

Corporate Social Responsibility Report

Fuelling prosperity together 2015 2016

Community People Sustainability

kpmg.com/nz



He ana te meanui? He tangata He tangata He tangata

What is the most important thing? It is people. It is people. It is people! At KPMG we are very clear on our purpose and our people have a clear set of values to live and work by. These values determine how we interact with clients, with each other and with the world around us. They define what we stand for and how we do things.

One of KPMG's values is commitment to our communities.

Welcome to our Corporate Social Responsibility Report for 2015/2016, where we reflect on the work of some of our incredible non-profit partners, and the various ways our people contribute their skills and experience to make a real difference in our communities. We are proud to introduce the beginnings of our new diversity & inclusion strategy, and a review of our sustainability performance.

All these activities align with KPMG's wider purpose of Fuelling New Zealand's Prosperity. We strive to create sustainable, long-term economic growth... not only for the benefit of our clients, but for all New Zealanders.

KPMG were delighted to have our efforts recognised at the 2016 BACS Good Business Eggs Awards, receiving the award for Education and Skills.

We hope you enjoy reading our stories; and as always, we welcome your feedback.

less Buckley

Ross Buckley Executive Chairman

Killowe

Kim Jarrett Chairman, National Communities Team

Contents

Quick facts	2
Community overview	3
Education and Skills	5
Fuelling New Zealand's Prosperity	7
Better work stories	9

Freed up to give back
Diversity and inclusion
Sustainability
Making it meaningful
Making it personal

Making it local	29
Togs, togs, togs!	32
Making it national	33
On yer bike!	43
Living our values	45

13

17

21

26

27



Quick facts

KPMG is a New Zealand Partnership and is a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

We're a nation-wide team of **1,000+** professionals



We provide

Services

across Audit, Tax, Advisory and Private Enterprise

Our

clients ~

include private businesses, publicly-listed companies, Government, public sector and not-for-profit organisations

2015 Community OVERVIEW

We encourage and support our people to share their unique professional talents, skills, passion, time and resources. Our people's personal efforts – coupled with our financial contributions – are making a real difference to a diverse number of not-for-profit organisations and charities.

In 2015, the firm contributed more than \$3.6m through pro bono work, trustee roles, volunteering and donations.

Ross Buckley Executive Chairman

Total community investment

Pro Bono

8,536 HRS

\$**2,356,607***

Volunteering **2,059** HRS

^{\$}561,090^{*}

Trustee roles

945 HRS

^{\$}621,083^{*}

* Based on KPMG's standard hourly rates

^{\$}86,700

event support

Donations, community sponsorships and

Total

11,540 HRS

\$3,625,480

VOLUNTEER DAYS: 275 UP 78% FROM 2014

Youth





From left: Trevor Easton, OUTLine; Dr Ang Jury, Women's Refuge; Justine Todd, KPMG and Mat Scott, Father and Child Trust Insert: Dain Guttenbeil, Centre for Social Impact; Shaun Sutton, Teach First NZ; Justine Todd, KPMG and Guy Ryan, Inspiring Stories

BACS EGG BUSINESS EGG AWARDS 2016 WINNER Education and Skils

On 21st April, hosted at The Warehouse's Corporate Office in Auckland, Business and Community Shares (BACS) celebrated their fourth annual Good Business Eggs Awards.

The awards aim to showcase the best of community investment by businesses throughout New Zealand. Awards were presented across three categories – and there were 16 finalist organisations, selected from an original 85 community-nominated organisations.

KPMG were delighted to pick up the award for Education and Skills, which is a testament to our people's professional and personal efforts for community organisations.

I'd particularly like to acknowledge the work done by our National Communities Team (NCT) across the country to help drive and enable our community strategy of Youth+. The NCT members do this role on top of their 'day jobs' and are a vital part of making our community engagement happen.

And to all our KPMG colleagues who take up volunteering, pro bono jobs or leadership roles in the community... thank you for helping KPMG to live its values and purpose, by helping to make New Zealand a better place for all of us. "The firm doesn't try to steamroll its own ideas into the community sector but works with established not-for-profit organisations to access their expertise. To have a dedicated internal working group for community engagement is a professional approach."

BACS Community panelist comment

We'd also like to congratulate the other winners and finalists.

