mitigating procedures that need to be put in place.

In addition, clients and engagements are required to be re-evaluated when there is an indication that there may be a change to the risk profile.

Withdrawal process

When we come to a preliminary conclusion that indicates we should withdraw from an engagement or client relationship, we must consult internally and identify any required legal, professional and regulatory responsibilities with respect to that relationship. We also consider further communications with those charged with governance and any other appropriate authority as required under its professional obligations.

Manage portfolio of clients

We have policies and procedures to enable our firm to monitor the workload and availability of engagement partners, managers and staff and personnel to provide sufficient time to complete their responsibilities.

Our firm’s engagement partners are responsible for determining that members of the engagement team collectively have the appropriate competence and capabilities, including sufficient time, to successfully perform the engagement in accordance with professional standards and regulatory and legal requirements. See section [Assign an appropriately qualified team](#) for more information.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Be independent and ethical

- **Act with integrity and live our Values**
- **Maintain objectivity, independence and ethical behavior, in line with our Code and policies**
- **Have zero tolerance of bribery and corruption**

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

Act with integrity and live our Values

We know that trust is earned by doing the right thing. We are committed to the highest standards of professional behaviour throughout our firm in everything we do. Ethics and integrity are core to who we are. Within our [Code](#), we outline the responsibilities KPMG people have to each other, our clients and the public. It shows how our Values inspire our greatest aspirations and guide all of our behaviours and actions. At our firm, we provide annual training to all partners and employees on our Code, anti-bribery and corruption, and compliance with laws, regulations and professional standards.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Driving an ethical culture

A culture based on integrity, accountability, quality, objectivity, independence and ethics is essential in a firm that carries out audit, assurance and other professional services on which stakeholders rely. Consistent foundational elements of ethical behavior at KPMG support an ethical culture and strengthen trust. Our firm has agreed to establish and maintain a foundation for ethical behavior, including monitoring training assessments and adopting and maintaining an ethical decision-making framework.

Our ethical decision-making framework, CARE, is centered on building and reinforcing trust, and supports our Purpose, Values and Code of Conduct. A model shared across the organization, CARE helps our people to make ethical decisions, especially when faced with a challenging situation or ethical dilemma, and it also reminds them that they do not have to make these decisions alone.

Maintain objectivity, independence and ethical behavior

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

CARE
Ethical decision-making framework



Policies are supplemented to help ensure compliance with Canadian professional standards and regulations as well as the requirements of the United States Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board (PCAOB), as applicable.

Our Ethics and Independence Partner (EIP) is responsible for communicating and implementing KPMG policies and procedures and ensuring that any additional local independence policies and procedures, including relevant controls, are established and effectively implemented.

Automated tools identify potential independence and conflict of interest issues and facilitate compliance with these requirements. KPMG firm compliance with independence requirements is part of the [KPMG Quality & Compliance Evaluation \(KQCE\) program](#).

Application of independence requirements for public interest entities

We apply the independence requirements for public interest entities to the following entities we audit:

- Any publicly traded entity where we are subject to provisions of Regulation S-X, SEC Rule 2-01, “Qualifications of Accountants,” that are applicable to auditors of issuers
- Any entity that is defined as a reporting issuer under the applicable Canadian provincial or territorial securities legislation



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

- Any listed entity whose shares, debt or other securities are quoted on, listed on or marketed through a recognized stock exchange or other equivalent body, whether within or outside of Canada

Personal financial independence

KPMG firms and KPMG personnel are required to be free from prohibited financial interests in, and prohibited financial relationships with, KPMG firm audit and assurance clients (by definition, 'audit client' includes its related entities or affiliates), their management, directors and, where required, significant owners. All KPMG partners — irrespective of their firm or function — are generally prohibited from owning securities of any audit client of any KPMG firm.

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

We monitor partner and manager compliance with this requirement as part of our program of independence compliance audits of professionals. KPMG International provides guidance and required procedures relating to the audit and inspection by KPMG firms of personal compliance with KPMG independence policies. This includes

sample criteria including the minimum number of professionals to be audited annually.

In 2025, 490 of our partners and employees were subject to these audits (442 in 2024), including approximately 27% of our partners (24% in 2024).

Employment relationships

Any KPMG professional providing services to an audit or assurance client irrespective of function is required to notify the firm EIP if they intend to enter into employment negotiations with that client. For partners, this extends to any audit client of any KPMG firm that is a public interest entity. Specific prohibitions and, in some instances, cooling off periods apply to accepting certain roles at audit and assurance clients.

