



# Transparency Report 2024

April 2025

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KPMG Professional Services  
[home.kpmg/ng](http://home.kpmg/ng)



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# 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 behaviors both professionally and personally.

Our Values guide our behaviors 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.



# Message from the Senior Partner

For over four decades, KPMG has been a leader in delivering audit and assurance services that inspire trust and confidence in the Nigerian capital market. Upholding the highest standards of professional excellence, ethics, and integrity, our commitment to quality remains unwavering. We strive to serve our clients, stakeholders, and the public with the highest professional excellence, ethics and integrity.

In today's rapidly evolving global environment, the demands on the organisations we audit have grown significantly, particularly in areas such as ESG (Environmental, Social and Governance) reporting and the integration of artificial intelligence (AI). KPMG Nigeria recognises these challenges and is dedicated to addressing them through innovative and forward-thinking solutions. This era calls for heightened trust in disclosures, stronger governance, and greater transparency in sustainability practices. New technologies, regulations, and societal expectations demand businesses to adapt swiftly, and KPMG Nigeria is determined to remain at the forefront of providing the support required to navigate this transformation.

Our 2024 Transparency Report reaffirms our dedication to these principles. It highlights our steadfast focus on fostering a values-driven culture grounded in integrity, accountability, and excellence. We have prepared this report in accordance with the requirements of Rule 12: Audit Transparency Report, issued by the Financial Reporting Council (FRC) of Nigeria.

To meet the evolving needs of our clients and society, we continue to recruit, train, and retain a diverse workforce equipped with cutting-edge data and AI skills. Investments in leadership and continuous learning programs ensure that our teams remain at the pinnacle of technical and professional competence. Mechanisms such as our Global Code of Conduct and ethical hotlines reinforce our commitment to integrity and provide avenues for raising concerns.

This report underscores our relentless pursuit of sustainable quality through continuous improvement and innovation. By leveraging advanced technologies like KPMG Clara and AI-driven solutions, we enhance the transparency and reliability of financial reporting. Adhering to the International Standard on Quality Management (ISQM) 1 and implementing

a globally consistent System of Quality Management (SoQM), we strengthen trust in the business ecosystem. Furthermore, we address the critical sustainability challenges by refining our ESG assurance methodologies, ensuring that our services align with the evolving expectations of stakeholders.

Through robust systems of quality management, unwavering ethical practices, and a collaborative and inclusive approach, KPMG in Nigeria strives to enhance the confidence entrusted to us by clients, regulators, and the public. This report not only reflects our achievements but also serves as a roadmap for our continued journey toward excellence.

We invite you to read this report to learn how we are building the firm of the future – an organisation that we can be proud of and that our clients, stakeholders and communities can continue to trust.



**Tola Adeyemi**  
Senior Partner



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## References to KPMG

Throughout this document, "KPMG", "we", "our" and "us" refers to KPMG in Nigeria.

Any references to the KPMG global organisation 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](http://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.

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# A system of quality management that sustains audit and assurance quality

Consistent and strong controls within our firm's system of quality management (SoQM) helps to 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 organisation, KPMG firms have strengthened the consistency and robustness of their system of quality management (SoQM) to meet the requirements of the International Standard on Quality Management (ISQM) 1, issued by the International Auditing and Assurance Standards Board (IAASB).

## KPMG International's global approach to SoQM and ISQM 1



Sets **policies and procedures** to support KPMG firms' effective SoQM in accordance with ISQM 1 issued by the IAASB.



Establishes for each SoQM component, globally consistent **quality objectives, risks and responses including controls**.



Provides KPMG firms with a globally consistent **risk assessment framework** 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.

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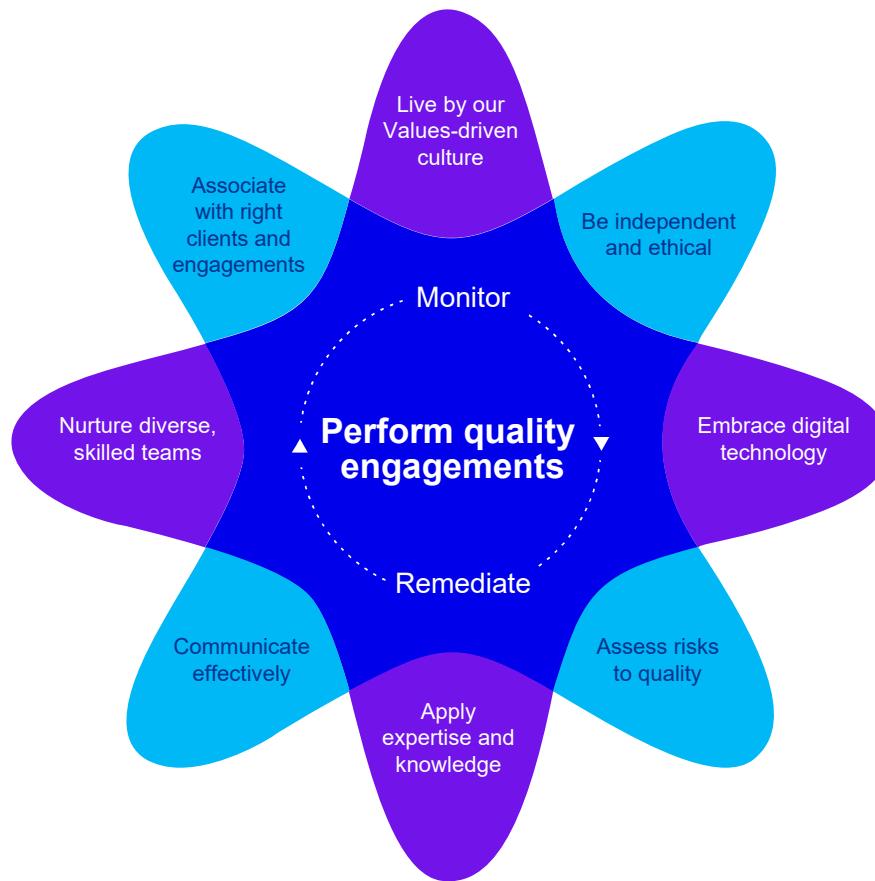
The globally consistent approach to ISQM 1 is used by all KPMG firms across the global organisation to drive the consistency, robustness and accountability of responses within KPMG firms' processes.

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 Standard Board for Accountants (IESBA Code of Ethics), which applies to professional services firms that perform audits of financial statements.

Our Transparency Report describes 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 summarises how our SoQM effectively 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



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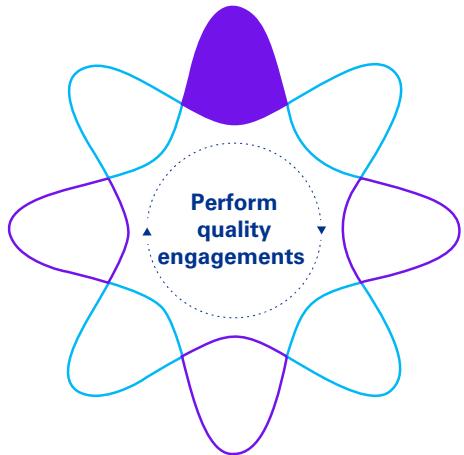
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# Live by our Values-driven culture

- **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**
- **Promote 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

KPMG International's leadership, working with regional and KPMG firm 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 organisation that carries out audit, assurance and other professional services on which stakeholders rely.**



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## Clear Values and a strong Code of Conduct

At KPMG, our [Values](#) lie at the heart of the way we do things. To do the right thing, the right way. They form the foundation of a resilient and ethical culture ready to meet challenge with integrity, so we never 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 organisation, as well as our individual and collective responsibilities.

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 law or regulation.

The [KPMG International hotline](#) is a 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.

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.

