



# Transparency Report 2015/16

**KPMG Statsautoriseret Revisionspartnerselskab**

[kpmg.dk](http://kpmg.dk)

KPMG Statsautoriseret Revisionspartnerselskab

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The image shows the upper portion of a modern building with a red brick facade and large glass windows. The KPMG logo is prominently displayed on the brick wall, with the letters in white and blue. The windows reflect the sky and surrounding environment.

# Foreword

Pursuant to the Danish Auditors Act, we are required to issue a transparency report, as we audit publicly listed companies and financial institutions.

We are passionate about making a difference for clients and building a strong and successful working relationship. Knowing that high-caliber people attract top-tier clients, we hire new colleagues who share our strong commitment to uphold the highest professional standards, provide sound advice and maintain our independence.

Audit quality is a key strategic imperative for us.

As part of our overall strategy we

- drive a relentless focus on quality and excellent service
- take a long-term view
- deploy talented staff to deliver insights and innovative ideas
- build public trust.

We aim to compete on quality by making clients and regulators aware of our continuing commitment to enhance audit quality.

Audit quality relies on our culture of integrity and on employing extraordinary people, supported by our methodologies and processes.

In the Transparency Report, we provide insight into and report on a number of significant matters regarding our firm and ensure that this information is available to the outside world. We disclose information on our legal structure and ownership, governance structure and partner remuneration. We describe the global network

that we are a part of – including the responsibilities and obligations of the member firms and our values – and our system of quality control, which is based on KPMG International's Audit Quality Framework. For us, audit quality is not just about reaching the right opinion, but also about how we reach that opinion. At the end of the report, the Board of Directors' statement on the quality control system and the independence policy, our revenue broken down by engagement type as well as a list of audit and assurance clients subject to section 1a(1) no.3 of the Danish Auditors Act, also known as "Public Interest Entities", are disclosed.

We are committed to working closely with regulators, audit committees, investors and businesses to meet expectations of audit quality.

I hope that you will find that our report provides useful insight into our firm and our approach to quality.

Copenhagen, 27 December 2016

## KPMG

Statsautoriseret  
Revisionspartnerselskab



**Thomas Hofman-Bang**  
CEO and Senior Partner





# Legal structure and ownership

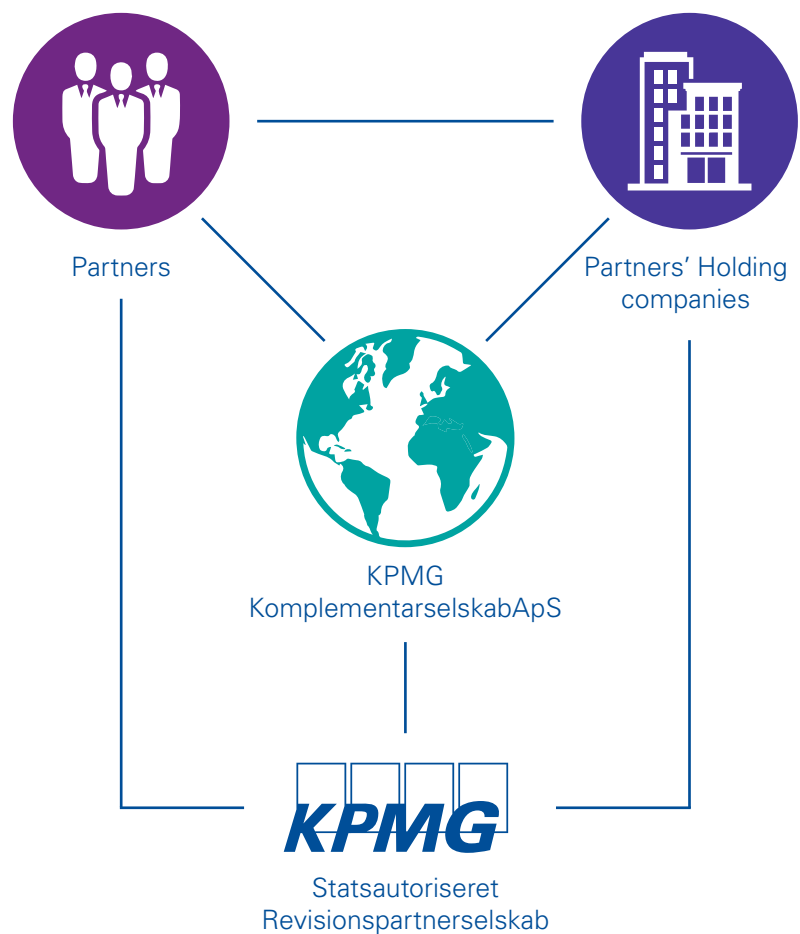
KPMG Statsautoriseret Revisionspartnerselskab ("KPMG") and KPMG Acor Tax Partnerselskab ("KPMG Acor Tax") are professional services firms that deliver audit, tax and advisory services to a wide variety of Danish businesses – from small entrepreneurs to large international groups as well as foundations, associations, municipalities and public institutions. Both firms are Danish member firms of KPMG International.

KPMG ("the Company") is a limited liability partnership that has been approved as an audit firm in Denmark.

Pursuant to the Danish Auditors Act, the majority vote in KPMG is held by state authorised public accountants.

KPMG Acor Tax is a limited liability partnership owned by that company's partners. The firm provides tax services under the KPMG brand in Denmark. KPMG Acor Tax is not licensed to operate as an audit firm, and there are no ownership interests between KPMG Acor Tax and KPMG.

This Transparency Report does not describe the governance structure or the system of quality control of KPMG Acor Tax.



# Governance structure

Consistent with our aspiration to be the most relevant, trusted firm of choice, we apply high standards of corporate governance. KPMG is owned, governed and operated by the partners. The governance structure comprises a Board of Directors and a Senior Partner. The Senior Partner is supported by a Leadership Team.

## The Board of Directors

Pursuant to the Danish Companies Act, the Board of Directors is responsible for the overall and strategic management and for ensuring proper organisation of the Company by ensuring that

- adequate risk management and internal control procedures have been established
- the Senior Partner and the Leadership Team perform their duties properly and as directed by the Board of Directors.

The members of the Board of Directors are elected at a shareholders meeting for a two-year term. The board members can be re-elected for a maximum period of six years. The Board members cannot be members of the Compensation Committee or the Leadership Team. The majority of the Board of Directors are required to be state authorised public accountants or approved auditors.

The Board of Directors appoints the Senior Partner who is responsible for the day-to-day management of KPMG.

The Board of Directors also appoints the Quality & Risk Management Partner after consultation with the Senior Partner.

Upon the recommendation of the Leadership Team, the Board of Directors will invite individuals to become new partners and submit the appointment for approval at a general shareholders meeting. The Board of Directors must also on recommendation by the Leadership Team propose the resignation of partners to the general meeting.

The Board of Directors comprises the following members:

- Anette Harritz, chairman, Partner, State Authorised Public Accountant
- Benny Lynge Sørensen, Partner, State Authorised Public Accountant
- Anja Bjørnholt Lüthcke, Partner, State Authorised Public Accountant
- Bo Johansen, Partner
- Danny Golan, Partner

## Our Senior Partner

The Senior Partner has the overall responsibility for the day-to-day management of the Company and must, together with the Leadership Team, follow all relevant and lawful guidelines and instructions set by the Board of Directors.