Firm financial independence

KPMG firms are also required to be free from prohibited interests in, and prohibited relationships with, audit clients, their management, directors and, where required, significant owners. KPMG's independence compliance system records direct and material indirect investments in publicly traded entities and funds (or similar investment vehicles) as well as in non-publicly traded entities and funds. This includes investments held in associated pension and employee benefit plans.

KPMG firms' borrowing and capital financing relationships, as well as custodial, trust and

brokerage accounts that hold member firm assets must also be recorded.

On an annual basis, we confirm compliance with independence requirements as part of the [KQCE program](#).

Business relationships/suppliers

We have policies and procedures in place to ensure our business relationships with audit and assurance clients are maintained in accordance with the IESBA Code of Ethics and other applicable independence requirements, such as those promulgated by the SEC.

These include establishing and maintaining a process to evaluate potential third-party arrangements with particular regard to whether they have a bearing on auditor independence.

All prospective business relationships with audit or assurance clients are evaluated to identify potential auditor independence and conflict of interest issues.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



A relationship involving a third-party service provider – that a KPMG firm may use to assist with client engagements or other purposes – is also required to be evaluated to determine whether the third-party has the competence to provide the relevant services. The individuals providing the services are required to confirm they understand and will comply with applicable ethics and independence requirements, and they are also required to complete ethics training. Third parties providing services to audit or assurance clients are required to complete independence training.

Business acquisitions, admissions and investments

Any acquisition of, or investment in, a business requires sufficient due diligence procedures to identify and address any potential independence and risk management issues prior to closing the transaction. Specific consultations with KPMG International are required to enable independence and other issues to be addressed when integrating the business into a KPMG firm and the wider global organization.

Independence training and confirmations

All KPMG partners and client-facing professionals, as well as certain other individuals, are required to complete independence training upon joining KPMG and on an annual basis thereafter and must sign a confirmation of compliance annually.

Non-audit services

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

KPMG’s mandatory conflicts and independence checking system supports our compliance with independence requirements. Certain information on all prospective engagements, including detailed service descriptions, deliverables and estimated fees, are required to be entered into the system as part of the engagement acceptance process. When the engagement is for an audit client, an evaluation of potential independence threats and safeguards is also required to be included in the submission.

Lead audit engagement partners are required to maintain group structures for their public interest entity and certain other audit clients including their related entities/affiliates. They are also responsible for identifying and evaluating any independence threats that may arise from the provision of a proposed non-audit service and the safeguards available to address those threats.

KPMG firms are prohibited from evaluating or compensating audit partners on selling non-audit services to their audit clients.

Fee dependency

KPMG firms are required to monitor total fees from public interest entity audit clients and follow consultation, communication and disclosure requirements should such fees exceed established thresholds.

Avoiding conflicts of interest

All KPMG firms and personnel are responsible for identifying and managing conflicts of interest, which are circumstances or situations that may have, or may be perceived to have, an impact on a firm’s and/or its partners’ or employees’ ability to be objective or otherwise act without bias.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



KPMG firms use the mandatory conflicts and independence checking system for potential conflict identification so that these can be addressed in accordance with legal and professional requirements.

KPMG personnel and KPMG firms are prohibited from offering or accepting inducements, including gifts and hospitality, to or from audit and assurance clients, unless the value is trivial and inconsequential.

Independence breaches

KPMG personnel are required to report an independence breach to our firm's EIP as soon as they become aware of it. Breaches of independence requirements of the IESBA Code of Ethics or other external independence requirements are required to be reported to those charged with governance as soon as possible, except where alternative timing for less significant breaches has been agreed with those charged with governance.

We have a disciplinary policy in relation to breaches of independence policies, incorporating incremental sanctions reflecting the seriousness of any violations.

Partner and firm rotation

Partner rotation

Our partners are subject to periodic rotation of their responsibilities for audit clients. Requirements place limits on the number of

cumulative years that partners in certain roles may provide audit services to a client, followed by a 'time-out' period during which time these partners are restricted in the roles they can perform.

Firm rotation

In certain jurisdictions, KPMG firms are only permitted to act as an auditor for a specific audit client for a defined period of time and then are required to end service as the client's external auditor for a specified period. KPMG firms in these jurisdictions are required to have processes in place to track and manage compliance with audit firm rotation requirements.

Have zero tolerance of bribery and corruption

We have zero tolerance of bribery and corruption.

Our people are required to take training covering compliance with laws, regulations and professional standards relating to anti-bribery and corruption, including the reporting of suspected or actual non-compliance.