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

### ***KPMG's Global Values Week – Building a values-led firm of the future***

Kicking off FY 2024, the KPMG global network came together to celebrate Our Values during a

week-long series of events. Global Values Week engaged our people in dialogue around our five Values and the role they play in our everyday work. This organisation-wide celebration was followed by the launch of a Values Immersion initiative in our firm that included leader-led group sessions focused on living our Values under pressure.

## **The KPMG multidisciplinary model**

The KPMG global organisation is at its strongest when its over 273,000 people across 143 countries and territories, aligned behind a common set of values, are working together to provide quality services to some of the most important organisations 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 organisation to deliver independent and rigorous 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.

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

### Our business

KPMG in Nigeria ("the firm" or "our firm") is a professional services firm that delivers Audit and Assurance, Tax and Advisory services. We operate out of two (2) offices in Lagos and Abuja across Nigeria and had an average of 1685 partners and employees in the year to 30 September 2024.

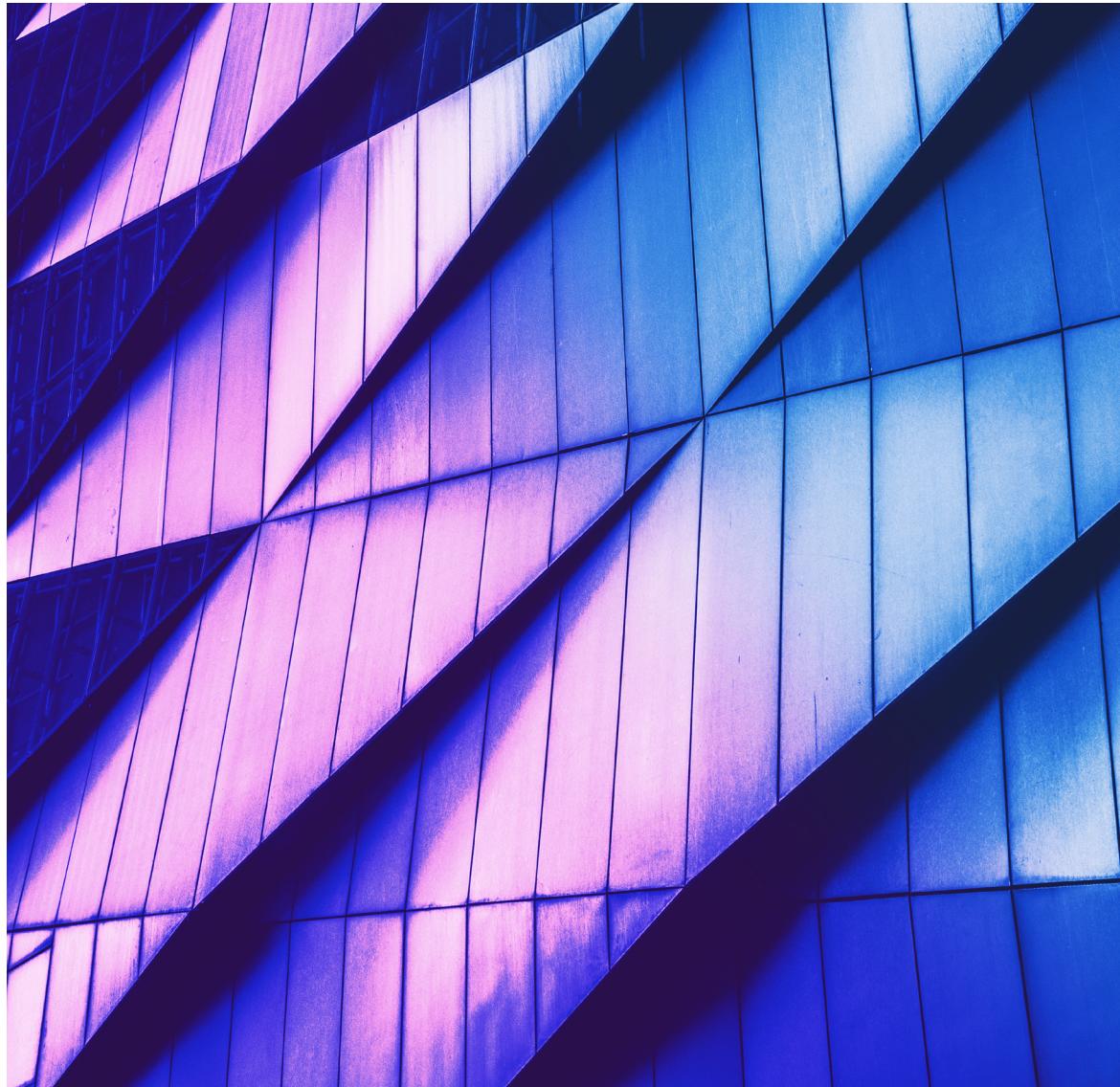
Our audit and assurance services in Nigeria are delivered through KPMG Professional Services. Full details of the services we offer can be found on our [website](#).

### Our strategy

Our strategy is set by the Partners of the firm and demonstrates a commitment to quality and trust. Our focus is to invest significantly in priorities that form part of a global strategy execution.

Our Partners have determined that a commitment to quality is a key imperative in all that we do.

Our ambition is to be the most trusted and trustworthy professional services firm. A key strategic focus area is exceptional service and quality – we see the future as being the benchmark in consistent quality and service excellence, building on our commitment to our clients, our people and the public.



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## 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 delegatee 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.



In accordance with the principles in ISQM 1, our Senior Partner, Tola Adeyemi, is the leader who has ultimate responsibility for our SoQM.

Details of some of the measures he and the rest of the Executive Committee have taken to ensure that a culture of quality prevails within our firm are set out in the section on Monitoring and Remediation below.



### Risk Management Partner

Our firm's Risk Management Partner (RMP) is responsible for the firm's direction and execution of risk, compliance, and quality. The RMP is a member of the firm's Executive Committee and has a direct reporting line to the Senior Partner. The RMP consults, as appropriate, with the Senior Partner, the Regional Risk Management Partner, Global Quality & Risk Management resources, and the General Counsel or External Counsel.

The fact that the Risk Management Partner is on the Executive Committee of the firm and the seniority of the reporting lines, underlines the importance that the firm places on risk and quality issues. The RMP is supported by a team of dedicated professionals in the Quality and Risk Management unit, and other partners and professionals in each of the functions. The RMP also has responsibility for the direction and execution of ethics and independence policies and procedures in our firm.



### The Audit, Tax and Advisory functions – Function heads

The three heads of the client service functions (Audit, Tax and Advisory) are accountable to the Senior Partner for the quality of service delivered in their respective functions. They are responsible for the execution of the risk management and quality management procedures for their specific functions within the framework set by the Risk Management Partner. 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 Head of Audit is responsible for the effective management and control of the Audit 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;
- Working with the RMP to monitor and address quality and risk matters as they relate to the Audit practice, including an annual evaluation of activities considered to be key to audit quality.



### Audit Leadership Team

The Audit Leadership Team has regular discussions to agree actions about current and emerging audit quality issues arising from external and internal quality review processes, queries raised by engagement teams, our SoQM evaluation, root cause analysis procedures and other quality matters identified from a variety of sources.

More complex issues (which might require amendments to KPMG's global audit methodology or audit tools) are raised with KPMG International Global Audit groups for consideration and potential development of solutions by the KPMG Global Solutions Group (KGSG), Global Audit Methodology Group (GAMG) and the International Standards Group (ISG). For more information about the KGSG, the GAMG and the ISG refer to section 8.1.2.



### Audit Quality Committee

In addition, within the Audit and Assurance function, our Audit Quality Committee considered 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 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.

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## Institute robust governance structures

### Our legal and governance structure

KPMG Professional Services, through which our audit and assurance services are delivered, is a partnership registered under the Companies and Allied Matters Act 2020. It is wholly owned by its partners.

A list of the entities which form KPMG in Nigeria together with details of their legal structure, regulatory status, the nature of their business and area of operation is set out in Appendix 1.