The current Senior Partner, Thomas Hofman-Bang, was appointed in February 2014. The Senior Partner has a five year term with a possible re-election of up to five years.

The Senior Partner is registered with the Danish Business Authority as the Executive Board of the Company.



### Leadership Team

The Senior Partner heads up the Leadership Team and determines the division of responsibilities among the members of the Leadership Team. The Leadership Team's primary responsibility includes ensuring that the Company is managed effectively, including that relevant matters are coordinated, policies are established and observed, quality is maintained and legislation is complied with.

The Leadership Team comprises the following members:

- Thomas Hofman-Bang, Senior Partner
- Morten Mønster, Partner (Advisory)
- Henrik O. Larsen, Partner (Audit)

The Leadership Teams of KPMG and KPMG Acor Tax work closely together in order to ensure effective coordination of all relevant matters.

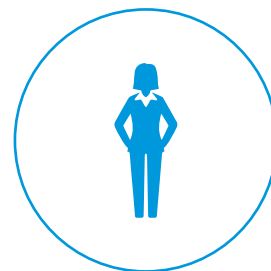


### Compensation Committee

The Compensation Committee consists of four partners, who are elected at a shareholders meeting for a period of two years. Members of the Compensation Committee can be re-elected for a maximum period of four years. No member of the Board of Directors or the Leadership Team, including the Senior Partner, are eligible to be elected to sit on the Compensation Committee.

The Compensation Committee is responsible for

- establishing and implementing principles and guidelines for fixed and performance-based remuneration for Partners
- reviewing and approving the amount and composition of remuneration to the Partners in accordance with the principles and guidelines
- any complaints or disputes related to remuneration or the compensation principle.



### Quality & Risk Management Partner

The Quality & Risk Management Partner is appointed by the Board of Directors and has reporting access to the Board of Directors. The Quality & Risk Management Partner regularly participates in Leadership Team meetings to discuss and assess quality and risks relating to daily management. Furthermore, the Quality & Risk Management Partner reports to the Regional and Sub-regional Quality & Risk Management Partners within KPMG International on a regular basis.

The principal role of the Quality & Risk Management Partner is to provide oversight of quality and risk management matters across the firm, including quality and compliance with the IESBA Code of Ethics and other applicable legislation, policies and guidelines. The Quality and Risk Management Partner also oversees that a culture of quality and integrity is maintained within the Company, develops policies and procedures relating to professional risk management, ethics and independence, quality control and compliance and considers the impact of findings from compliance quality monitoring programmes and the adequacy of proposed remedial actions.



# Partner remuneration

Due to the fact that the Company is in a start-up phase, all partners received fixed remuneration in 2015/16.

Apart from the Company's partners, state authorised public accountants who are not partners may, according to our signature rules, sign auditor's reports and other assurance reports as engagement partners. The state authorised public accountants' remuneration comprises a fixed salary plus a one firm bonus (that is) based on the firm's performance as a whole and a top performer bonus (that is) based on achievement of personal KPIs.

In accordance with applicable auditor independence rules, none of our engagement partners are compensated on their success in selling non-audit services to their clients.





# Network arrangements

## Legal structure

KPMG International Cooperative ("KPMG International") is a Swiss cooperative which is a legal entity formed under Swiss law. It is the entity with which all the member firms of the KPMG network are affiliated.

KPMG International carries on business activities for the overall benefit of the KPMG network of member firms but does not provide professional services to clients. Professional services to clients are exclusively provided by member firms.

One of the main purposes of KPMG International is to facilitate the provision by member firms of high quality audit, tax, and advisory services to their clients. For example, KPMG International establishes and facilitates the implementation and maintenance of uniform policies and standards of work and conduct by member firms, and protects and enhances the use of the KPMG name and brand.

KPMG International is an entity that is legally separate from each member firm. KPMG International and the member firms are not a global partnership, joint venture or in a principal or agent relationship or partnership with each other. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

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.

Member firms are generally locally owned and managed. Each 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.

## Responsibilities and obligations of member firms

Under agreements with KPMG International, member firms are required to comply with KPMG International's policies and regulations, including quality standards governing how they operate and how they provide services to clients to compete effectively. This includes having a structure that ensures continuity and stability and being able to adopt global strategies, share resources (incoming and outgoing), service multinational clients, manage risk and deploy global methodologies and tools. Each member firm takes responsibility for its management and the quality of its work.

Member firms commit to a common set of KPMG values.

KPMG International's activities are funded by amounts paid by member firms. The basis for calculating such amounts is approved by the Global Board and consistently applied to the member firms. A firm's status as a KPMG member firm and its participation in the KPMG network may be terminated if, among other things, it has not complied with the policies and regulations set by KPMG International or any of its other obligations owed to KPMG International.

## Professional indemnity insurance

A substantial level of insurance cover is maintained in respect of professional negligence claims. The cover provides a territorial coverage on a worldwide basis and is principally written through a captive insurer that is available to all KPMG member firms.

## Governance in KPMG International

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

For further information on KPMG International's governance and management bodies, please see the transparency report of KPMG International, which can be found at [kpmg.com](http://kpmg.com).

# System of quality control and policy for independence and training

The Danish Auditors Act stipulates that audit firms must have a quality control system covering the issuance of auditor's reports on financial statements and other assurance reports.

The audit firm must be able to document that the quality control system is used. This means that the system must be available either in written or electronic format and that it must be available to reviewers in connection with inspections performed.

At KPMG, audit quality is not just about reaching the right opinion, but how we reach that opinion. It is about the processes, thoughts and integrity behind the audit report. KPMG views the outcome of a quality audit as the delivery of an appropriate and independent opinion in compliance with the auditing standards. This means, above all, being independent and compliant with relevant legal and professional requirements.

A robust and consistent system of quality control is an essential requirement in performing high quality services.

Our policies and procedures are based on the International Standard on Quality Control 1 (ISQC 1) issued by the International Auditing and Assurance Standards Board

(IAASB), the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), KPMG International policies, and procedures and additional requirements in the Danish Auditors Act and EU regulations.

The policies reflect individual quality control elements to help our personnel act with integrity and objectivity, perform their work with diligence and comply with applicable laws, regulations and professional standards.