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

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

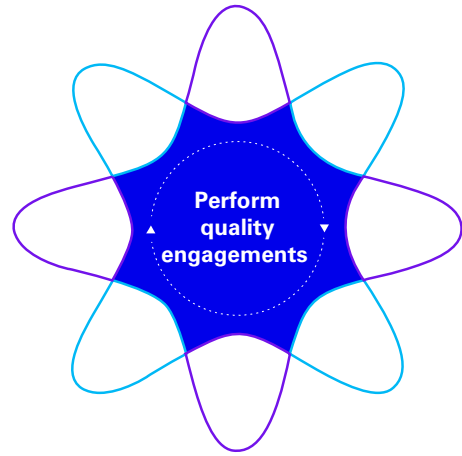
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Perform quality engagements

- **Consult when appropriate**
- **Critically assess audit evidence, using professional judgment and skepticism**
- **Direct, coach, supervise and review**
- **Appropriately support and document conclusions**

How an audit is conducted is as important as the result. Everyone at KPMG is expected to demonstrate behaviours consistent with our Values and follow all policies and procedures in the performance of effective and efficient audits.

Consult when appropriate

Encouraging a culture of consultation

KPMG encourages a culture of consultation that supports engagement teams in KPMG firms throughout their decision-making processes and is a fundamental contributor to audit and assurance quality. In our firm, engagement teams are required to consult when difficult or contentious matters arise on an engagement.

To help with this, our firm has established protocols for consultation and documentation of significant matters, including procedures to facilitate resolution of differences of opinion on

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

engagement issues. In addition, KPMG audit, assurance, reporting and risk management manuals also include specific consultation requirements on certain matters.

Technical consultation and global resources

Technical accounting, auditing and assurance support is available to all KPMG firms through a number of subject matter expert global teams.

Global Audit Methodology Group (GAMG)

Develops the KPMG organization’s audit and assurance methodology based on the requirements of the applicable audit and assurance standards of the IAASB, PCAOB, and AICPA.

KPMG Global Solutions Group (KGSG)

Develops and deploys global audit and assurance solutions, including new technology and automation innovations.

The GAMG and KGSG teams bring diverse experience and innovative ways of thinking to further evolve KPMG firms’ audit and assurance capabilities.

More information about KPMG’s global audit and assurance methodology and technology-based tools is included in the [Embrace Digital Technology](#) section of this report.

International Standards Group (ISG)

Develops global guidance to promote consistency of interpretation and application of IFRS Accounting Standards, IFRS Sustainability Disclosure Standards and European Sustainability Reporting Standards by KPMG firms, and to promote a consistent response to emerging accounting and audit issues.

PCAOB Standards Group (PSG)

Promotes consistency in the interpretation of PCAOB auditing standards in KPMG firms’ audits of non-US SEC issuers and non-US components of SEC issuers, as defined by SEC regulations.

The PSG also provides input into the development of training for auditors who work on PCAOB audit engagements and, where practicable, facilitates delivery of such training.

Member firm professional practice resources

Provide consultation support on auditing, assurance and technical accounting matters to their audit professionals involving regional or global teams when required. Our Department of Professional Practice (DPP) plays a crucial role in supporting the Audit and Assurance function. It provides technical guidance to client service professionals on specific engagement related matters, develops and disseminates specific topic related guidance on emerging local issues and Canadian professional standards and disseminates international guidance on IFRS and ISAs.

Through liaisons with various subject matter expert global teams, as well as active participation in Canada’s standards setting processes, DPP professionals develop and represent KPMG’s positions on current topics being addressed by regulatory and other standard-setting bodies. In addition, DPP professionals actively liaise with the ISG, located in London, on international accounting and auditing standards matters, and with professionals in the KPMG US Department of Professional Practice, located in New York, on accounting and auditing standards matters related to the Financial Accounting Standards Board (FASB), the PCAOB, the Emerging Issues Task Force (EITF) and the Auditing Standards Board of the AICPA.

Critically assess audit evidence using professional judgment and skepticism

On all KPMG audits, we design and perform audit procedures whose nature, timing and extent are based on and responsive to the assessed risks. We consider all relevant audit evidence obtained during the course of the audit, including contradictory or inconsistent audit evidence.

Each team member needs to exercise professional judgement and maintain professional skepticism throughout the audit engagement. Professional skepticism involves a questioning mind and remaining alert to contradictory, or



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

inconsistencies in, audit evidence. Professional judgment encompasses the need to be aware of and alert to biases that may pose threats to sound judgments.

Direct, coach, supervise and review

Embedding ongoing coaching, supervision and review

We promote a coaching culture as part of enabling our professionals to achieve their full potential. Coaching fundamentals are embedded in the audit training curriculum, and we support a continuous learning environment where KPMG partners and professionals contribute to building the capacity of the team, coaching other team members and sharing experiences while directing, supervising and reviewing their work.