At KPMG in Nigeria, we apply high standards of corporate governance. The key governance and management bodies of KPMG in Nigeria are the General Assembly of Partners, Board and the Executive Committee ("EXCO").

#### The Board

Our Senior Partner ensures that the Board members receive accurate, timely and clear information, ensuring effective communication and relationships with the members at large. The current Senior Partner, Tola Adeyemi, was appointed on 1 October 2022 following a competitive election campaign and confidential vote of the members.

The principal governance and oversight body of our firm is the Board, which provides leadership to the firm and is responsible for our long-term

growth and sustainability, setting our strategy and overseeing its implementation, monitoring performance against our business plan and protecting and enhancing the KPMG brand.

The Board consists of 10 members, including the Senior Partner. The constitution of the Board is as determined by the body of Partners.

In addition, there are other bodies that deal with key aspects of governance within the firm that report to the Board. These are the:

- Executive Committee;
- Governance Committee;
- Finance and Investment Committee;
- Audit and Risk Committee;
- Audit Quality Committee.

Details about the role and responsibilities and composition of some of these key bodies are set out below.

#### The Executive Committee

The Executive Committee is responsible for management of the day-to-day activities of the firm, recommending policy to the Board and developing the business plan within the overall strategy set by the Board, together with its subsequent implementation. It deals with operational matters affecting the firm (including monitoring operating and financial performance,

budgets, new business proposals, marketing, technology development, recruitment and retention and general remuneration, prioritisation and allocation of resources and investment and managing the firm's risk profile).

The Executive Committee members are all partners in our firm and are appointed by the Senior Partner. As at October 2024, in addition to the Senior Partner, the Executive Committee included the Chief Operating Officer, Head of Audit, Head of Tax, Regulatory and People Services, Head of Advisory, Risk Management Partner, Head of Strategy and Markets, and Head of People and Partner Matters.

#### Governance Committee

The principal role of the Governance Committee is to oversee governance matters within the firm. Specifically, the Committee advises the Board with respect to the admission, remuneration and evaluation of partners. It is also responsible for monitoring the firm's human resource policies and practices.

#### Finance and Investment Committee

The principal role of the Finance and Investment Committee is to assist the Board in monitoring the firm's strategy formulation and implementation process. In addition, the Committee provides oversight of the firm's investment planning, execution, monitoring process and periodically reviews the financial performance and capital adequacy of the firm.

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## Audit and Risk Committee

The principal role of the Audit and Risk Committee is to provide oversight of the integrity of the financial statements and financial reporting process. In addition, the Committee is responsible for monitoring the effectiveness of the system of internal controls within the firm and the firm's risk management process.

## Audit Quality Committee

The Audit Quality Committee reports to the Board and ensures risk and quality matters are a priority for audit leadership.

Specifically, its responsibilities include:

- Reviewing the proposed significant audit initiatives ensuring the objectives and

outcomes align with maintaining or enhancing audit quality.

- Recommending the strategic prioritisation, resourcing and timetabling of audit initiatives as they impact audit quality.
- Confirming the robustness of our monitoring activities as consistent with our audit quality priorities.

See section 14.1 for information on the KPMG legal structure and 14.4 for information on the KPMG International Governance structure.

Full details of those charged with governance for our firm are set out in Appendix 2.

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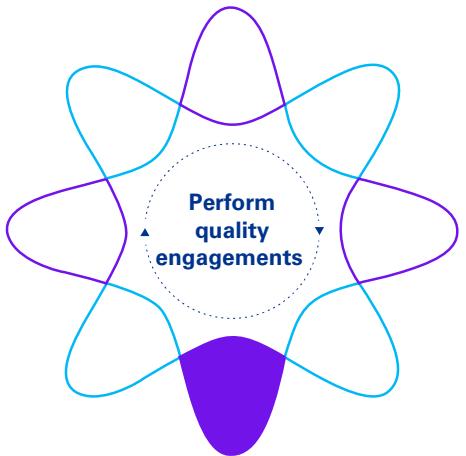
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# Apply expertise and knowledge

- **Methodology aligned with professional standards, laws and regulations**
- **Technology-enabled standardised methodology and guidance**
- **Deep technical expertise and knowledge**
- **Quality and risk management policies**

We are committed to continuing to build on our technical expertise and knowledge, recognising 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 methodology, tools and guidance to drive a consistent approach to planning, performing and documenting audit and assurance procedures. Key elements include:

- Meeting the applicable standards, including International Standards on Auditing (ISA), Public Company Accounting Oversight Board (PCAOB), the American Institute of CPAs (AICPA), the International Standards



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on Assurance Engagements (ISAE), and are supplemented to comply with local regulatory or statutory requirements for KPMG firms;

- Identifying risks of material misstatements and the necessary audit response;
- Use by our audit and assurance professionals to drive consistent interpretation on the application of ISAs and ISAEs.

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

We have additional local requirements and guidance in the form of Department of Professional Practice (DPP) technical briefs, practice alerts and DPP alerts which supplement our audit and assurance methodologies to comply with additional local professional, legal, or regulatory requirements.

## Technology-enabled standardised methodology and guidance

The KPMG standardised methodology and guidance are embedded within KPMG Clara, our smart audit and assurance platform, and assist our engagement teams in meeting the ever-changing landscape of corporate reporting and related audit and assurance requirements.

## Deep technical expertise and knowledge

### Access to specialist networks

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

The need for specialists to be assigned to an audit engagement in areas such as information technology, tax, treasury, actuarial, forensic

and valuations is considered as part of the audit engagement acceptance and continuance process, as well as during the planning and conduct of the engagement.

## 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 climate change, geopolitical events, volatile interest rates and elevated levels of inflation may have significant financial statement implications, increasing complexity, subjectivity and uncertainty for matters such as management's going concern assessment, asset impairments and asset valuations. Guidance is available to assist engagement teams in our firm address the financial reporting, auditing and reporting related matters arising from the impacts of these significant external events and conditions.

We also have access to an online financial reporting resource center maintained on behalf of KPMG that highlights the potential financial statement implications of matters arising from significant external events. 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 such as those of the Institute of Chartered Accountants of Nigeria (ICAN) and the Financial Reporting Council of Nigeria and satisfy the Continuing Professional Development requirements in Nigeria. Our firm'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 local predominant financial reporting framework, that is IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act 2011 (as amended).

### Requirements — IFRS® Accounting Standards and US GAAP engagements

In addition, KPMG International has specific requirements for partners, managers and Engagement Quality Control (EQC) reviewers working on US GAAP engagements performed

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 partners, managers and, if appointed, the 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.

### ESG Assurance quality

KPMG is committed to fulfilling our public interest role in providing robust assurance that can benefit investors and other stakeholders.

We believe the same level of professionalism, quality, consistency and trust should apply to ESG reporting as to financial data. We have made significant investments in putting ESG at the heart of the organisation and remain steadfast in our commitment to serving the public interest.

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

- Enhanced the ESG Assurance methodology and KPMG Clara workflow - Assurance training and released curriculum focused on the ISSB

standards and the ESRSS.

- Invested in programs to strengthen KPMG professionals' skills and experience, to deliver high quality ESG assurance engagements and meet client needs, including access to technical ESG reporting and assurance subject matter professionals.
- Our ESG assurance delivery model is subject to our SoQM in accordance with ISQM 1.

### 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 such as the Audit Regulations, 2020, issued by the Financial Reporting Council of Nigeria.

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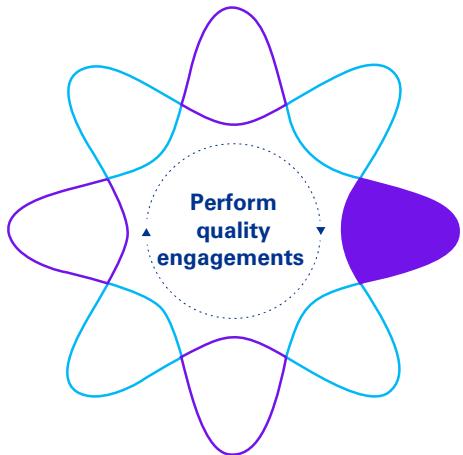
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# Embrace digital technology

- **KPMG Clara**
- **Intelligent, standards-driven audit and assurance workflows**
- **Digital data and emerging technologies**

At KPMG, 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. The alliances and leading technologies used across the KPMG global organisation are enhancing quality by increasing our ability to identify and respond to the issues that matter.