BACS Good Business Egg Award Winners 2016:

Health and Wellbeing

WINNER: Countdown

RUNNERS UP: Fonterra, CQHotels Wellington

PRESENTED BY: The Women's Refuge

Education and Skills

WINNER: KPMG

RUNNERS UP: ANZ, Genesis Energy

PRESENTED BY: Father and Child Trust

Community Empowerment

WINNER: Contact Energy

RUNNERS UP: The Warehouse, New Zealand Rugby

PRESENTED BY: OUTLine New Zealand



Justine Todd KPMG National CSR Manager



BACS is an organisation made up of business and community organisations that care about people sustainability. BACS provides opportunities to make meaningful connections to share information, skills and wisdom throughout New Zealand.

www.bacshares.org.nz

Fuelling New Zealand's Prosperity

We believe:

In Fuelling Prosperity, for New Zealand, for all New Zealanders. Titokona tō tātou tōnuitanga, mō Aotearoa, mō Tātou.

FUELLING >> PROSPERITY

We're proud that KPMG is New Zealand-owned. So when we set out to identify our purpose, our focus naturally turned to the country we live in.

In 2013, we identified 'Fuelling New Zealand's Prosperity' as our purpose. In a powerful way, it links the work our people do to creating a better future for all New Zealanders. When we help our businesses to flourish, we create a stronger, more sustainable nation. And by sharing our expertise and knowledge with our communities, we're helping to build new opportunities where they're needed most.

In the following pages we showcase some of our peoples involvement with a selection of community partners.

Ross Buckley Executive Chairman





















Better Work Stories

It's a pretty amazing feeling, to be able to use your talents and abilities to achieve something that's close to your heart. That's exactly what many of us get to do through KPMG's pro bono work. Here are five examples of KPMG people who are creating 'better work stories'.



















DAVID KING Director Transaction Services, Auckland

Making smart connections

I'm one of the founding members of Donating Brains, which is a new model for connecting skilled volunteers with charities.

We realised that while there are plenty of opportunities for volunteering activities that require physical skills, such as tree-planting or collecting donations, there were fewer opportunities available for people to donate their professional skills. We researched the reasons for this – and discovered the biggest barrier was that charities simply don't have the time and resources to find the right people.

A key part of the Donating Brains model is the role of the 'skills partner'. This is someone from within the corporate who takes ownership of the partnership – they identify the needs of the charity, and match up people with the appropriate skills from within their organisation. So far, the Donating Brains team has run two successful pilot programmes, both through KPMG. Speaking to numerous charities gave us a real insight into the challenges behind effectively utilising skilled volunteers. Those organisations who can get it right (both corporates and charities) will be in a position to reap great rewards.

Having proven the success of the model, Donating Brains is now encouraging other corporates – and charities – to get involved. We've also written a guide to running a successful programme.

To find out more go to:

www.committeeforauckland.co.nz/ donatingbrains



KEN STEPHENS Partner KPMG Private Enterprise, Hamilton

Helping others make a difference

Angel Casts creates beautifully detailed hand and feet replicas of a baby or child for parents that suffer the loss of a child. This tangible keepsake offers great comfort and healing for grieving parents. This service is free.

Until recently this service was provided and primarily funded by Jen Christiansen and her family. While there was fundraising and support from the public, the level was not sustainable.

Late in 2015, KPMG got involved to help establish a charitable trust and to provide on-going pro bono accounting services. Establishing the charitable trust with donee status gives Angel Casts the opportunity to apply for a much broader range of funding (and tax credits or deductions for those donating). KPMG is incredibly proud to support such a worthy cause. KPMG's purpose is Fuelling New Zealand's Prosperity – part of this story is about supporting people that help others through the toughest times imaginable. Importantly KPMG was able to call on our strong corporate relationships with McCaw Lewis to provide pro bono legal services and ASB to provide banking services. Without this additional professional support, offered without hesitation, we would not have been able to establish this charity.

Personally, with three boys under six this charity is very close to my heart. To hear the stories and read the testimonials from parents that have received an Angel Cast is incredibly moving, what Jen does makes a real difference to people. To be involved in helping behind the scenes is very rewarding.



STEPHANIE WARD Senior Manager Corporate Finance, Wellington

Driving social investment

I have been working with Philanthropy New Zealand (PNZ) to support the growth of social investment to New Zealand charities and social enterprises. Social investment is debt and equity products that make both a financial and a social return, for example by helping a charity expand its successful operations or by providing working capital into a payment-byresults contract. I strongly believe there is an opportunity to increase the social impact of New Zealand's social services through new funding arrangements that are more flexible and have a longer term focus than traditional grant funding.

There are great examples of social investment overseas that are driving real results in communities.