Engagement quality control (EQC)

The EQC review is an important part of our approach to quality management. We have agreed to appoint an EQC reviewer for each audit engagement, including any related review(s) of interim financial information, of all listed entities, non-listed entities with a high public profile, engagements that require an EQC review under applicable laws or regulations, and other engagements, including certain assurance engagements, as designated by our CMP QRM or CMP Audit & Assurance.

An EQC review is an objective evaluation of the significant judgments made by the engagement team and its related conclusions, performed by the EQC reviewer, and completed on or before the date of the report. The EQC reviewer’s evaluation of significant judgements includes an evaluation of the engagement team’s assessment of significant risks, including fraud risks, the related responses and whether the related conclusions are appropriate. The EQC review is completed only after the EQC reviewer is satisfied that all significant matters they raised have been resolved.

KPMG is continually seeking to strengthen and improve the role that the EQC reviewer plays in audits and has taken a number of actions to reinforce this, including issuing leading practice guidance, incorporating specific review requirements into our audit and assurance workflows, developing policies relating to recognition, nomination and development of EQC reviewers and ensuring that sufficient time has been allocated to the role within the partner’s workload forecast as part of the annual partner workload review.

Appropriately support and document conclusions

Reporting

Engagement partners form all opinions and conclusions for audit, assurance and review engagements based on the work performed and evidence obtained.

In preparing auditors’ and assurance reports, engagement partners have access to reporting guidance and technical support through consultations with our Department of Professional Practice.

Engagement documentation

Our firm’s documentation is completed and assembled in accordance with KPMG International policy and applicable auditing and assurance standards. We have implemented safeguards to protect the confidentiality and integrity of client and firm information, and we have reduced the time period permitted to assemble documentation.



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

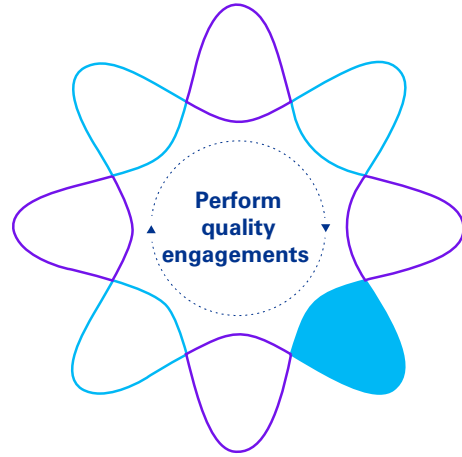
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Assess risks to quality

- **Identify and understand risks to quality and implement effective responses**

The quality of KPMG audit and assurance services rests on our foundational SoQM. Our approach to SoQM, including ISQM 1, emphasizes global consistency and robustness of controls to respond to risks within our processes.

Identifying risks to quality and implement effective responses

KPMG International performs an annual iterative risk assessment process (I-RAP) to determine the baseline expected quality objectives, quality risks, process risk points and responses to those risks, including controls, that all KPMG firms agree to implement and operate. In recognition that we are responsible for our SoQM being in compliance with ISQM 1, and any locally applicable standards or regulations, we also perform our own annual I-RAP, taking into account our firm's facts and circumstances in determining whether there are any incremental quality objectives, quality risks, process risk points or responses to those risks, including controls.

This consistent global approach:

- Sets the minimum controls to be implemented within all KPMG firms' SoQM processes in response to globally identified risks to achieving SoQM quality objectives.
- Defines the SoQM methodology used by KPMG firms in their annual SoQM evaluation to evaluate whether the SoQM controls are operating effectively in response to the related risks and in support of achieving the SoQM quality objectives.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

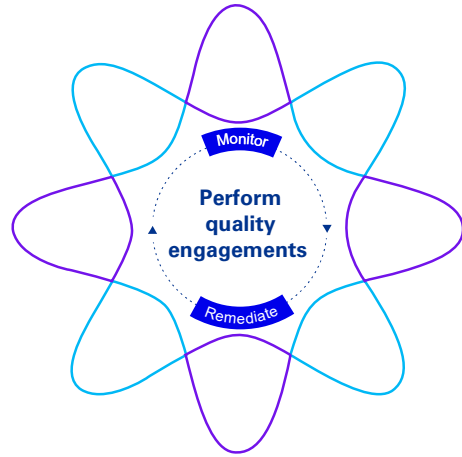
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Monitor and remediate

- **Rigorously monitor and measure quality**
- **Obtain evaluations and act on stakeholder feedback**
- **Perform root cause analysis and design and implement remedial action plans**

Integrated quality monitoring and compliance programs enable KPMG firms to identify quality deficiencies, perform root cause analysis and develop, implement, and report remedial action plans, both in respect of individual audit engagements and the overall SoQM.