## KPMG Clara

An intelligent audit and assurance technology platform, KPMG Clara integrates new and emerging technologies, with advanced capabilities that leverage data science, audit automation and data visualisation, and harnesses the power of artificial intelligence (AI). KPMG Clara enables new insights by helping auditors to see meaningful patterns across a business, whether conducting risk assessment, tracing transactions through a complex revenue process, or simply reconciling the accounts.

A fully digital approach is integral to how KPMG firms perform quality audit and assurance engagements and interact with their clients. Policies and guidance are in place to establish and maintain appropriate processes and controls regarding the development, evaluation and testing, deployment and support of technology in our audits.



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## Intelligent, standards-driven audit and assurance workflows

As a scalable, intuitive cloud-based platform, KPMG Clara is driving 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.

## Digital data and emerging technologies

### Our vision of the future

The KPMG global organisation is committed to continuously evolving our approach to quality and, as a technology-driven organisation, is harnessing innovative capabilities to deliver high quality services.

Fully deployed across KPMG firms, KPMG Clara is the global platform for KPMG Audit and empowers our auditors to offer deeper insights, fresh perspectives and improved audit and assurance quality to the entities we audit.

Signalling our commitment to continual innovation, enhancement, and further digitisation of the audit, we use KPMG Clara as a future-ready platform that is ready to harness the innovations of today and tomorrow.

As KPMG works to fully harness the power of AI, we remain equally committed to upholding ethical standards for AI solutions that align with our Values and professional standards, and that foster the trust of KPMG clients, people, communities and regulators.

KPMG Trusted AI is our strategic approach and framework to designing, building, deploying and using AI solutions in a responsible and ethical way to ensure we can accelerate value with confidence.

### Client confidentiality, information security, and data privacy

The importance of maintaining client confidentiality is emphasised through a variety of

- Data and AI-driven
- Cloud-enabled
- Global, risk based methodology
- Knowledge and learning
- Audit & Assurance including ESG
- "Risk-to-response" analytics
- Gen AI integration
- Search knowledge base



mechanisms, including the KPMG Global Code of Conduct which has been adopted by KPMG in Nigeria.

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.

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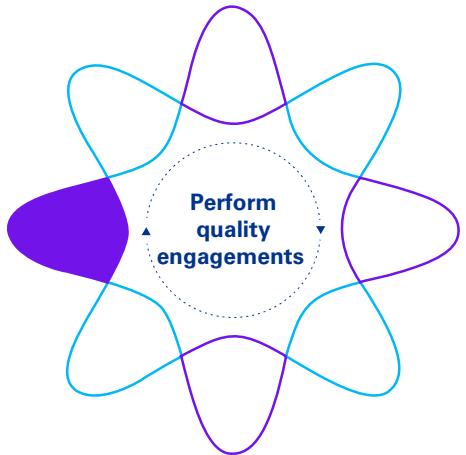
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# Nurture diverse, skilled teams

- **Recruit appropriately qualified and skilled people with diversity of perspective and experience**
- **Assign appropriately qualified team**
- **Invest in data-centric skills — including AI solutions**
- **Focus learning and development on technical expertise, professional acumen and leadership skill**
- **Recognise 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 auditors have diverse skills and capabilities to address complex problems

## Recruit appropriately qualified and skilled people, with diversity of specialist skills, perspective and experience

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.



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Our recruitment strategy is focused on drawing entry-level talent from a broad talent base, including working with established universities, colleges and business schools, but also working with secondary schools, helping build relationships with a younger, diverse 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, psychometric and ability testing, 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.

We recruited over 266 new graduates in the year ended 30 September 2024 (2023: approximately 249).

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

## Inclusion, diversity and equity programs

Inclusion, Diversity and Equity (IDE) underpins the KPMG Value of 'Together' and is vital to inspiring

confidence and empowering change — our Purpose.

Fostering a culture that welcomes everyone — without exception — requires purposeful work. KPMG International issues guidance on global best practices related to those areas where an evolved IDE focus can help make the greatest impact through the creation of an inclusive environment — including hiring, compensation, performance evaluation and promotions.

Engage. Educate. Empower was the theme of KPMG's Global IDE Super Summit for 2024 and thousands of colleagues joined the celebration of togetherness uniting the KPMG IDE communities and allies through a landmark global event, with more ways to learn from each other, join conversations and share ideas.

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

## 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 focused on 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 understand what is expected of them, including audit quality accountabilities outlined in audit role profiles and the audit quality goal that are 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.

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## 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.

Function heads are responsible for the partner assignment process. Key considerations include partner experience and capacity – based on an annual 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).

Audit 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 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.

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 engagements of a similar nature and complexity through appropriate training and participation;
- 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 skepticism;
- Understanding of KPMG's quality control policies and procedures; Quality Performance Review (QPR) results and results of regulatory inspections.

As an additional control in Audit (where the services are more of a recurring nature than across much of the rest of our business), our Head of Audit and Risk Management Partner together perform an annual review of the portfolio of all of our audit engagement partners. The purpose of this portfolio review is to look at the complexity and risk of each audit and then to consider whether or not taken as a whole the

specific engagement partner has the appropriate time and the right support to enable them to perform a high-quality audit for each client in their portfolio.

## Audit 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 behavioural competencies, and individual levels of accountability for contributing to audit quality and the SoQM. The role profiles offer KPMG personnel involved in audit delivery a clear articulation of their role and are updated annually to support the focus on continuous improvement. To connect the role profiles to goal setting, a mandatory audit quality goal is in place for those covered by the role profiles.

## Invest in data centric skills – including advanced AI solutions

The KPMG organisation is strategically investing in prospective talent by partnering with world-class institutions to sustain strong leadership, while also looking forward to cultivating the skills and capabilities that will be needed in the future.

In 2024, KPMG organisation-wide AI training programs, '24 hours of AI', where every hour, on the hour colleagues from around the globe took the opportunity to learn about the latest KPMG

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global AI tools and the advanced AI solutions that have been tailored for Audit and Assurance, Tax and Advisory functions; to take part in practical 'prompt crafting' workshops to improve AI skills; and to be upskilled on KPMG's principles for responsible use of AI.

In our firm, we are recruiting and training professionals who specialise 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.

## **Focused 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 professional practice department for consultation. Where the right resource is not available in our firm, we access 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.

### **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 professionals across the KPMG organisation are established annually. Training is delivered using a blend of learning approaches and performance support.

### **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.

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

In relation to audit, our firm:

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

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- Provides instructor-led and virtual classroom training, performance support tools, coaching guides, and just-in-time learning. Guidance is available on judgmental audit topics and this guidance is embedded across audit learning solutions.
- Has also developed professional judgment tools, designed to reinforce the importance of independence and objectivity, and to assist engagement teams in demonstrating professional skepticism.
- Provides courses to enhance personal effectiveness and develop leadership and business skills. Our partners and employees are developed further for high performance through coaching and mentoring on the job, stretch assignments and country rotational and global mobility opportunities.

## Recognise 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. The performance development approach includes:

- Audit role profiles (including role profiles specific to audit quality accountabilities and responsibilities);
- A goal library (including a mandatory audit quality goal applicable to everyone covered by the audit role profiles and additional optional audit quality content);
- Standardised 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 behaviours 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 organisation.

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

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# 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 KPMG firms identify and evaluate potential risks prior to accepting or continuing a client relationship or performing a specific engagement.