Through the work with PNZ we've found a community of philanthropists, charities and commercial investors that share our ambition. Together, we have shaped up the social investment concept and are exploring opportunities to collaborate with Government.

We are particularly keen to leverage the new data sets being made available by Government which can help inform due diligence of social investments and tracking of social return.



LEON BOWKER Senior Manager Corporate Finance, Auckland

Helping charities make informed business decisions

Whangarei Youth Space is a charitable trust that provides a social and recreational activity space for youth; with the aim of improving health, employment and community outcomes for young people in the region.

Youth Space wanted to acquire an existing health clinic that provided a free, confidential and accessible service – and they sought our help to identify possible issues with the proposed acquisition.

I worked closely with Youth Space to understand their organisation and provide them with practical advice regarding the acquisition. In particular, our report identified the transition issues, financial impact, and benefits of the proposed acquisition. Our support enabled Youth Space to understand the risks involved with the transaction and to properly assess whether it could fund the health clinic.

Youth Space has now acquired the health clinic and the integration has been a success. As a born and bred Northlander, it was a great opportunity to assist a local organisation that provides an important service for local young people.



MATTHEW RYAN Manager Audit, Auckland

Mentoring a new generation of social entrepreneurs

I volunteered to mentor a University Student participating in Inspiring Stories programme, Live the Dream, an intensive accelerator programme for Kiwis passionate about starting a social enterprise. I had previously worked with high school aged students in Canada helping them launch small enterprises, so Live the Dream seemed like a natural next step while here in New Zealand on secondment. What I liked about Live the Dream was the opportunity to work with an entrepreneurial young person and help introduce them to business concepts, as well as the social enterprise element, where a successful venture has the potential to make a huge difference to the community.

The 'speed-dating' event at the start was a great way to hear about the possible ventures and identify people or teams with ideas I could relate to and add value. My mentee wanted to tackle the issue of isolation experienced by individuals as they age. We focused a lot of our meetings on defining what potential solutions could be and how we would link that to a potential enterprise. Mentoring within such a compressed timeframe of the summer holidays, where you meet, start work immediately and get to know each other along the way, can be a bit challenging and so I was able to share skills around helping my mentee with time management and business expectations.

I believe Live the Dream can help individuals with a passion to start an enterprise get the support they need to develop valuable skills for the journey. I think it's a great programme for KPMG to continue to be involved with, and we might be able to play a small role in 'the next big thing'.



















Freed up to give back























MATT PRICHARD Partner Audit, Auckland

Family helps out in the Pacific

Partner Matt Prichard is back from Vanuatu with his wife Leanne and five kids.

KPMG gave Matt nine months leave of absence to allow him to support Leanne's work running a small hospital on cyclone-ravaged Tanna Island in Vanuatu.

"It's by far the hardest thing we've ever done" said Matt, back at work and wearing shoes and long pants for the first time in nine months.

Leanne works as an Emergency Specialist in Waitakere and North Shore Emergency Departments, and, not one to waste an opportunity, was able to get her employer to stretch her maternity leave after the birth of their youngest daughter last year.

"We knew we were going into a very simple life, and that it would take a lot of energy for Leanne to get the hospital into shape, but it really did take everything we had!"

For most of their time there, Leanne was the only doctor on an island with a population of nearly 30,000.

Doctoring meant not only running the 50 staff who run the small hospital, but also heading out to run clinics in the mountainous interior of the island, and visiting the other smaller islands in the TAFEA province.

"We loaded the kids on the back of the ute, and went everywhere that mum went," said Matt. "That meant long days on muddy, rutted tracks to get to the more remote villages, but the kids loved every minute of it."

While Leanne was providing the essential medical care 24-7, Matt ran the household and took on local community projects that just needed some energy and diplomacy to get going.

"One of the best things we did over there was get started on rebuilding the nurses' and other staff's homes" said Matt. "We had the money there from overseas donations, we had a builder ready to go, we had materials ready to be loaded on a ship in Port Vila, but it took weeks of negotiation to get the Ministry of Health Officials to approve the work so we could get these hard working nurses into dry homes."





He also became an honorary member of the TAFEA Women's Association committee, when he found out they were running their meetings and community work under a banyan tree because nobody would let them use the Womens' Skills Centre that had been built by Rotary Australia, but never opened for two years. "These sort of things, you just had to laugh, then get stuck into fixing them" Matt says. "Women get a hard time in the local culture, and some of the men didn't like the idea of them having this building and taking classes. But with a bit of a push we got the keys, set up the brand new sewing machines and computers, had a massive opening ceremony and got classes started."