Rigorously monitor and measure quality

Commitment to continuous improvement

KPMG firms have committed to continually improving the quality, consistency and efficiency of their audits. The quality monitoring and compliance programs are globally consistent in their approach across all KPMG firms, including the nature and extent of testing and reporting. In our firm, we compare the results of our internal monitoring programs with the results of any external inspection programs and take appropriate action.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Internal monitoring and compliance programs

KPMG firms have agreed to use quality monitoring and compliance programs that are developed by KPMG International to identify quality issues, perform root cause analysis and develop remedial action plans, both for individual audits and for their overall SoQM.

The programs evaluate:

- Engagement performance in compliance with the applicable professional standards, applicable laws and regulations and key KPMG International policies and procedures.
- Our firm’s compliance with KPMG International key policies and procedures and the relevance, adequacy and effective operation of key quality control policies and procedures.

The internal monitoring and compliance programs also contribute to the annual evaluation of our SoQM operating effectiveness. These programs include:

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

Audit Quality Performance Review (QPR) program

The Audit QPR program assesses engagement-level performance and identifies opportunities to improve engagement quality.

Risk-based approach

Each engagement partner in every KPMG firm is reviewed at least once in a four-year cycle (three years for engagement partners involved in PCAOB engagements). A risk-based approach is used to select engagements.

The Audit QPR Program is designed by Global Quality & Risk Management. We conduct the annual QPR program in accordance with KPMG International QPR instructions, which promote consistency across the KPMG organization. Reviews are overseen by an independent experienced lead reviewer from another KPMG firm. QPR results are reported to KPMG International.

Evaluations from Audit QPR

Across the global organization, consistent criteria are used to determine engagement ratings and KPMG firm Audit practice evaluations.

Audit engagements selected for review are rated as ‘Compliant’, ‘Compliant-Improvement Needed’ or ‘Not Compliant’.

For the five-year period ended 30 September 2025, our program has not identified any issues considered to have a material adverse effect on our operations or our ability to fulfill our

obligations as an independent auditor. Like most companies with quality review programs, we identify areas for continuous improvement. Where warranted we conduct formal root cause analyses over audit quality issues and design remedial actions that are responsive to the underlying root causes. These actions include the enhancement of policies and guidance, communications and training for our partners, managers and staff.

	2025	2024	2023
Total QPR audit & assurance reviews performed*	118	123	126
Percentage of engagement leaders reviewed	31	32	30
Number of reviewers from outside of Canada	8	9	10
Percentage of reviewers from outside of Canada	6	9	11

*Includes other related services engagements consistent with ISQM 1

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



KPMG Quality & Compliance Evaluation (KQCE) program

The KQCE program encompasses the testing and evaluation requirements of a KPMG firm’s SoQM, which are necessary to provide a basis for each KPMG firm’s conclusion as to the effectiveness of its SoQM under ISQM 1, and compliance with quality and risk management policies. KQCE program requirements are to be completed by all KPMG firms.

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

Global Quality & Compliance Review (GQCR) program

The GQCR program is a KPMG International monitoring program. The objective of the GQCR program is to assess a firm’s compliance with selected KPMG International policies, including those related to governance and SoQM.

Firms are selected for review using a risk-based approach, which considers a number of factors, including financial conditions, country risks, results of monitoring programs and people surveys, with each firm subject to a GQCR at least once in a four-year cycle.

The GQCR team comprises partners and managers who are independent of the firm subject to review.

Internal monitoring and compliance program reporting

Results from the monitoring and compliance programs are disseminated to our professionals through written communications, internal training tools, and periodic meetings with leadership.

Issues identified are also emphasized in subsequent monitoring and compliance programs to gauge the extent of continuous improvement.

Lead audit engagement partners are notified of Audit QPR Not Compliant ratings if relevant to their respective cross-border engagements.

Remediation and monitoring

In our firm, we develop remedial action plans to respond to issues identified through our monitoring and compliance programs. Progress on action plans is tracked and results are reported, as appropriate, to regional and global leadership.

Obtain, evaluate and act on stakeholder feedback

Regulators

On 23 October 2025 the Canadian Public Accountability Board (CPAB) released its 2025 Interim Audit Quality Insights Report. This report summarized the year-to-date results of engagement file inspections and observations related to the progress Canada’s four largest public accounting firms, including our firm,

have made on quality management standards, auditor independence and risk identification and assessment. A copy of this report is available on CPAB’s website at <http://www.cpab-ccrc.ca>.