KPMG firms evaluate whether to accept or continue a client relationship or perform a specific engagement. Where client/engagement acceptance (or continuance) decisions pose significant risks, additional approvals are required.



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## 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.

### 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 engagement includes an assessment of the competence of the client's financial management team and the skills and experience 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 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 an annual re-evaluation of all audit 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 if 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 the section on [assigning an appropriately qualified team](#) for more information.

Each partner's client portfolio is regularly reviewed to ensure that they have sufficient time to manage the portfolio and to ensure that the risks are being appropriately managed.

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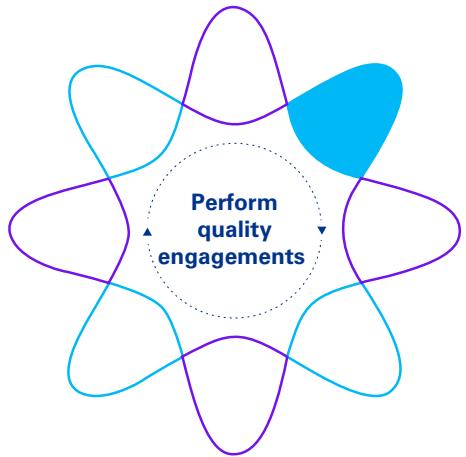
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# Be independent and ethical

- **Act with integrity and live our Values**
- **Maintain an objective, independent and ethical mindset, in line with our code of conduct 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 [Global Code of Conduct](#), 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 the Global Code of Conduct, anti-bribery and corruption, and compliance with laws, regulations and professional standards.



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KPMG's ethical decision-making framework CARE (Consider, Assess, Respond, Evolve) is centered on building and reinforcing trust, and supports our Purpose, Values and Code of Conduct. A model shared across the organisation, 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.

## CARE

### Ethical decision-making framework

#### Consider

what is the issue



#### Assess

options to address the situation



#### Respond

with decision



#### Evolve

and reflect



Source: KPMG International OIP

## Maintain an objective, independent and ethical mindset

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.

Policies are supplemented to help ensure compliance with the Regulations issued by the Financial Reporting Council of Nigeria and those of the Institute of Chartered Accountants of Nigeria.

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

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.

## 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 2024, 222 of our partners and employees were subject to these audits (this included 100% of our partners).

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## 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 listed entities and funds (or similar investment vehicles) as well as in non-listed 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.

## Business acquisitions, admissions and investments (if applicable)

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 the wider global organisation.

## 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 an annual confirmation of compliance.

## 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 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 have agreed to consult with their Regional Risk Management Partner where total fees from a public interest entity audit client are expected to exceed 10 percent of the annual fee income of the KPMG firm for two consecutive years. If the total fees from a public interest

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entity audit client and its related entities were to represent more than 15 percent of the total fees received by a particular KPMG firm in a single year, this would be disclosed to those charged with governance at the audit client. Where the total fees continued to exceed 15 percent for two consecutive years, we would engage a partner from another KPMG firm as the EQC reviewer and the fee dependency would be publicly disclosed.

## Avoiding conflicts of interest

All KPMG firms and personnel are responsible for identifying and managing conflicts of interest, which are circumstances or situations that 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.

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 consecutive 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. In accordance with the Audit Regulation 2020, partners assigned to undertake the External Audit of our public interest entity audit clients are rotated after a maximum of five years.

## 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 not to act as auditor for that client for a specified period of time thereafter. KPMG firms in these jurisdictions are required to have processes in place to track and manage compliance with audit firm rotation requirements. In accordance with the Audit Regulation 2020, KPMG Professional Services disengages after continuous service to a public interest entity audit client for ten (10) years while a joint Audit arrangement exists for a maximum period of 15 years. A seven (7) year cooling-off period is observed before our firm can be re-appointed as the statutory Auditor of such clients.

## Have zero tolerance of bribery and corruption

We have zero tolerance of bribery and corruption.

KPMG firms' partners and employees 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](#).

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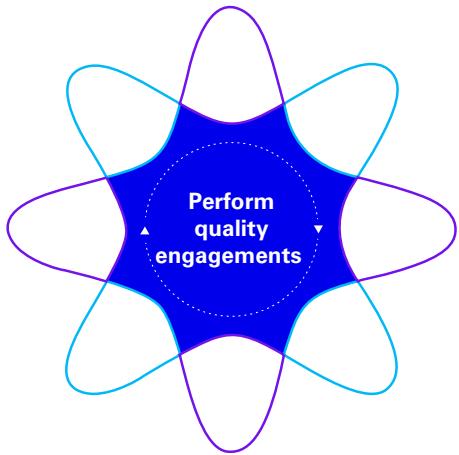
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# Perform quality engagements

- **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 within the firm 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

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facilitate resolution of differences of opinion on engagement issues. In addition, KPMG audit, assurance, reporting and risk management manuals also include specific consultations 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 organisation'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.

### International Standards Group (ISG)

Develops global guidance to promote consistency of interpretation of IFRS Accounting Standards

and IFRS Sustainability Disclosure Standards by KPMG firms, and to promote a consistent response to emerging accounting and audit issues.

The ISG and GAMG also coordinate the following groups to facilitate information sharing within the DPP network, and to ensure sector-specific issues are dealt with proactively.

- The KPMG Global Methodology Advisory Group (formerly ISA Panel), chaired by the Head of Global Audit Methodology Group (GAMG), includes senior DPP partners from key KPMG firms and is responsible for providing input to GAMG on the impact of proposed changes to KPMGI methodology and responses to new standards, providing input to the ISG on guidance in relation to audit reporting matters, providing comments to the ISG on proposed KPMGI guidance related to audit reporting matters and related communications, and providing input to the ISG to assist in the development of KPMGI response letters to the International Auditing and Assurance Standards Board and/or regulators.
- Global Topic Teams, which formulate guidance on IFRS Accounting Standards and IFRS Sustainability Disclosure Standards on sector specific or specific technical areas, and act as central contact points for regions/ KPMG firms in identifying and addressing emerging issues related to relevant topics.

The Global IFRS Panel is responsible for monitoring the development of guidance relating to the interpretation of IFRS Accounting Standards and IFRS Sustainability Disclosure Standards, and response letters to the International Accounting Standards Board, the International Sustainability Standards Board and/or regulators by the ISG and the Global Topic Teams. The panel is chaired by the Global IFRS Leader and includes Global Topic Team leaders and senior DPP partners from key KPMG firms.

### PCAOB Standards Group (PSG)

Promotes consistency in the interpretation of PCAOB auditing standards in KPMG firms' audits of non-US components and foreign private 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 and technical accounting matters to their audit professionals involving regional or global teams when required.

Across our firm the role of DPP is crucial in terms of the support that it provides to the Audit function. It provides technical guidance to client

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service professionals on specific engagement related matters, develops and disseminates specific topic-related guidance on emerging local technical and professional issues, and disseminates international guidance on IFRS Accounting Standards, IFRS Sustainability Disclosure Standards, and ISAs.

Consultation with a team member at a higher level of responsibility than either of the differing parties usually resolves differences. In other circumstances, the matter may be elevated through the chain of responsibility for resolution by technical specialists. In exceptional circumstances, a matter may be referred to the Head of Audit, Head of DPP, Head of Risk Management, or ultimately the Senior Partner.

DPP is represented on the following global KPMG bodies - Methodology Advisory Group, IFRS panel and EMA DPP.

## Critically assess audit evidence using professional judgment and skepticism

On all KPMG audits, the nature and extent of the audit evidence we gather is responsive to the assessed risks. We consider all 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 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 engagements, 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 RMP or our Head of Audit.

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.

We ensure that the role performed by EQC reviewers is also taken into account when performing the Partner Portfolio Review process to ensure adequacy of time and appropriate skill set for the role and reallocation, if needed. Furthermore, we assess, as part of our Quality Performance Reviews, the work performed by the EQC reviewer and the adequacy of involvement, including discussion with the EQC reviewer.