Leanne's experience working in Botswana and her Diploma in Tropical Medicine from London gave her a great headstart with the medical work, but there were a few nasty surprises for her to adjust to.

"The level of poverty, especially in the remote villages, was quite shocking" she says. "I was expecting very basic conditions, but I had to quickly get used to the fact that I was seeing infants dying in the hospital from malnutrition right here on our doorstep in the Pacific." Malnutrition became a real focus of Matt and Leanne's time on Tanna. The problem is complex, but stems from a lack of readily available protein in the diet of most people, combined with drought-affected crop failure and a poor understanding of the importance of protein for infants in particular.

Matt and Leanne say it was too hard to make a real impact in the time they had there, and with the demands of Leanne's work and running the family, but they are are determined that the level of infant malnutrition is an issue that can be solved. "There's a real opportunity to take the various NGOs, together with the local medical staff and some more input from the Ministry of Health, and get that death rate down to zero" says Matt. Matt and Leanne hosted the New Zealand and Australian General Managers of global pharmaceutical giant GlaxoSmithKline during a fact-finding mission for them on the island, and presented them with a proposal to help fund a separate ward to focus on malnutrition. "It's still only the ambulance at the bottom of the cliff", says Leanne, "but we need to be able to save the kids who make it to hospital, and that means keeping them away from the other patients so they don't end up dying of

"Take your kids to tough places, they're tougher than you think, they love spending time with mum and dad no matter what, and they love adventure."

Matt



complications from the bugs they are exposed to. It also means being able to house their mothers with them for long stays, and teaching them how to find and cook food for their babies that are high protein". Leanne's video interview during that visit was headlined on the HuffingtonPost site, and also got coverage on Radio New Zealand.

Matt and Leanne's kids were 7, 5, 2 and 4 months old when they left New Zealand, so that meant homeschooling was a big part of the day for Matt to keep the two oldest children challenged. "That was one of the best things" says Matt, "to have the time and opportunity to focus directly on your kids and what they're learning is just magic".

Late in their stay, the family expanded to seven, when they took in, and subsequently adopted a young one-yearold Nivan baby girl, who firstly needed intense care and feeding. In a matter of weeks, she went from a terribly sick 4.2kg bag of bones to a 7.6kg ball of chubby giggles. What started off as an agreement with her parents to look after her and get her well, turned into a permanent new addition when they approached Matt and Leanne and said they'd like them to take her back to New Zealand when they go. That started five weeks of intense project management of the adoption through the Vanuatu courts and then immigration processes to get her back home. "It was an easy decision for us"

says Matt, "by the time her parents asked us to take her permanently, we were totally smitten!"

When pushed, Matt and Leanne have two bits of advice coming out of their time away:

"Take your kids to tough places, they're tougher than you think, they love spending time with mum and dad no matter what, and they love adventure!" says Matt.

Leanne has the last word:

"Take your first-world education and skills, mix it with your kiwi ability to get along with people from anywhere, and you can make an enormous difference in places less lucky than here".

Matt says coming home after all of that adventure and experience has been strange for the family. The kids have adapted extremely quickly back into school and kindergarten, and it's the adults who take longer to get their heads shifted into the New Zealand life.

"Life here is a lot more comfortable", says Matt, "but it's a big mental shift to refocus on work and the kids schedule of school and other activities. We're both extremely grateful to KPMG and Leanne's employer that we've had this opportunity, with the comfort of knowing we still have great careers and a family life to come back home to now."

Read more at their blog: www.mattleeadventures.com "Take your firstworld education and skills, mix it with your kiwi ability to get along with people from anywhere, and you can make an enormous difference in places less lucky than here."

Leanne



















Diversity and Inclusion











17















KERRY BUTLER Head of People, Performance and Culture Auckland

The importance of people

Diverse ideas, perspectives, and experiences drive innovation – and success. That's why we're invested in developing, retaining and advancing diverse, high-performing professionals. While we embrace the individual, we know we're stronger together; we naturally work better as a team.

We know the importance of understanding what our people value most in their relationship with us, examined across the areas of reward, opportunity, culture, work and people. And we know that our people will not value the same things; expectations and ambitions will differ depending on age and stage of life or career, gender, personal circumstances and background and any number of other individual factors.

Our ability to understand how differently individuals value these aspects of their employment relationship will determine how successfully we can find, grow and retain all our people, today and into the future.