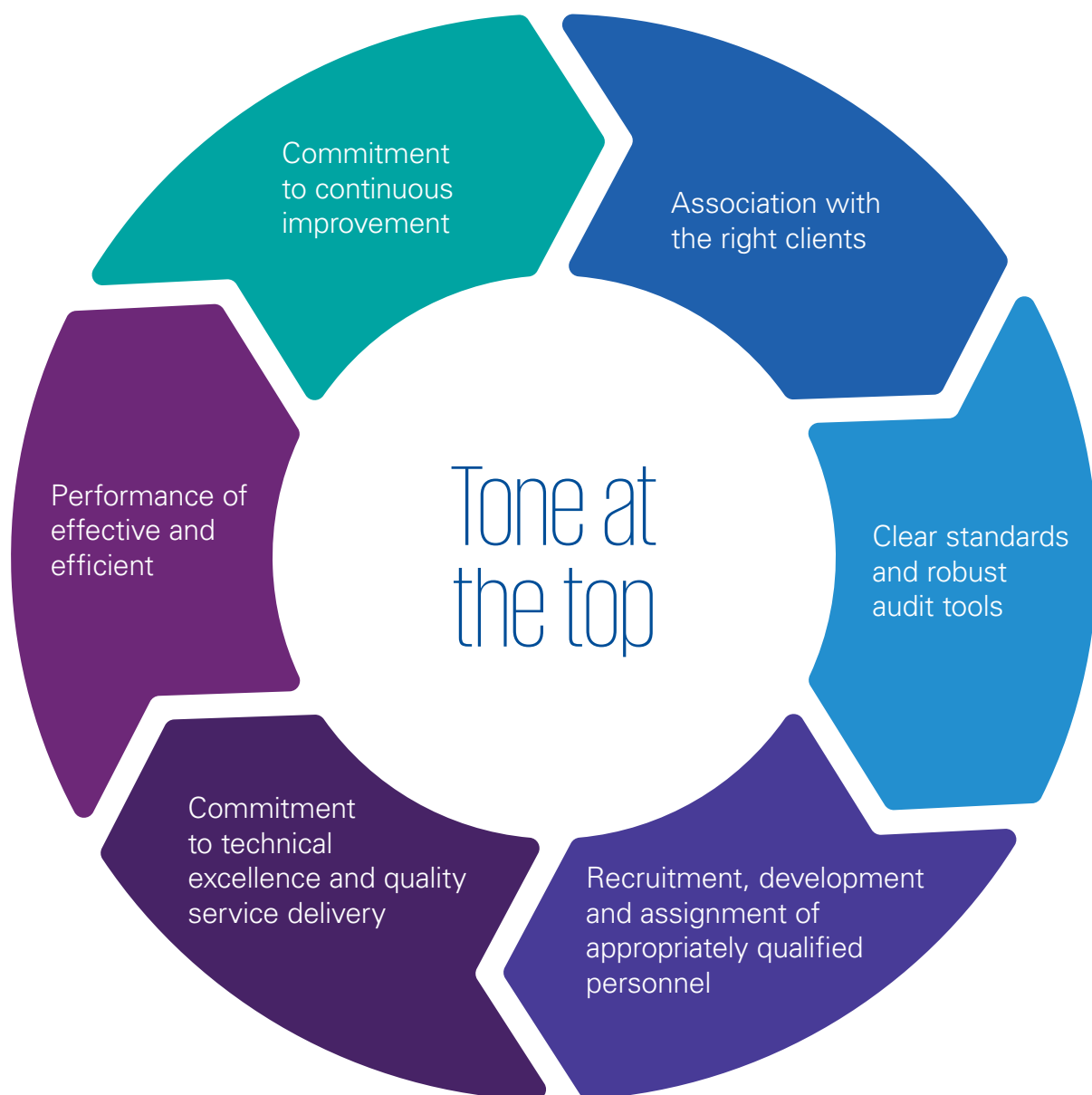
Quality control and risk management are the responsibility of all KPMG personnel. This responsibility includes the need to understand and adhere to firm policies and associated procedures in carrying out their day-to-day activities.

To help all audit professionals concentrate on the fundamental skills and behaviors required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework. Our Framework introduces a common language that is used by all KPMG member firms to describe what we believe drives audit quality and to highlight how every audit professional at KPMG contributes to the delivery of audit quality.

Our Audit Quality Framework identifies seven drivers of audit quality:

1. Tone at the top
2. Association with the right clients
3. Clear standards and robust audit tools
4. Recruitment, development and assignment of appropriately qualified personnel
5. Commitment to technical excellence and quality service delivery
6. Performance of effective and efficient audits
7. Commitment to continuous improvement.

Tone at the top sits at the core of the Audit Quality Framework's seven drivers of audit quality and helps ensure that the right behaviors permeate across our entire network. All of the other drivers are presented within a virtuous circle because each driver is intended to reinforce the others. Each of the seven drivers is described in more detail in the following sections of this report.





# System of quality control and policy for independence and training (contd.)



## 1. Culture and Tone at the top – the foundation of audit quality

The culture of KPMG is underpinned by a strong set of values and supporting policies and processes and enables the right attitudes and behaviours to permeate throughout the organisation, starting from the very top. We promote a culture in which consultation is encouraged and recognised as a strength.

Tone at the top means that KPMG's leadership demonstrates commitment to quality, ethics and integrity and communicates its commitment to clients, stakeholders and society at large.

Integrity is a critical characteristic that stakeholders expect and rely on. It is also the key KPMG core value – "Above all, we act with integrity". Integrity means constantly striving to uphold the highest professional standards, providing sound good-quality advice to our clients and rigorously maintaining independence.

Our values, which have been explicitly codified for a number of years, are embedded into working practices and values-based compliance culture at KPMG. Individuals are encouraged to raise their concerns when they see behaviours or actions that are inconsistent with our values or professional responsibilities.

Our values are considered in the performance appraisal process that our people follow and adherence to these values is also reviewed when our people are considered for more senior promotions, including to Partner. Our values are set out on page 36.

## Code of Conduct

KPMG's Code of Conduct incorporates our values and defines the standards of ethical conduct that is required from all KPMG people.

It sets out our ethical principles and helps partners and employees at KPMG to understand and uphold those principles. In addition, the Code of Conduct emphasises that each partner and employee is personally responsible for following the legal, professional and ethical standards that apply to his or her job function and level of responsibility. It has provisions that require our people to

- comply with all applicable laws, regulations and KPMG policies
- report any illegal acts, whether committed by KPMG's personnel, clients or other third parties
- report breaches of risk management policies
- uphold the highest levels of client confidentiality
- not offer, promise, make, solicit or accept bribes (whether directly or through an intermediary).

In addition, the KPMG International hotline is a vehicle for KPMG partners, employees, clients and other parties to confidentially report concerns they have relating to certain areas of activity by KPMG International itself, its employees or the senior leadership of a KPMG member firm.

KPMG demonstrates commitment to quality, ethics and integrity and communicates its focus on quality to clients, stakeholders and society. However, leadership plays a critical role in setting the right tone and leading by example.

Our leadership team is committed to building a culture based on quality, integrity and ethics, demonstrated through their actions – written communications, presentations to teams and one-to-one discussions.



# System of quality control and policy for independence and training (contd.)



## 2. Association with the right clients

### Acceptance and continuance of clients and engagements

Rigorous client and engagement acceptance and continuance policies and processes are vital to our ability to provide high-quality professional services and to protect KPMG's reputation and support its brand.

We have established policies and procedures in order to decide whether to accept or continue a client relationship and whether to perform a specific engagement for that client.

### Prospective client and engagement evaluation process

Before accepting a client, we undertake an evaluation of the prospective client. This involves an assessment of its principals, its business and other service-related matters. This also involves background checks on the prospective client, its key management and significant beneficial owners. A key focus is on the integrity of management at a prospective client. A second partner, as well as the evaluating partner, approves the prospective client evaluation. Where the client is considered to be 'high risk', the Quality & Risk Management Partner is involved in approving the evaluation.

The prospective engagement partner evaluates each prospective engagement. The evaluation identifies potential risks in relation to the engagement. A range of factors is considered as part of this evaluation, including potential independence and conflict of interest

issues (using Sentinel™, our global conflicts and independence checking system) as well as factors specific to the type of engagement, including for audit services, the competence of the client's financial management team and the skills and experience of personnel assigned to staff the engagement. The evaluation is made in consultation with other senior KPMG personnel and includes review by quality and risk management leadership as required.