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## Appropriately support and document conclusions

### Reporting

Engagement leaders 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 leaders have access to reporting guidance and technical support through consultations with our DPP, West Africa, especially where there are significant matters to be reported to users of the auditors' report (e.g. a modification to the opinion or the inclusion of an 'emphasis of matter' or 'other matter' paragraph). We also ensure that engagement leaders address any additional procedures resulting from local regulatory requirements.

### Engagement documentation

Our firm's audit documentation is completed and assembled in accordance with KPMG International policy and applicable auditing 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 audit documentation.



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# Assess risks to quality

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

The quality of KPMG audit and assurance services rests on the foundational SoQM and our approach to ISQM 1 emphasises consistency and robustness of controls 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 (responses to those risks, including controls) that all KPMG firms agree to adopt. In recognition that we are responsible for our SoQM being in compliance with ISQM 1, 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 meeting SoQM quality objectives.
- Defines the SoQM methodology used by KPMG firms in their annual SoQM evaluation to evaluate whether the SoQM controls are effective and whether the SoQM objectives have been achieved.

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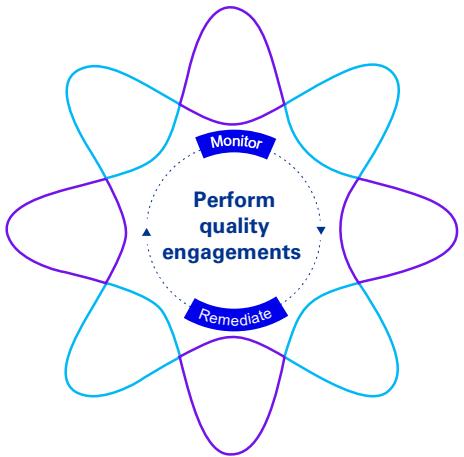
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# Monitor and remediate

- **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.

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## 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 evaluation of our SoQM operating effectiveness. These programs include:

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

The results of the integrated monitoring and compliance programs are communicated and we establish action plans to make improvements where needed. Results are also considered by KPMG International.

### **Audit Quality Performance Reviews (QPR) program**

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

#### *Risk-based approach*

Each engagement leader is reviewed at least once in a four-year cycle. A risk-based approach is used to select engagements.

We conduct the annual QPR program in accordance with KPMG International QPR instructions which promote consistency across the KPMG organisation. 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 organisation, 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'.

### **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 support their compliance with 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

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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**

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

Findings are also emphasised 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 findings identified through our monitoring and compliance programs. Progress on action plans is monitored and results are reported, as appropriate, to regional and global leadership.

## **Obtain, evaluate and act on stakeholder feedback**

### **Regulators**

In Nigeria, the Audit Regulations, 2020 empowers the Financial Reporting Council of Nigeria to carry out inspections and quality reviews for firms that audit more than twenty (20) Public Interest Entities (PIEs).

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**

We proactively seek feedback from clients through in-person conversations and third-party

surveys to monitor their satisfaction with services delivered.

### **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 in the "Tone at the top" section.

### **Other assessment of audit quality**

#### **Second Line of defence (2LoD)**

The objective of the 2LoD program is to enhance audit quality by conducting independent reviews of areas of focus on audit engagements and providing direct real time support and coaching to engagement teams before the audit opinion is issued with the goal of helping the audit team deliver an audit that complies with the relevant professional standards.

Engagements are selected for a 2LoD review based on approved selection criteria with the focus being on listed and high-risk engagements.

A 2LoD program is used for each review and contains key areas of focus which considers the findings from our most recent internal quality reviews and regulatory reviews. Each review covers the planning and risk assessment, control

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and substantive testing, including general IT controls, and the completion phases of the audit. Our review program is updated periodically to ensure that we focus on emerging risk areas and themes identified in monitoring activities

#### **Pre-Issuance Review**

Pre-issuance reviews of audited financial statements are carried out in accordance with local policy and internally established criteria which primarily consider engagement complexity and risk profile of the clients/ engagements.

### **Perform root cause analysis and design and implement remedial action plans**

In our firm, our SoQM provides the foundation for consistent delivery of quality engagements and our Root Cause Analysis (RCA) program is an integral element of the monitoring and remediation component of the SoQM, driving enhancements to audit quality. Leveraging inputs from internal monitoring programs, external inspections and

other activities, we identify audit quality issues and undertake root cause analysis corresponding to the nature and severity of the issues. We continue to strengthen our root cause analysis process and have designed our RCA program in accordance with globally consistent RCA training materials and KPMG International's RCA guide.

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. The RCA remedial action plans and monitoring results are reported to regional and global leadership.

Our Head of Audit is responsible for audit quality, including the remediation of audit quality issues. Our firm's RMP monitors the remediation plans' implementation.

Over the last year, we conducted three (3) formal RCA projects. The RCA is performed by a team trained in our Global root-cause analysis 5-step methodology who are objective of the engagement team.

The outcome of this process is increased visibility of the underlying factors that hinder the consistent delivery of high-quality audits. This improved visibility allows us to develop more insightful and focused actions. These actions are broader than training, tools and guidance and are designed to address behavioural and structural matters in addition to areas such as technical knowledge and work allocation.

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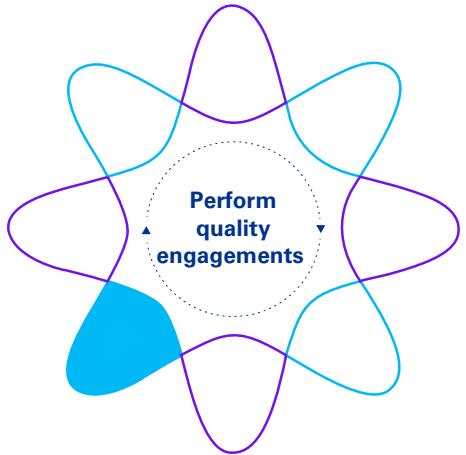
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# Communicate effectively

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

We recognise 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

### Communications 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.

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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 Nigeria Board Governance Centre**

The KPMG Nigeria Board Governance Centre (BGC) is a dedicated forum that provides Board members and audit committees with insights and resources to keep abreast of current and emerging governance issues.

The KPMG Nigeria BGC offers thought leadership and timely resources including periodic seminars and round tables to host the exchange of views and support Board members (including Board sub-committee members) in clarifying and enhancing their governance practices in the midst of rapidly evolving corporate governance landscape in Nigeria.

The KPMG Nigeria BGC holds a series of events annually. These events addressed various current issues facing audit committees, including the relationship between auditors, audit committees, executive management and investors; and issues around audit firm/corporate culture.

### **Global IFRS Institute**

The KPMG [Global IFRS 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 audits in line with our audit quality expectations. Annually, our personnel are invited to participate in KPMG's Global People Survey (GPS) to share their perception on their experience of working at KPMG. Results can be analysed by several factors, including functional or geographic area, grade and gender 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 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 insights related to quality and risk behaviours, audit quality, upholding the KPMG Values, and employee and partner attitudes to 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 organisation 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 consideration of appropriate remedial action, if needed. A global GPS action plan for audit is also communicated annually.

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# Financial Information

Total revenue for the financial year ended 30 September 2024 is presented here. The figures have been categorised in accordance with Rule 12: Audit Transparency Report, issued by the Financial Reporting Council of Nigeria.

Revenue Description (FY24)	Naira (Billion)
Revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity	<b>9.81</b>
Revenues from the statutory audit of annual and consolidated financial statements of other entities	<b>4.77</b>
Revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm	
<i>Assurance services</i>	<b>0.68</b>
<i>Other services</i>	<b>3.36</b>
Revenues from non-audit services to other entities	
<i>Assurance services</i>	<b>0.20</b>
<i>Other services</i>	<b>27.77</b>
<b>TOTAL REVENUE</b>	<b>46.59</b>

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# Partner remuneration

## Partners' profit share

Partners are remunerated out of the distributable profits of the firm (such profits being determined by the General Assembly of Partners) and are personally responsible for funding pensions and most other benefits. The final allocation of profits to partners is made by the Senior Partner with the assistance of the Executive Committee after assessing each partner's contribution for the year. The partners approve changes to the Compensation Model at the general meeting based on recommendations of the Partners' Compensation Committee.