ROSS BUCKLEY Executive Chairman Auckland

Proud to be KPMG

KPMG was New Zealand's first 'Big Four' accounting firm to achieve Rainbow Tick certification.

The Rainbow Tick programme is a continuous quality improvement programme designed to help an organisation ensure it is a safe and welcoming workplace for employees. While many diversity and inclusion programmes address the areas of gender balance, ethnicity and ability, the Rainbow Tick addresses sexual and gender diversity, demonstrating a business is an inclusive organisation for people who are lesbian, gay, bisexual, transgender, takatapui and intersex. Respecting the individual is one of KPMG's seven core values, the cornerstone of KPMG's culture, where people share knowledge freely, bringing out the best in each other and encouraging people to be the best they can be.





KIM JARRETT Tax Partner and Diversity & Inclusion Lead Auckland









Diversity and Inclusion (D&I) strategy

I believe there are no limits on how great KPMG can be – especially when our people feel free to bring their authentic selves to work every day; sharing their ideas and passions in ways that enhance our culture, foster innovation, add value to our clients, fuel prosperity in our communities, and drive the firm's success.

As a woman leader at KPMG I feel I have a special duty to make a contribution to help advance the next generation of women leaders. And as a business leader, I think that, in a world facing issues we have never faced before, businesses need diversity of thought so they can contribute to the development of sustainable and socially responsible solutions to these issues.

I am proud of the progress we have made in the short time we have been focusing on D&I here in New Zealand. We reviewed our flexible working policy, with a goal to making it easier and more accessible to more of our people, and we recently received Rainbow Tick certification. We are a member of Diversity Works and Global Women. We are a signatory to the Champions for Change initiative and to the UN Women's Empowerment Principles. We are also proud to support Rebecca Armour and Shelley Drylie who together run the Corporate Mother's Network (see Rebecca's story on page 20).

We still have plenty of work to do and, with this in mind, our D&I objectives this year include:

- >> forming a Diversity and Inclusion Council to drive D&I strategic initiatives;
- continuing to demonstrate commitment to our Rainbow Tick Certification;
- >>> supporting the formation of a network for our LBGTTI people and their straight allies;
- » perform a cultural census; and

I look forward to sharing our progress in our next report.



REBECCA ARMOUR Partner Tax, Auckland



Celebrating and supporting corporate mothers

With my initiative strongly supported by KPMG, The Corporate Mothers' Network was launched in August 2013 with a goal to create a networking platform for corporate women, in particular those who are balancing busy family commitments with a career. The network holds regular events for like-minded women, to enable them to connect with each other, hear from inspirational speakers and keep abreast of business and corporate initiatives. KPMG has hosted a number of events at our offices in Auckland with events frequently being oversubscribed. Our past speakers have included Ann Sherry, Australian Woman of the year and Dame Therese Walsh, the Deputy

Chairman of TVNZ Ltd. Recently, to help celebrate International Women's Day, KPMG hosted Barbara Chapman, Chief Executive & MD of ASB. KPMG is committed to supporting women with leadership aspirations and the Corporate Mothers Network provides an excellent forum for women to be inspired and to advance in their chosen careers.

If you would like to be on our mailing list for future Corporate Mothers' Network events; please contact us at:

corporatemothersnetwork@gmail.com www.facebook.com/ CorporateMothersNetwork



















Sustainability Building a better world: locally and globally





















At KPMG we believe we have an important role to play in addressing sustainability challenges – both through helping our clients, and by improving our own performance.

Our Sustainability experts help clients better understand the complex and evolving business and regulatory risks relating to climate change and sustainability, as well as capitalising on the opportunities this brings.

Within our own offices, we're equally committed to walking the talk. This is why KPMG International launched the Global Green Initiative in 2008, demonstrating the firm's commitment to address climate change. One of our platforms was to measure, reduce and report on KPMG's global emissions.

The initial ambition aimed to reduce our combined greenhouse gas emissions by 25% by 2010 from a 2007 baseline – this was surpassed with a 29% reduction. A new reduction target of 15% in net emissions per full-time equivalent employee was set to be achieved by 2015.

In New Zealand, we're pleased to report we've surpassed this goal.

Initial target: Greenhouse gas emissions*

by 2010 from 2007 baseline

New target: Greenhouse gas emissions*

15% C reduction

*net emissions per full-time equivalent

Result: surpassed with a 200/ Coreduction in 2010

Result: surpassed with a 180/ Control of the surplus of the surplu

Our highlights include:

Emissions per FTE down 18% since 2010 (ahead of our global goal of 15%)

We have achieved this largely through growth in FTEs, while also being more efficient in our space and energy use. The emissions factor for electricity also dropped significantly in 2014, reflecting New Zealand's heavy use of renewable sources.