Where audit services are to be provided for the first time, the prospective engagement team is required to perform additional independence evaluation procedures, including a review of any non-audit services provided to the client and of other relevant relationships.

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

We follow specific procedures to identify and evaluate threats to independence for prospective audit clients that are public interest entities.

Depending on the overall risk assessment of the prospective client and engagement, additional safeguards may be introduced to help mitigate the identified risks. Any potential independence or conflict of interest issues are documented and resolved prior to acceptance.

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



Non-audit services and Conflicts of interests sections provide more information on our independence and conflict checking policies.

### **Continuance process**

An annual re-evaluation of all audit clients and audit engagements is undertaken. In addition, clients are re-evaluated if there is an indication that there may be a change in their risk profile. Recurring or long running engagements are also subject to re-evaluation.

This re-evaluation serves two purposes. Firstly, we will decline to continue to deliver services if we consider that it would not be appropriate to continue to be associated with the client. We also use the re-evaluation to consider whether or not any additional risk management or quality control procedures need to be put in place for the next engagement (this may include the assignment of additional professionals or the need to involve additional specialists).

### **Withdrawal**

Where we obtain information that indicates that we should withdraw from an engagement or from a client relationship, we consult internally and identify any required legal and regulatory steps. We also communicate as required with those charged with governance and any other appropriate authority.

### **Client portfolio management**

Our leadership appoints engagement partners who have the appropriate competence, capabilities, time and authority to perform the role for each engagement.



# System of quality control and policy for independence and training (contd.)



## 3. Clear standards and robust audit tools

Professional practice, risk management and quality control are the responsibilities of every KPMG professional. Our professionals are expected to adhere to KPMG policies and procedures (including independence policies) and are provided with a range of tools and training to support them in meeting these expectations.

### Audit methodology and tools

Our audit methodology is based on the requirements of the International Standards on Auditing (ISAs). The methodology is set out in KPMG International's KPMG Audit Manual (KAM) and includes additional requirements that go beyond the ISAs and that KPMG believes enhance the quality of our audits. Our methodology also includes requirements in the Danish Auditors Act.

Our audit methodology is supported by eAudIT, our electronic audit tool, which provides our auditors with the methodology, guidance and industry knowledge needed to perform efficient, high-quality audits.

eAudIT's activity-based workflow provides engagement teams with ready access to relevant information at the right time throughout the audit, thereby enhancing effectiveness and efficiency and delivering value to stakeholders.

KAM contains, among other things, procedures intended to identify and assess the risk of material misstatement and procedures to

respond to those assessed risks. Our methodology encourages engagement teams to exercise professional skepticism in all aspects of planning and performing an audit. The methodology encourages use of specialists when appropriate, and also requires involvement of relevant specialists in the core audit engagement team when certain criteria are met or where the audit team considers it appropriate or necessary.

KAM includes the implementation of quality control procedures at the engagement level that provides us with reasonable assurance that our engagements comply with the relevant professional, legal, regulatory and KPMG requirements.

The policies and procedures set out in KAM are specific to audits and supplement the policies and procedures set out in the Global Quality & Risk Management Manual (GQ&RMM) that is applicable to all KPMG member firms, functions and personnel.

### Data & Analytics

We are rolling out data and analytics tools to assist engagement teams with identification and evaluation of key audit risks, and substantive testing. Data and analytics innovations enable engagement teams, where appropriate, to dig deeper into financial data and to analyse it in different ways, revealing more information about a client's business and its risks, thereby transforming the KPMG audit by helping to deliver high-quality, innovative audits with actionable insights for clients.



## Independence, integrity, ethics and objectivity

### Overview

KPMG member firms and professionals are required to comply with independence standards that meet or exceed those set out in the IESBA Code of Ethics, the Danish Auditors Act and EU regulation.

To help ensure ethical conduct, including integrity and independence, we require that all employees must be free from prohibited financial interests in, and prohibited relationships with, the network's audit clients, their management, directors and significant owners.

Ethics and independence policies are set out on our intranet, which contains all our independence policies, which are reinforced through an annual training program. Amendments to the ethics and independence policies in the course of the year are communicated by e-mail alerts and included in regular quality and risk communications.

These policies and processes cover areas such as personal independence, firm financial independence, business relationships, post-employment relationships, partner rotation and approval of audit and non-audit services.

KPMG personnel are required to consult on certain matters as defined in the Global Quality & Risk Management Manual.

In the event of failure to comply with our independence policies, professionals are subject to an independence disciplinary policy. Matters arising are factored into promotion and compensation decisions and performance discussions. The disciplinary policy is communicated to all professionals and applies to all breaches of independence rules, incorporating incremental sanctions reflecting the seriousness of any violations.

### Personal independence

All partners are restricted from owning securities in any audit client of any member firm of the KPMG network.

Our professionals are responsible for making appropriate inquiries and taking other appropriate actions on an ongoing basis to ensure that they do not have any personal financial, business or family interests that are restricted for independence purposes. We use a web-based independence tracking system to assist our professionals in their compliance with personal independence investment policies. This system contains an inventory of publicly available investment products. Partners and client-facing engagement managers are required to use this system prior to entering into an investment to identify whether they are able to do so. They are also required to maintain a record of all of their investments in the system, which automatically notifies them if their investments subsequently become restricted. We monitor partner and engagement manager compliance with this

requirement as part of our programme of independence compliance audits of a sample of professionals.

Any professional providing services to an audit client is also required to notify our Quality & Risk Management Partner if he or she intends to enter into employment negotiations with that audit client.

### Firm financial independence

KPMG maintains a record of its investments in the web-based independence tracking system. Additionally, we are required to record in the system all borrowing and capital financing relationships, and custodial, trust and brokerage accounts that hold member firm assets. This record is monitored through our compliance process.

### Business relationships/suppliers

We have policies and procedures in place that are designed to ensure that business relationships are maintained in accordance with IESBA Code of Ethics. Compliance with these policies and procedures are reviewed periodically.

### Independence clearance process

KPMG follows specific procedures to identify and evaluate threats to independence related to prospective audit clients that are public interest entities; these procedures, also referred to as 'the independence clearance process' must be completed prior to accepting an audit engagement for these entities.

# System of quality control and policy for independence and training (contd.)

## Independence training and confirmations

We provide all relevant personnel with annual independence training appropriate to their grade and function and provides all new personnel with relevant training when they join KPMG.

All personnel are required to sign an independence confirmation upon joining and leaving the firm. During the employment, professionals are required to provide an annual confirmation that they have remained in compliance with applicable ethics and independence policies throughout the period. This confirmation is used to evidence the individual's compliance with and understanding of our ethics and independence policies.

## Audit partner rotation

In accordance with the Danish Auditors Act, audit partners (and any other key roles, such as the Key Audit Partner and EQC Reviewer) are subject to periodic rotation of their responsibilities for audits of public interest entities and large companies, cf. section 25 of the Danish Auditors Act. This limits the number of years that partners in certain roles may provide audit services to an audit client. We monitor the rotation and have transition plans to enable us to allocate partners with the necessary skills and capability to deliver a consistent quality of service to clients. The rotation monitoring is subject to compliance testing.