There are two elements to partner remuneration:

### – Base component

A proportion of the KPMG firms' budgeted profits are allocated to members as base component; this is effectively member salary. The amount of base component reflects the role and seniority of each partner.

### – Profit-related performance component

Rewards performance in the year by each partner against individual objectives previously agreed and the overall profits of their part of the firm as a whole. Our policies for this variable element of partner remuneration take into account a number of factors, including quality of work, excellence in client service, growth in revenue and profitability, leadership and living the KPMG Values. 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.

### Drawings

During the year, partners working within KPMG in Nigeria received monthly drawings and from time to time, additional profit distributions. The level and timing of the additional distributions are decided by the General Assembly of

Partners taking into account cash requirements for operating and investing activities. All such drawings and profit distributions to partners represent payments on account of current year profits and are reclaimable from members until profits have been allocated. Any over-distribution of profits during the year is also recoverable from partners.

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# 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 multinational corporate entity. 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 organisation 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.

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, or in a principal or agent relationship or partnership with each other. No member firm

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

## 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 having a firm structure that ensures continuity and stability and being able to adopt global strategies, share resources (incoming and outgoing), service multi-national 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 organisation 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

KPMG International's governance bodies are comprised of the Global Council, the Global Board (including its committees), the Global Management Team and the Global Steering Groups.

### Global Council

The Global Board is the principal governance and oversight body of KPMG International. The key responsibilities of the Global Board include approving global strategy, protecting and enhancing the KPMG brand and reputation, overseeing the Global Management Team and approving policies with which KPMG firms have agreed to comply. It also approves the admittance or termination of KPMG firms to/from the global organisation.

It is led by the Global Chairman, Bill Thomas, and includes the Chairman of each of the regions (the Americas; Asia Pacific (ASPAC); and Europe, the Middle East, and Africa (EMA)) and a number of members who are also member firm Senior Partners.

The list of current Global Board members, is available on the [Leadership page](#) of kpmg.com.

### Global Board Committees:

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

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

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

The overarching responsibility of the Global Audit Quality Committee is to strive for consistent audit quality across all firms and to oversee KPMG International activities which relate to improving and maintaining the consistency and quality of audits, assurance engagements and the system of quality management provided by KPMG firms. The Global Head of Audit and the Global Head of Audit Quality (the latter being responsible for oversight of audit quality across KPMG for KPMG International) report on audit quality matters to this committee.

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## Global Management Team

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

It is led by the Global Chairman, Bill Thomas.

The list of current GMT members is available on the [Leadership page](#) of KPMG.com.

## Global Steering Groups

There is a Global Steering Group for each key function and infrastructure area, chaired by the relevant member of the GMT and, together they assist the GMT in discharging its responsibilities. They act under delegated authority from the Global Board and oversight by the GMT.

In particular, the Global Audit Steering Group and Global Quality & Risk Management Steering Group work closely with regional and member firm leadership to:

- Establish, and ensure communication of, appropriate audit, quality and risk management policies;
- Establish and support effective and efficient risk processes to promote audit quality;

- Promote and support strategy implementation in member firms' audit functions, including standards of audit quality; and
- Assess and monitor audit quality issues, including those arising from quality performance and regulatory reviews, and focus on best practices that reduce audit quality findings.

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

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# Statement on the effectiveness of the System of Quality Management of KPMG in Nigeria as at 30 September 2024

As required by the International Auditing and Assurance Standards Board (IAASB)'s International Standard on Quality Management (ISQM1) and KPMG International Limited Policy, KPMG Professional Services 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:

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

We outline how our System of Quality Management supports the consistent performance of quality engagements in the 2024 Transparency Report.

Integrated quality monitoring and compliance programs enable us 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 we perform our annual evaluation of the System of Quality Management, we evaluate the severity and pervasiveness of the identified deficiencies by investigating the root causes, and by evaluating the effect of the identified deficiencies individually and in the aggregate, on the System of Quality Management, with consideration of remedial actions taken as of the date of the evaluation.

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

Lagos, Nigeria  
30 December 2024

**Tola Adeyemi**  
**Senior Partner**



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# Appendix 1: Key legal entities and areas of operation

Name of Entity	Legal Structure	Regulatory Status	Nature of Business	Area of Operation
KPMG Professional Services	A partnership registered under Nigerian laws. All its partners have equal holdings	It is subject to the regulatory control of the Corporate Affairs Commission (CAC) and the Financial Reporting Council (FRC) of Nigeria	Partnership	Provision of Audit Services
KPMG Advisory Services	A partnership registered under Nigerian laws. All its partners have equal holdings	It is subject to the regulatory control of the Corporate Affairs Commission (CAC)	Partnership	Provision of Tax and Advisory Services
V.I. Services Limited	A company incorporated under Nigerian laws	It is subject to the regulatory control of the Corporate Affairs Commission (CAC)	Limited Liability Company	Provision of Company Secretarial Services
KPMG Delivery Center Services	A partnership registered under Nigerian laws. All its partners have equal holdings	It is subject to the regulatory control of the Corporate Affairs Commission (CAC)	Partnership	Office Administration, Office Support and Business Support Activities

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# Appendix 2: Details of those charged with governance at KPMG in Nigeria

The following table is illustrative of the proposed level of disclosures for each partner who is charged with governance at a national level – the details and presentation are a matter for the individual member firm.



**Tola Adeyemi**  
Senior Partner



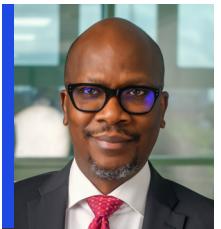
**Toyin Gbagi**  
Partner and Chief  
Operating Officer



**Goodluck Obi**  
Partner and Head  
Audit



**Wale Ajayi**  
Partner and Head  
Tax, Regulatory &  
People Services



**Olumide Olayinka**  
Partner and Head  
Advisory



**Chibuzor Anyanechi**  
Risk Management  
Partner



**Segun Sowande**  
Partner and Head  
Strategy & Markets



**Tomi Adepoju**  
Partner and Head  
People & Partner Matters

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# Appendix 3: Public Interest Entity Audit Clients

9japay Microfinance Bank Limited  
Access Bank Plc  
Access Holdings Plc  
Accion Microfinance Bank Limited  
Africa Finance Corporation  
AFC Capital Partners Nigeria Limited  
AIICO Balanced Fund  
AIICO Eurobond Fund  
AIICO Money Market Fund  
Alerzopay Limited  
ASHA Microfinance Bank Ltd  
Asiko Power Limited  
Asset Management Corporation Of Nigeria  
AXA Mansard Health Limited  
AXA Mansard Insurance Plc  
AXA Mansard Investments Limited  
Bank Of Industry Limited  
BAOBAB Microfinance Bank Nig  
British American Tobacco (Nigeria) Limited  
British American Tobacco Marketing Nigeria Limited  
CAN Fund Manager Limited  
CAN Private Equity Fund LP  
Capital Trust Halal Fixed Income Fund

Capital Trust Investment & Asset Management  
Carbon Finance And Investment Limited  
Central Bank Of Nigeria  
Central Securities Clearing System PLC  
Certari Asset Management Limited  
Checkoff Finance Company Limited  
Chemical and Allied Products Plc  
Citibank Nigeria Limited  
Coral Balanced Fund  
Coral Income Fund  
Coral Money Market Fund  
Cornerstone Insurance Plc  
Cornerstone Leasing And Investment Limited  
Coronation Merchant Bank Limited  
Corporate Affairs Commission  
Cosmic Intelligent Labs Ltd  
Dangote Cement Plc  
Development Bank Of Nigeria  
Emirate Mining & Geominerals Ltd  
Entec Power & Utilities Company Limited  
Exxonmobil Upstream Affiliates (Nig.) Pension Trust Fund  
Fast Credit Limited  
Fast Credit Limited Funding SPV PLC