We share with CPAB the common goals of improving audit quality and maintaining the public’s trust in the capital markets. The inspection of public accounting firms represents an important element of this initiative and we fully support CPAB’s responsibility.

CPAB inspects our firm on an annual basis and issues a report on the results of its inspection. CPAB will begin publishing individual audit firm inspection reports for 2025 inspections in 2026. Inspection reports will be available on CPAB’s website, cpab-ccrc.ca. We have not yet received CPAB’s 2025 final inspection report, but fully intend to implement any recommendations for improvements that CPAB may have related to our system of quality management and engagement performance.

We issue audit opinions on the financial statements of registrants with the U.S. Securities & Exchange Commission (SEC). As a result, we are also registered with the PCAOB, and were inspected annually by the PCAOB from 2005 to 2017, and every two years since then.

For each inspection, the PCAOB uses a risk-based method to select audit engagements to review and performs certain procedures relating to our quality systems. On 19 December 2024, the PCAOB released its 2023 inspection report for our firm.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



The PCAOB’s reports are presented in two parts. Part I is a public document containing observations relating to specific engagements reviewed by the PCAOB. Part II is a private document containing the PCAOB’s observations regarding our quality control systems related to audit performance and firm-wide functions. This part of the report will be made public only to the extent that any of the PCAOB’s comments and observations have not been adequately addressed within 12 months of the date of the report. On 9 September 2025, the PCAOB made Part II of our firm’s 2019 inspection report public.

We are committed to responding to all reports on a timely basis. The inspection reports for KPMG in Canada are available on PCAOB’s website at www.pcaobus.org.

We are also registered with the UK Financial Reporting Council, the Financial Supervisory Authority of Norway, and Ministry of Finance of the People’s Republic of China.

We have considered each of the findings and recommendations and have implemented actions to address deficiencies and strengthen policies and procedures as appropriate.

We are not aware of any inquiry or investigation by governmental or regulatory authorities against the firm or any of its partners that may materially

affect the firm’s operations or its ability to fulfill its obligations as an independent auditor to its clients.

KPMG International has regular two-way communication with the International Forum of Independent Audit Regulators (IFIAR), principally through IFIAR’s Global Audit Quality Working Group (GAQWG), to discuss thematic audit quality issues along with targeted strategies for improvement. We value the open, honest and transparent dialogue that IFIAR facilitates on global audit quality issues.

Every KPMG firm is expected to maintain professional and respectful relationships with applicable regulators, including proactively engaging, responding to questions in a timely manner and taking appropriate remedial actions.

Client feedback

Client feedback is also important. We proactively seek feedback from clients through in-person conversations and third-party surveys.

Monitoring of complaints

We have procedures in place for monitoring and addressing complaints received relating to the quality of our work. These procedures are detailed on our [website](#).

Perform root cause analysis and design and implement effective remedial actions

In our firm, our SoQM provides the foundation for consistent delivery of quality engagements. A key element of our firm’s SoQM is the Root Cause Analysis (RCA) program that supports our firm to effectively remediate quality issues by enabling the issue identification and addressing of the underlying causes of these issues. Leveraging inputs from internal monitoring programs, external inspections and other relevant activities, we identify audit quality issues and undertake RCA corresponding to the nature and severity of the issues.

We continue to strengthen our RCA program, leveraging globally developed RCA methodology, training, guidance and tools from KPMG International.

We design and implement remedial actions that respond to the identified root causes of the audit quality issues and subsequently monitor the effectiveness of such actions. Our RCA projects, status of the projects and remedial actions are reported to KPMG International.

Our CMP Audit & Assurance is responsible for audit quality, including supporting the effective remediation of audit quality issues. Our CMP QRM monitors the remediation plans’ implementation and completion.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

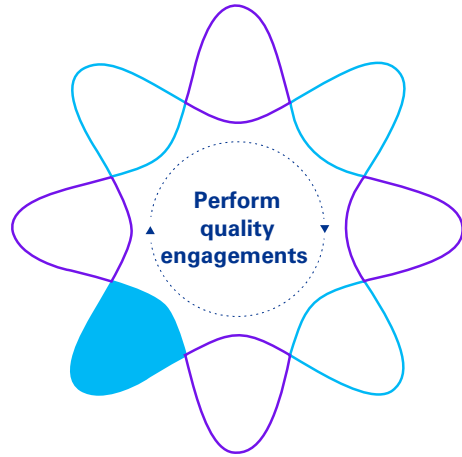
Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



Communicating effectively

- **Provide insights, and maintain open and honest two-way communications**
- **Conduct and follow up on the Global People Survey**

We recognize that another important contributor to upholding audit and assurance quality is to obtain and promptly act upon feedback from key stakeholders.