## Firm rotation

KPMG is required to act for a public interest audit client for a maximum period and not to act as auditor for

such clients for a specified period thereafter — referred to as the 'cooling-off period'. KPMG has processes in place to track and manage audit firm rotation.

## Non-audit services

We have policies as to the scope of services that can be provided to audit clients which are consistent with the Danish Auditors Act, EU audit regulation, IESBA principles and US-SEC rules. The audit engagement partner is required to evaluate the threats arising from the provision of non-audit services and the safeguards available to address those threats.

Our proprietary system, Sentinel™, facilitates compliance with these policies. Audit engagement partners are required to maintain group structures for their publicly traded and certain other audit clients and their affiliates in the system. Every engagement entered into by a KPMG member firm is required to be included in the system prior to starting work. The system enables audit engagement partners for entities for which group structures are maintained to review and approve, or deny, any proposed service for those entities worldwide.

## Fee dependency

We recognise that self-interest or intimidation threats may arise when the total fees from an audit client represent a large proportion of the total fees of our firm. In the event that the total fees from a public interest entity audit client and its related entities were to represent more than 10 percent of the total fees received for two consecutive years, a senior partner from another member firm would be appointed

as the engagement quality control (EQC) reviewer. Also, this would be disclosed to those charged with governance at the audit client.

## Conflicts of interest

Conflicts of interest may prevent our firm from accepting or continuing an engagement. The Sentinel™ system is also used to identify and manage potential conflicts of interest within and across member firms. Any potential conflict issues identified are resolved in consultation with other parties as applicable, and the outcome is documented. An escalation procedure exists in the case of dispute between member firms. If a potential conflict issue cannot be resolved, the engagement is declined or terminated.

It may be necessary to apply specific procedures to manage a conflict of interest that potentially may arise, or be perceived to arise, so that the confidentiality of all clients' affairs is maintained. Such procedures may, for example, include establishing formal dividers between engagement teams serving different clients, and making arrangements to monitor the operation of such dividers.

Escalation and dispute resolution procedures are in place for situations in which agreement cannot be reached on how to manage a conflict. If a potential conflict issue cannot be appropriately mitigated, the engagement is declined or terminated.

## Breaches of independence policy

All KPMG personnel are required to report an independence breach as soon as they become aware of it. In the event of failure to comply with the firm's independence policies, whether identified in the

compliance review, self-declared or otherwise, professionals are subject to an independence disciplinary policy. Matters arising are factored into promotion and compensation decisions and, in the case of engagement partners and managers, are reflected in their individual quality and risk metrics. The disciplinary policy is communicated to all professionals and applies to all breaches of independence rules, incorporating incremental sanctions reflecting the seriousness of any violations. Any breaches of auditor independence regulations are reported to those charged with governance at the audit client on the basis agreed with them.

#### Compliance with laws, regulations, and anti-bribery and corruption

Compliance with laws, regulation and standards is a key aspect for all KPMG personnel. In particular, KPMG has zero tolerance of bribery and corruption.

We prohibit involvement in any type of bribery — even if such conduct is legal or permitted under applicable law or local practice. We also do not tolerate bribery by third parties, including by our clients, suppliers or public officials.

Accordingly, training covering compliance with laws (including those relating to anti-bribery and corruption), regulations, professional standards and the KPMG Code of Conduct is required to be completed by client-facing professionals at a minimum of once every two years, with new hires completing such training within three months of joining the firm. In addition, certain non-client-facing personnel who are at the manager level and above, are required to participate in such training.



# System of quality control and policy for independence and training (contd.)



## **4. Recruitment, development and assignment of appropriately qualified personnel**

One of the key drivers of quality is ensuring the assignment of professionals with the skills and experience to deliver on our vision. This requires a focus on recruitment, development, promotion, performance evaluation and the development of robust capacity and resource management processes. We monitor quality incidents for the purposes of partner assignments and also for the purposes of engagement partner evaluation.

### **Recruitment**

All candidates for professional positions submit an application and are employed following a variety of selection processes, which may include application screening, competency-based interviews, psychometric and ability testing and qualification/reference checks.

Upon joining KPMG, new personnel are required to participate in a comprehensive on-boarding programme, which includes training in areas such as ethics and independence. This also includes ensuring that any issues of independence or conflicts of interest are addressed before the individual can commence as a partner or employee with the firm.

### **Inclusion and Diversity programmes**

KPMG works hard to foster an inclusive culture. Being inclusive enables us to bring together successful teams with the broadest range of skills, experiences and perspectives.

Leadership and management teams also need to reflect the diversity of our organisation and the diversity of KPMG clients. Our established Global Inclusion and Diversity strategy provides the framework to drive the actions we believe are necessary to promote inclusive leadership.

### **Personal development**

It is important that all professionals have the necessary business and leadership skills to be able to perform quality work in addition to technical skills.

In relation to audit, we provide opportunities for professionals to develop the skills, behaviours, and personal qualities that form the foundations of a successful career in auditing. Courses are available to enhance personal effectiveness and develop technical, leadership and business skills.

We further develop our personnel for high performance through coaching and mentoring on the job, stretch assignments and global mobility opportunities.



## Performance evaluation

All professionals, including partners, undergo annual goal-setting and performance reviews. Each professional is evaluated on his or her attainment of agreed-upon goals, demonstration of the KPMG global behaviours and technical capabilities. These evaluations are conducted by performance managers and partners who are in a position to assess their performance and propose a performance rating.

KPMG monitors quality and compliance incidents and maintain quality metrics for the purposes of assignments of all professionals from manager level and upward and also for the purposes of evaluation, promotion and remuneration of all professionals from manager level and upward.

We are committed to the career development of our people. This is for example done through coaching and mentoring, which support our people in enhancing their skills, maximising their performance and reaching their full potential.

## Partner admission

Our process for admission of partners is rigorous and thorough, involving appropriate members of leadership. Our criteria for admission to the partnership are consistent with our commitment to professionalism and integrity, quality and being an employer of choice. These are strongly aligned to KPMG's behavioural capabilities and are based on consistent principles.

## Assignment

We have procedures in place to assign both the engagement partners and other professionals to a specific engagement on the basis of his or her skill sets, relevant professional and industry experience and the nature of the assignment or engagement. Key considerations include partner experience, accreditation and capacity, based on an annual partner portfolio review, to perform the engagement in view of 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). Audit engagement partners are required to be satisfied that their engagement teams have appropriate competencies and capabilities, including time, to perform audit engagements in accordance with KAM, professional standards and applicable legal and regulatory requirements. This may include involving specialists from our own firm or other KPMG member firms.

When considering the appropriate competence and capabilities expected of the engagement team as a whole, the considerations may include

- an understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
- an understanding of professional

standards and legal and regulatory requirements

- appropriate technical skills, including those related to relevant information technology and specialised areas of accounting or auditing
- knowledge of relevant industries in which the client operates
- ability to apply professional judgement
- an understanding of KPMG's quality control policies and procedures
- QPR results and results of regulatory inspections
- time to perform the engagement.

## Employee engagement

Biennially/annually, KPMG invites all our people to participate in an independent Global People Survey (GPS) which measures our people's attitudes and provides an overall Employee Engagement Index (EEI). The GPS also provides insights about what drives engagement across different demographic groups and how we are faring in selected categories. In alternate years, we run a short form Pulse survey.