FBN Holdings Plc  
FBNQuest Asset Management Limited  
FBNQuest Capital Partners Limited  
FBNQuest Funds Limited  
FBNQuest Merchant Bank Limited  
FBNQuest Securities Limited  
FBNQuest Trustees Limited  
Fidelity Pension Managers Limited  
Fidelity Pension Retirement Savings Account Fund I  
Fidelity Pension Retirement Savings Account Fund II  
Fidelity Pension Retirement Savings Account Fund III  
Fidelity Pension Retirement Savings Account Fund IV  
Fidelity Pension Retirement Savings Account Fund V  
Fidelity Pension Retirement Savings Account Fund VI  
Fidelity Pension Transitional Contributions Fund  
Fin Insurance Company Limited  
Financial Services Innovators (FSI)  
First Bank Of Nigeria Limited  
First Pension Custodian Nigeria Limited  
First Trust Mortgage Bank Plc  
Flour Mills of Nigeria Plc  
Food Concepts Plc  
Frontier Oil Limited

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FSDH Asset Management Limited

FSDH Capital Limited

FSDH Dollar Fund

FSDH Funding SPV PLC

FSDH Holding Company Limited

FSDH Merchant Bank Limited

Gasland Nigeria Limited

Gladius Mines Limited

GNI Healthcare Limited

Grand Cereals Limited

Great Nigeria Insurance Plc

Guaranty Trust Fund Managers Limited

Hope Payment Service Bank

Hydrogen Payment Services Company Ltd

Hydropolis Mining Nigeria Limited

Hygeia HMO Limited

Ibom Power Company Limited

Ikeja Electricity Distribution Company Plc

Impact Credit Guarantee Company Limited

Indorama Eleme Petrochemicals Limited

Indorama Pet (Nigeria) Limited

Infrastructure Credit Guarantee Company Limited

International Institute of Tropical Agriculture

Investment One Financial Services Limite

Investment One Stockbrokers Limited

IPL Disco Ltd

Island Power Limited

Jos Electricity Distribution Plc

KAM Industries Nigeria Limited

Lagos Channel Management Ltd

Lagos Commodities And Futures Exchange

Lagos Metropolitan Area Transport Authority (LAMATA)

Lapo Microfinance Bank Limited

Lapo SPV Plc

Leadway Assurance Company Limited

Livestock Feeds Plc

Mainstream Energy Solutions Limited

Marine Power Ltd

Mutual Benefits Assurance Plc

Mutual Benefits Life Assurance Limited

National Association of Securities Dealers Plc

Neconde Energy Limited

Nem Insurance Plc

Nexen Petroleum Nigeria Limited

Nigeria Deposit Insurance Corporation

Nigeria Interbank Settlement System Plc

Nigerian Bulk Electricity Trading Plc

Nigerian Export Import Bank

NIRSAL Microfinance Bank Limited

Northern Nigerian Flour Mills Plc

Ocean Deep Drilling Esv Nigeria Limited

Okpella Cement Plc.

Ondo State Water Corporation

Optimus Bank Ltd.

Orange One Finance Limited

Parthian Partners Funding SPV Plc

Parthian Partners Limited

Parthian Securities Limited (Formerly PSL Capital Limited)

Parthian Technologies Limited

Payattitude Global Limited

Pensions Alliance Limited

Pfizer Specialties Limited

Pipp Lvi Disco Limited

Pipp Lvi Genco Limited

PNG Gas Limited

Premium Edible Oil Products Limited (Formerly Rom Oil

Mills Limited)

Premium Pension Limited

Premium Pension Retirement Savings Account Fund I

Premium Pension Retirement Savings Account Fund II

Premium Pension Retirement Savings Account Fund III

Premium Pension Retirement Savings Account Fund IV

Premium Pension Retirement Savings Account Fund V

Premium Pension Retirement Savings Account Fund VI

(Active)

Premium Pension Retirement Savings Account Fund VI (Retiree)

Premium Pension Transitional Contributions Fund

Pressure Control Systems Nigeria Limited

Promasidor Nigeria Limited

Qore Technologies Limited

Quest Electricity Nigeria Limited

Reckitt Benckiser Nigeria Limited

Red Star Express Plc

Remita Payment Services Limited

Renaissance Securities (Nigeria) Limited

Rencap Securities (Nigeria) Limited

Ringardas Nigeria Limited

Robust International Commodities Limited

SAIPEM Contracting Nig Ltd

Sankore Global Investments Limited

Sankore Securities Limited

Sanlam General Insurance

Sanlam Nigeria insurance Limited

Seven-Up Bottling Company Limited

Shago Payments Limited

Shoreline Natural Resources Ltd

Sinic Engineering Limited

SINOPEC International Petroleum E&P CO.

South Atlantic Petroleum Ltd.

SPOK Naira Fund

Stanbic IBTC Balanced Fund

Stanbic IBTC Bond Fund



Stanbic IBTC Dollar Fund  
Stanbic IBTC Enhanced Short term Fixed Income Fund  
Stanbic IBTC ETF 30  
Stanbic IBTC Ethical Fund  
Stanbic IBTC Guaranteed Investment Fund  
Stanbic IBTC Imaan Fund  
Stanbic IBTC Infrastructure Fund  
Stanbic IBTC Money Market Fund  
Stanbic IBTC Nigeria Equity Fund  
Stanbic IBTC Pension ETF 40  
Stanbic IBTC Retirement Savings Account Fund I  
Stanbic IBTC Retirement Savings Account Fund II  
Stanbic IBTC Retirement Savings Account Fund III  
Stanbic IBTC Retirement Savings Account Fund IV  
Stanbic IBTC Retirement Savings Account Fund V  
Stanbic IBTC Retirement Savings Account Fund VI (Active)  
Stanbic IBTC Retirement Savings Account Fund VI (Retiree)  
Stanbic IBTC Shariah Fixed Income Fund  
Stanbic IBTC Transitional Contributions Fund  
Stanbic IBTC Umbrella Fund  
Strom Infrastructure Investment & Management Limited

Sunbeth Global Concepts Limited  
Sunlink Energies and Resources Limited  
Systemspcs Holdings Limited  
Tangerine General Insurance Limited  
Tangerine Life Insurance Limited  
TangerineAPT Pensions Ltd  
The Nigerian Security Printing And Minting Company Limited  
Titan Trust Bank Limited  
Total Health Trust Ltd  
Travelex Retail Nigeria Limited  
Trustfund Pensions Limited  
Trust Fund Retirement Savings Account Fund I  
Trust Fund Retirement Savings Account Fund II  
Trust Fund Retirement Savings Account Fund III  
Trust Fund Retirement Savings Account Fund IV  
Trust Fund Retirement Savings Account Fund V  
Trust Fund Retirement Savings Account Fund VI  
UAC Foods Limited  
UAC of Nigeria Plc  
Uhuru Capital Limited  
Uhuru Investment Partners Nig. Ltd

Unified Payment Services Limited  
Unilever Nigeria Plc  
Unitrust Insurance Company Limited  
Unity Bank Plc  
Valualliance Asset Management Limited  
Valualliance Money Market Fund  
ValuAlliance Value Fund  
Venus Medicare Limited  
Viathan Funding Plc  
Waltersmith Petroman Oil Limited  
Waltersmith Refining And Petrochemical Company Limited  
Wema Funding SPV Plc  
Wema Bank Plc  
West African Infrastructure Investment Management Limited  
Worldwide Commercial Ventures Ltd  
Yinka Folawiyo Petroleum Company Limited  
Yola Electricity Distribution Company Plc  
Zenith General Insurance Company

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