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

Communicate with those charged with governance

We stress the importance of keeping those charged with governance informed of issues arising throughout the audit through guidance and supporting resources. We achieve this through a combination of reports and presentations, attendance at audit committee or board meetings, and ongoing discussions with management and members of the audit committee.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



The role of audit committees is key in supporting quality auditing by overseeing the relationship between company and auditor and challenging what auditors do and how they do it.

KPMG Board Leadership Centre

The demands facing Boards have never been so great. In today’s world, more is expected of directors and audit committee members than ever before. Our firm’s [Board Leadership Centre](#) provides perspectives, insights and tools needed to help directors deliver on their mandate and provides resources for audit committees focused on strengthening the oversight of financial reporting and audit quality.

Global Corporate Reporting Institute

The KPMG [Global Corporate Reporting Institute](#) provides information and resources to help board and audit committee members, executives, management, stakeholders and government representatives gain insight and access thought leadership about the evolving global financial and sustainability reporting frameworks.

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

Only with engaged, talented people can we deliver audit and assurance engagements in line with our audit quality expectations from the foundation of an effective SoQM. As we strive to continually improve, our personnel are invited annually to participate in KPMG’s Global People

Survey (GPS) to share their perception on their experience of working at KPMG. Results can be analyzed by several factors, including functional or geographic area, grade and demographics to provide additional focus for action.

Through the GPS, our firm measures our people’s engagement and gains additional insight about what drives engagement for KPMG people. The GPS includes specific audit quality questions for those individuals who participated in an audit, assurance, review or attestation engagement in the previous 12 months, giving us a particular data set for audit quality-related matters.

The survey also provides our leadership and KPMG International leadership with key insights into how KPMG Values are being lived. It also provides valuable information on the attitudes

of employees and partners regarding quality, leadership and tone at the top.

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

Audit-specific analysis of GPS results is also undertaken, with a particular focus on audit quality. Results and key themes are presented to the Global Audit Steering Group on an annual basis for discussion of appropriate remedial action, if needed. A global GPS action plan for audit is also communicated annually.

	KPMG’s commitment to quality is apparent in what we do on a day-to-day basis.	The people I work for demonstrate honest and ethical behaviour.	I believe I can report unethical practices without a fear of negative impact on me.
2025	88%	90%	83%
2024	88%	91%	83%
2023	89%	91%	83%

Source: 2025 KPMG GPS (Canadian firm respondents, Audit & Assurance practice)

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Financial Information

The following financial information relates to KPMG in Canada's fiscal year ended 30 September 2025. All amounts are stated in millions of Canadian dollars.

Aggregated revenues from the audit of financial statements of non-EU/EEA companies with transferable securities trading on regulated markets in the EU	2.8
Aggregated revenues from permitted non-audit services of non-EU/EEA companies with transferable securities trading on regulated markets in the EU	0.1
Aggregated revenues from the audit of financial statements of non-UK companies with transferable securities trading on regulated markets in the UK	51.2
Aggregated revenues from permitted non-audit services of non-UK companies with transferable securities trading on regulated markets in the UK	7.8
Aggregated revenues of KPMG in Canada from the audit of financial statements	684
Aggregated revenues of KPMG in Canada from permitted non-audit services	2,330
Total gross revenues* of KPMG in Canada, including the amounts disclosed above	3,014

* Gross revenues include amounts paid to other KPMG firms who have assisted in the performance of statutory audits



Introduction and foreword

A system of quality management
as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients
and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Partner remuneration

Partners are remunerated out of the distributable profits of KPMG in Canada (such profits being determined by KPMG Canada's accounting policies and as approved by the Board) and are personally responsible for funding pensions and most other benefits.

The final allocation of profits to partners is made by KPMG in Canada after assessing each partner's contribution for the year. The Canadian Management Committee sets and oversees the process and approves the allocations to Partners; the Partner Compensation sub-committee of the Canadian Board reviews the process and its application; and the Canadian Board approves the process and its application.

There are two elements to partner remuneration:

- A proportion of KPMG in Canada's budgeted profits are allocated to partners as base compensation. The amount of base compensation reflects the role, sustained performance and expectations of each partner; and

- A variable compensation component, based on actual profits, rewards a partner for their performance in the fiscal year and the overall performance of the firm. Our compensation program for the variable component of partner remuneration takes into account a number of factors including, but not limited to, public trust and quality, clients and markets, operations, and people and knowledge. Included as part of the public trust and quality measure is audit quality, assessed separately.