The results of GPS provide leadership with information about employee/partner perceptions of audit quality and tone at the top and employee engagement and motivation helping track progress against strategic priorities as well as providing warning indicators if there are areas of concern.



# System of quality control and policy for independence and training (contd.)



## 5. Commitment to technical excellence and quality service delivery

We provide all professionals with the technical training and support they need. This includes access to networks of specialists and professional practice departments (DPP), which are made up of senior professionals with extensive experience in audit, accounting and reporting, either to provide resources to the engagement team or for consultation.

At the same time, audit accreditation and licensing policies require professionals to have the appropriate knowledge and experience for their assigned engagements. This enables our engagement teams to apply their business understanding and industry knowledge to maintain audit quality and deliver value adding insights.

### Technical training

In addition to personal development discussed in the section above, our policies require all professionals to maintain their technical competence and to comply with applicable regulatory requirements.

### Internal training programme

Our internal training for auditors comprises courses directed at employees who are concurrently taking his/her diploma in economics (HD), MSc in Business Administration and Auditing (CMA) or FSR – Danish Auditors SR-akademi.

The courses are focused on practical subject matters that support the

auditors' professional development and supplement the HD and CMA education programmes. The courses cover auditing, accounting, tax and exam training.

The internal courses for auditors undergoing education are divided into mandatory courses, elective courses and optional courses.

Audit Learning and Development steering groups at the global, regional and local levels identify annual technical training priorities for development and delivery using a blend of classroom, e-learning and virtual classroom methods. We work with subject matter experts and leaders from the Global Service Center (GSC), the International Standards Group (ISG) and DPP, as appropriate, to ensure the training is of the highest quality, is relevant to performance on the job and is delivered on a timely basis.

It is our goal that the participants will obtain an understanding of requirements and the behaviours that all employees are expected to comply with when auditing and providing advice.

### Mentoring and on-the-job training

Learning is not confined to the classroom rich learning experiences are available at the moment of need through coaching and just in time learning, available at the click of a mouse and aligned with job-specific role profiles and learning paths. All classroom courses are reinforced with appropriate performance support to assist auditors on the job.

## **Mandatory continuing education**

Pursuant to the Danish Auditors Act, all approved auditors are required to receive at least 120 hours of continuing education in areas relating to an auditor's work within a period of three years. Auditors who are certified to audit financial institutions must have 180 hours of continuing education within a period of three years.

We focus on the importance of continuous education for approved auditors, and we offer a wide selection of courses and training. Moreover, we monitor that the individual approved auditors as a minimum comply with the continuing education requirements of the Act and that this can be documented.

## **Accreditation**

We are responsible for ensuring that audit professionals working on engagements have appropriate audit, accounting and industry knowledge, and experience with the reporting requirements in the Danish Financial Statements Act and International Financial Reporting Standards (IFRS).

In addition, we have specific accreditation requirements for partners and engagement managers auditing financial institutions and audit engagements subject to US reporting and/or auditing standards. These require that the partner, engagement manager and Engagement Quality Control reviewer 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.

## **Access to specialist networks**

Our engagement teams have access to a network of local KPMG specialists or specialists in other KPMG member firms. Engagement partners are responsible for ensuring that their engagement teams have the appropriate resources and skills.

The need for specialists (e.g. Information Technology, Tax, Actuary, Forensic, Valuation) to be assigned to a specific audit engagement is considered as part of the audit engagement acceptance and continuance process.

## **Consultation**

We promote a culture in which consultation is recognised as a strength and that encourages personnel to consult on difficult or contentious matters.

To assist audit engagement professionals in addressing difficult or contentious matters, we have established protocols for consultation and documentation of significant accounting and auditing matters, including procedures to facilitate resolution of differences of opinion on engagement issues.

We provide appropriate consultation support to audit engagement professionals through our Department of Professional Practice and Quality & Risk Management Team.

Technical support is available to us through the International Standards Group (ISG).

The ISG works with Global IFRS and ISA topic teams with geographic representation from around the world to promote consistency of interpretation of IFRS between member firms, identify emerging issues and develop global guidance on a timely basis.

## **Developing business understanding and industry knowledge**

A key part of engagement quality is having a detailed understanding of the client's business and industry.

For significant industries, we have developed relevant industry information, which is made available to audit professionals within eAuditIT. This knowledge comprises examples of industry audit procedures and other information (such as typical risks and accounting processes). In addition, industry overviews are available which provide general and business information in respect of particular industries, as well as a summary of the industry knowledge provided in eAuditIT.

# System of quality control and policy for independence and training (contd.)



## 6. Performance of effective and efficient audits

How an audit is conducted is as important as the final result. Our drivers of audit quality enhance the quality of the engagement team's performance during the conduct of every audit.

We expect our people to demonstrate certain key behaviours in the performance of effective and efficient audits. These behaviours are discussed below.

### KPMG audit process

Our audit workflow is enabled through eAudit, KPMG International's activity-based workflow and electronic audit file. eAudit integrates our audit methodology, guidance and industry knowledge and the tools needed to manage audits consistently. Our high quality audit process includes

- timely partner and manager involvement
- critical assessment of audit evidence
- exercise of professional judgement and professional skepticism
- ongoing mentoring and on-the-job coaching, supervision and review
- appropriately supported and documented conclusions
- if relevant, appropriate involvement of the EQC reviewer

— reporting

— insightful, open and honest two-way communication with those charged with governance.

### Timely partner and manager involvement

To help identify and respond to the significant audit risks applicable to each audit, the engagement team requires an understanding of the client's business, its financial position and the environment in which it operates.

The engagement partner is responsible for the overall quality of the audit engagement and therefore for the direction, supervision and performance of the engagement.

Involvement and leadership from the engagement partner during the planning process and early in the audit process helps set the appropriate scope and tone for the audit, and helps the engagement team obtain maximum benefit from the partner's experience and skill. Timely involvement of the engagement partner at other stages of the engagement allows the engagement partner to identify and appropriately address matters significant to the engagement, including critical areas of judgement, and significant risks.

The engagement partner is responsible for the final audit opinion and reviews key audit documentation – in particular documentation relating to significant matters arising during the audit and conclusions

reached. The engagement manager assists the partner in meeting these responsibilities and in the day-to-day liaison with the client and team building deep business understanding that helps the partner and team deliver valued insights.

### Critical assessment of audit evidence with emphasis on professional skepticism

We consider all audit evidence obtained during the course of the audit, including consideration of contradictory or inconsistent audit evidence. The nature and extent of the audit evidence we gather is responsive to the assessed risks. We critically assess audit evidence obtained from all sources. For the purpose of obtaining sufficient appropriate audit evidence, each team member is required to exercise professional judgement and maintain professional skepticism throughout the audit engagement.

Professional skepticism involves a questioning mind and alertness to contradictions or inconsistencies in audit evidence. Professional skepticism features prominently throughout auditing standards and receives significant focus from regulators. Our Audit Quality Framework emphasises the importance of maintaining an attitude of professional skepticism throughout the audit.

We have developed a professional judgement process that facilitates good judgement by introducing a structured approach to auditing areas

that require significant judgement. It also reinforces the importance of independence and objectivity and emphasises the importance of having the right mindset the need to apply professional skepticism.

Our professional judgement process recognises the need to be aware of and alert to biases which may pose threats to good judgement. The structured approach to auditing areas that require significant judgement involves

- considering alternatives
- critically assessing audit evidence by challenging management's assumptions and following up contradictory or inconsistent information
- documenting the rationale for conclusions reached on a timely basis as a means of evaluating their completeness and appropriateness.

The use of the professional judgement process and the application of professional skepticism are reinforced through coaching and training, acknowledging that judgement is a skill developed over time and with different experiences.

### Ongoing mentoring and on-the-job coaching, supervision and review

We understand that skills are built over time and through exposure to different experiences. To invest in the building of skills and capabilities of our professionals, without

compromising on quality, we use a continuous learning environment. We support a coaching culture throughout KPMG as part of enabling personnel to achieve their full potential.

Ongoing mentoring and on-the-job coaching and supervision during an audit involves

- engagement partner participating in planning discussions
- tracking the progress of the audit engagement
- considering the competence and capabilities of the individual members of the engagement team, including whether they have sufficient time to carry out their work, whether they understand their instructions, and whether the work is being carried out in accordance with the planned approach to the engagement
- helping engagement team members address any significant matters that arise during the audit and modifying the planned approach appropriately
- identifying matters for consultation with more experienced team members during the engagement.

A key part of effective mentoring, coaching and supervision is timely review of the work performed so that significant matters are promptly identified, discussed and addressed.

# System of quality control and policy for independence and training (contd.)

## Appropriately supported and documented conclusions

Audit documentation records the audit procedures performed, evidence obtained and conclusions reached on significant matters on each audit engagement. Our policies require review of documentation by more experienced engagement team members.

Our methodology recognises that documentation prepared on a timely basis helps to enhance the quality of the audit and facilitates the effective review and evaluation of the audit evidence obtained and conclusions reached before our report is finalised. Teams are required to assemble a complete and final set of audit documentation for retention within an appropriate time period, which is ordinarily not more than 60 calendar days from the date of the audit report but may be more restrictive under certain applicable regulations.

The key principle that engagement team members are required to consider is whether an experienced auditor, having no previous connection with the engagement, will understand

- the nature, timing and extent of audit procedures performed to comply with the ISAs
- applicable legal and regulatory requirements

- the results of the procedures performed and the audit evidence obtained
- significant findings and issues arising during the audit and actions taken to address them (including additional audit evidence obtained)
- the basis for the conclusions reached and significant professional judgements made in reaching those conclusions.

We have a formal document retention policy in accordance with applicable laws and regulations that govern the period we retain audit documentation and other client-specific records.

## Appropriate involvement of the EQC reviewer

An Engagement Quality Control (EQC) reviewer is required to be appointed for the audits, including any related review(s) of interim financial information, of all listed entities and financial undertakings cf. section 1a (1) (iii) of the Danish Auditors Act and high risk engagements as designated by the Quality & Risk Management Partner.

EQC reviewers are independent of the engagement team and have appropriate experience and knowledge to perform an objective review of the more critical decisions and judgements made

by the engagement team and the appropriateness of the financial statements.

Before the date of the auditor's report, these individuals

- review selected audit documentation relating to significant judgements the engagement team made and the conclusions it reached
- review the financial statements and proposed auditor's report
- evaluate of the conclusions reached in formulating the auditor's report and consideration of whether the proposed report is appropriate.

Although the engagement partner is ultimately responsible for the resolution of financial reporting and auditing matters, the EQC Reviewer must be satisfied that all significant questions raised have been resolved before an audit can be considered to be completed.

The audit is completed only when the EQC reviewer is satisfied that all significant questions raised have been resolved.

We are continually seeking to strengthen and improve the role that the EQC review plays in audits, as this is a fundamental part of the system of audit quality control.



## Reporting

Auditing standards and the Danish Auditors Act largely dictate the format and content of the audit report that includes an opinion on the fair presentation of the client's financial statements. Experienced engagement partners arrive at all audit opinions based on the audit performed.

In preparing auditor's reports, engagement partners have access to reporting guidance and technical support through consultations with DPPs, especially where there are significant matters to be reported to users of the auditor's report, either as a modified opinion or through the inclusion of an emphasis of matter paragraph in the auditor's report.

Effective for December 2016 year ends onwards in compliance with the new IAASB requirements, we are enhancing auditor reporting for those auditor's reports prepared under the ISAs. The changes in auditors' reporting will give users more insight into the audit and improve transparency.

## Insightful, open and honest two-way communication with those charged with governance

Two-way communication with those charged with governance is key to audit quality. We stress the importance of keeping those charged with governance informed of issues arising throughout the audit and of understanding their views. We achieve this through a combination of long-form audit reports and attendance at audit committee or board meetings.

## Focus on effectiveness of group audits

Our audit methodology covers the conduct of group audits in detail. We stress the importance of effective two-way communication between the group engagement team and the component auditors, which is key to audit quality. The group audit engagement partner is required to evaluate the competence of component auditors, whether or not they are KPMG member firms. We focus on key risk areas for group audits, e.g. emerging markets and business environments that may be subject to heightened fraud risks.

## Client confidentiality, information security and data privacy

The importance of maintaining client confidentiality is emphasised through a variety of mechanisms, including the Code of Conduct, training and the annual affidavit/confirmation process that all of our professionals are required to complete.

We have a formal document retention policy concerning the retention period for audit documentation and other records relevant to an engagement in accordance with the Danish Auditors Act.

We have clear policies on information security that cover a wide range of areas. Data privacy policies are in place governing the handling of personal information, and associated training is required for all KPMG personnel.

# System of quality control and policy for independence and training (contd.)



## 7. Commitment to continuous improvement

We commit to continually improve the quality, consistency and efficiency of our audits. Integrated quality monitoring and compliance programmes enable us to identify quality deficiencies, to perform root cause analysis and develop, implement and report remedial action plans both in respect of individual audit engagements and the member firm's system of quality control.

The quality monitoring and compliance programmes are globally administered and consistent in their approach across member firms, including the nature and extent of testing and reporting. KPMG compares the results of internal monitoring programmes with the results of those of any external inspection programmes and take appropriate action.

### Internal monitoring

We have monitoring programmes that assesses the relevance, adequacy and effective operation of key quality control policies and procedures. This monitoring addresses both engagement delivery and KPMG International policies and procedures. The results and lessons from the programmes will be communicated within our firm, and the overall results and lessons from the programmes will also be considered and appropriate action taken be taken.

Our internal monitoring programme also contributes to the assessment of whether our system of quality control has been appropriately designed, effectively implemented and operates effectively.

The Quality Performance Review (QPR) Program and the Risk Compliance Program (RCP) are conducted annually across all functions. Additionally, we are as all member firms covered by cross-functional Global Compliance Reviews (GCRs).

These programmes are designed by KPMG International, and participation in them is a condition of ongoing membership of the KPMG network.

### Quality Performance Reviews (QPRs)

The QPR Program is the cornerstone of our efforts to monitor engagement quality and one of our primary means of ensuring that we collectively and consistently meet KPMG International's requirements and applicable professional standards. The QPR Program assesses engagement level performance and identifies opportunities to improve engagement quality. All engagement partners are generally subject to selection for review at least once in a three-year cycle. The reviews are overseen by a senior experienced lead reviewer from another member firm and are monitored regionally and globally.