Audit partners are not permitted to have objectives related to, or receive any remuneration from, selling non-audit services to their audit clients. In addition, a part of their performance-related component is based on an assessment of their ability to deliver audit quality. The ability of specialist partners supporting external audits to deliver audit quality is also a part of their performance-related component.



Introduction and foreword

A system of quality management
as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients
and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Network arrangements

- **Legal structure**
- **Responsibilities of KPMG firms**
- **Professional Indemnity Insurance**
- **Governance structure**

Legal structure

In many parts of the world, regulated businesses (such as audit and legal firms) are required by law to be locally owned and independent. KPMG member firms do not, and cannot, operate as a corporate multinational. KPMG member firms are generally locally owned and managed. Each KPMG member firm is responsible for its own obligations and liabilities. KPMG International and other member firms are not responsible for a member firm's obligations or liabilities.

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

Our firm and all other KPMG firms are party to membership and associated documents, the key impact of which is that all KPMG member firms in the KPMG global organization are members in, or have other legal connections to, KPMG International Limited, an English private company limited by guarantee.

KPMG International Limited acts as the coordinating entity for the overall benefit of the KPMG member firms. It does not provide professional services to clients, directly or indirectly. Professional services to clients are exclusively provided by member firms who remain solely responsible and liable in respect of these services.

Each firm is part of one of three regions (the Americas, ASPAC and EMA). Each region has a Regional Board comprising a regional chairman, regional chief operating officer, representation from any sub-regions, and other members as appropriate. Each Regional Board focuses specifically on the needs of member firms within their region and assists in the implementation of KPMG International's policies and processes within the region.

KPMG is the registered trademark of KPMG International and is the name by which the member firms are commonly known. The rights of member firms to use the KPMG name and marks are contained within agreements with KPMG International. KPMG International and the KPMG member firms are not a global partnership, single firm, multinational corporation, joint venture,



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



or in a principal or agent relationship or partnership with each other. No member firm has any authority to obligate or bind KPMG International, any of its related entities or any other member firm vis-à-vis third parties, nor does KPMG International or any of its related entities have any such authority to obligate or bind any member firm.

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

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

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

Aggregated revenues generated by KPMG firms, from EU and EEA Member States resulting from the statutory audit of annual and consolidated financial statements was EUR 2.7 billion during the year ending 30 September 2025. The EU/EEA aggregated statutory audit revenue figures

are presented to the best extent currently calculable and translated at the average exchange rate prevailing in the 12 months ended 30 September 2025.

Responsibilities of KPMG firms

Member firms have agreed with KPMG International to comply with KPMG International's policies, including quality standards governing how they operate and how they provide services to clients to compete effectively. This includes being professionally and financially stable, having an ownership, governance and management structure that ensures continuity, stability and long-term success, and being able to comply with policies issued by KPMG International, adopt global strategies, share resources (incoming and outgoing), service multinational clients, manage risk, and deploy global methodologies and tools.

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

A firm's status as a KPMG member firm and its participation in the KPMG global organization may be terminated if, among other things, it has not complied with the policies set by KPMG International or any of its agreements with KPMG International.

Professional Indemnity Insurance

Insurance cover is maintained in respect of professional negligence claims. The cover provides a territorial coverage on a worldwide basis.

Governance structure

The key governance and management bodies of KPMG International are the Global Council, the Global Board and the Global Management Team. Further details on KPMG International's governance structure can be found in the [KPMG International Transparency Report](#).

*The financial information set forth represents combined information of the separate KPMG firms from EU and EEA Member States that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix

Appendix A: EU or UK Public interest entities

The list below includes the firm's relevant audit clients whose transferable securities are admitted to trading on regulated markets within the European Union or the United Kingdom during the financial year ended 30 September 2025.

European Union:

- EQB Inc.

United Kingdom:

- Bank of Montreal
- The Bank of Nova Scotia
- Gran Tierra Energy Inc.
- Taseko Mines Limited



Introduction and foreword

A system of quality management as the foundation of quality

Live by our Values-driven culture

Apply expertise and knowledge

Embrace digital technology

Nurture inclusive, skilled teams

Associate with the right clients and engagements

Be independent and ethical

Perform quality engagements

Assess risks to quality

Monitor and remediate

Communicating effectively

Financial information

Partner remuneration

Network arrangements

Appendix



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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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