Consistent criteria are used to determine engagement ratings and member firm audit practice evaluations.

We perform a root cause analysis for pervasive issues. Remedial action plans for all significant deficiencies noted are required at an engagement and for the firm as a whole. We disseminate our findings from the QPR Program to our professionals through written communications, internal training tools and periodic partner, manager and staff meetings. These areas are also emphasised in subsequent inspection programmes to gauge the extent of continuous improvement.

Lead audit engagement partners are notified of less than satisfactory engagement ratings on their respective cross-border engagements. Additionally, lead audit engagement partners of parent companies/head offices are notified where a subsidiary/affiliate of their client group is audited by a member firm where significant quality issues have been identified during the Audit QPR.

### Risk Compliance Program (RCP)

The RCP is a member firm's annual self-assessment programme. The objectives of the RCP are to monitor, assess, and document member firm-wide compliance with the system of quality control established through KPMG International's quality

and risk management policies and applicable legal and regulatory requirements as they relate to the delivery of professional services. The programme is overseen and monitored regionally as well as globally.

### Global Compliance Review (GCR) programme

Each member firm is subject to a GCR conducted by the global GCR team, independent of the member firm, at least once in a three-year cycle. These reviews focus on significant governance, risk management, independence and finance processes (including an assessment of the robustness of the firm's RCP). In the event that a GCR identifies issues that require immediate or near-term attention, a follow-up review will be performed as appropriate.

We have in 2016 been subjected to the GCR programme.

We have developed action plans to respond to all GCR findings and agreed these with the GCR team. Our progress on action plans is monitored by a Global GCR Central Team. Results are reported to the Global Quality & Risk Management Steering Group (GQRMSG), and where necessary to appropriate KPMG International and regional leadership, to ensure timely remedial actions.

### Client feedback

In addition to internal and external monitoring of quality, we operate a formal programme where we actively solicit feedback from management and those charged with governance on the quality of specific services that we have provided to them. The feedback that we receive from this programme is formally considered centrally and by the individual client service teams to ensure that we continually learn and improve the levels of client service that we deliver. Any urgent actions arising from client feedback are followed up by the engagement partner to ensure that concerns on quality are dealt with on a timely basis.

### Monitoring of complaints

We have procedures in place for monitoring and addressing complaints received relating to the quality of our work.

# Regulators

Pursuant to section 29(3) of the Danish Auditors Act, audit firms performing audits of financial statements of entities subject to section 1a(1) (iii) of the Act (audit of public-interest entities) are subject to The Auditing Oversight Division of the Danish Business

Authority ("Revisortilsynet") on an ongoing basis.

Due to the fact that the Company started operations in 2014, we have not yet been subject to any completed inspections. We are

currently being inspected by the The Auditing Oversight Division of the Danish Business Authority. KPMG Statsautoriseret Partnerselskab is also registered with the US PCAOB as from 1 March 2016. We have not yet been inspected by PCAOB.



# Declaration on quality control system and independence policy

The Danish Auditors Act and the standards on auditing prescribe that an approved audit firm is required to maintain a quality control system and must be able to document the use thereof.

The Danish Auditors Act prescribes that, as part of the quality control system, audit firms must lay down guidelines that ensure that the auditor will assess, prior to the auditor's undertaking of assignments in accordance with section 1(2) of the Act, whether there are any circumstances that may raise doubt in a well-informed third party about the auditor's independence.

Moreover, the Act prescribes that the audit firms must ensure that the auditors document in their working

papers in connection with the performance of the assignments all significant threats to the auditor's and the audit firm's independence and the safeguards that have been applied to mitigate these threats.

The Board of Directors is responsible for the quality control system, including ensuring that guidelines to assess independence are available and that the auditors comply with the rules on documentation of significant threats to the auditor's and the audit firm's independence and the safeguards applied to mitigate these threats.

The Board of Directors has assessed the Company's quality control system, including controls and procedures.

An effective quality control system is no guarantee and cannot eliminate the risk that reports issued on financial statements and other reporting to the public are materially misstated. However, the quality control system provides reasonable assurance that reports issued give a true and fair view.

In our opinion, the quality control system is effective, and the independence guidelines are complied with.

Copenhagen, 27 December 2016

**KPMG**  
Statsautoriseret  
Revisionspartnerselskab

## Board of Directors:



**Anette Harritz**  
Chairman and Partner



**Anja Bjørnholt Lüthcke**  
Partner



**Benny Lyng Sørensen**  
Partner



**Bo Johansen**  
Partner



**Danny Golan**  
Partner





# Financial information

For the twelve months ended 30 September 2016, the Company's total revenue amounted to DKK 369 million.

The Company's total revenue is distributed on the following engagement types:

- Audit of financial statements, DKK 149 million
- Other assurance services, DKK 9
- Tax services, DKK 6
- Other services, DKK 205

The figures comprise revenue from audit clients and other clients and include outlays invoiced to clients.

Revenue from other services comprises due diligence, valuation and other advisory services.

## Audit and assurance clients subject to section 1a(1) no. 3 of the Danish Auditors Act

List of KPMG clients subject to section 1a(1) (iii) of the Act for which KPMG performed engagements under section 1(2) of the Act in 2015/16.

### **Listed entities (entities with shares, bonds, etc., admitted for trading at a stock exchange in an EU country)**

- A. P. Møller - Mærsk A/S
- Blue Vision A/S
- Carlsberg A/S
- Carlsberg Breweries A/S
- Copenhagen Capital A/S\*
- Copenhagen Network A/S\*
- Euroinvestor.com A/S
- Exiqon A/S
- Expedit A/S
- Gabriel Holding A/S
- Land & Leisure A/S
- PARKEN Sport og Entertainment A/S
- Santa Fe Group A/S\*

### **Unlisted financial undertakings**

- Alpha Insurance A/S
- Carlsberg Insurance A/S
- Codan A/S
- Codan Forsikring A/S
- European Energy A/S
- Europæiske Rejseforsikring A/S
- Forsikringsselskabet Privatsikring A/S
- København Andelskasse\*
- Nykredit Forsikring A/S

\*Elected as auditors, but auditor's reports will not be issued until after 30 September 2016

# Overview of shareholders of the Company at 30 September 2016

- Anette Harritz
- Anja Bjørnholt Lüthcke
- Benny Lynge Sørensen
- Bo Johansen
- Dale Treloggen
- David Olafsson
- Danny Golan
- Hans-Jørgen Andresen
- Henrik O. Larsen
- Jacob Blicher-Hansen
- Jacob Lehman
- Jan Per Jensen
- Jon Beck
- Kasper Carøe
- Kim Harpøth Jespersen
- Lau Bent Baun
- Mark Palmberg
- Michael Sten Larsen
- Morten Klitgaard Friis
- Nikolaj Møller Hansen
- Per Ejning Olsen
- Steffen Hansen
- Thomas Hofman-Bang

# The KPMG values

Our values create a sense of shared identity. They define what we stand for and how we do things. Our values help us to work together in the most effective and fulfilling way and bring us closer as an organisation.



We lead by example



We work together



We respect the individual



We seek the facts and provide insight



We are open and honest in our communication



We improve communities



Above all, we act with integrity