We're using less paper

Our paper reduction goal was bold, but we're extremely pleased to report that we have almost reached our goal of 2 million fewer sheets of paper per annum. This continues to be a focus with ongoing reductions and changes in the way we do business.

While we still have some areas for improvement:

- Increased travel remains an area of concern, despite some very good technology alternatives being implemented.
- >> While our internal electricity use is dropping, our common area use (landlord/building) consumption has increased – we are reviewing several causes for this.

Our longer-term progress against our 2010 baseline:

	Units	Note	2010	2011	2012	2013	2014	2015	% Change (vs 2010)
Employees	FTE	1	680	761	777	764	836	849	25%
Emissions	kgCO ₂ -e	2	1,513,197	1,544,710	1,418,889	1,539,878	1,355,164	1,548,700	2%
	Per FTE		2,225	2,030	1,826	2,015	1,621	1,824	-18%
Paper use	Sheets	3	7,113,600	6,827,400	6,477,558	6,285,350	5,560,771	5,183,680	-27%
	Per FTE		10,461	8,972	8,337	8,227	6,652	6,106	-42%
Electricity	kWh	4	2,414,714	2,405,719	2,376,739	2,330,410	2,316,838	2,334,079	-3%
4	Per FTE		3,551	3,161	3,059	3,050	2,771	2,749	-23%
Air travel	Kms	5	6,701,762	6,511,483	5,954,532	6,412,161	7,604,105	8,298,678	24%
X	Per FTE		9,856	8,556	7,663	8,393	9,096	9,775	-1%

Notes:

1. Average quarterly FTE per national reporting

2. Emissions calculated in accordance with KPMG global guidelines - includes electricity (2015: 21%), air travel (69%), car travel (10%)

3. Purchased paper quantity from supplier data

4. Purchased electricity from supplier data

5. Travelled kms from supplier data

To the end of 2015, our performance against our three environmental targets:



Target: Reduce paper use by **2 million** sheets

Progress: Paper use reduced by 10200020 96% of target



Target: Reduce energy consumption per FTE by

Progress: Energy consumption per FTE reduced by 23/0



Target: Reduce air travel per FTE by Progress: Air travel per FTE reduced by





Making it meaningful

At KPMG, we recognise that community is all about 'people helping people'. That's why we take the following approach to our community involvement:



Making it personal:

means supporting individuals at KPMG to get involved with organisations and causes they feel passionate about. If they have a personal idea or proposed activity, we do everything we can to support their contribution.



Making it local:

is all about aligning with the local causes and organisations that are important to our people, in the communities in which they work. KPMG has offices in Ashburton, Auckland, Christchurch, Hamilton, Tauranga, Timaru and Wellington.



Making it national:

is about providing a strong focus for our national projects. Our national community strategy is to support underprivileged and disadvantaged youth via projects that promote education and leadership.





We support our people's participation in their communities by encouraging them to use their annual KPMG volunteering day to work with organisations they feel passionate about. Here are just some of our volunteering stories from 2015.

Lunches for a cause

COMMUNITY ORGANISATION: Eat My Lunch

OUR VOLUNTEERS:

The Auckland Advisory IARCS team

WHAT WE DID:

Starting at 6.30am, we got handson in the lunch prep space, making sandwiches and putting together lunch packs for the kids. We also helped deliver the lunches to schools, including our Auckland partner school, Edmund Hillary.

The big clean up, Rangitoto Island

COMMUNITY ORGANISATION: Sustainable Coastlines

OUR VOLUNTEERS:

The Auckland Private Enterprise team

WHAT WE DID:

The Private Enterprise team partnered with their client Sustainable Coastlines for a day-long working bee at Rangitoto Island last November.

They removed 450 litres (56 kilograms) of rubbish from the Island, made up of nearly 5,000 individual pieces. Sustainable Coastlines provides a breakdown of every item collected (fyi, it included 121 parking tickets and receipts, 97 lighters, 291 straws and 485 plastic bags).

Ronald McDonald at the races!

COMMUNITY ORGANISATION: Ronald McDonald House

OUR VOLUNTEERS:

The Christchurch Advisory team

WHAT WE DID:

Sam Gaffikin, Lisa Henderson and Anna Mills spent an afternoon volunteering at Christchurch Cup Day selling pins for Ronald McDonald House South Island.

They had a very successful afternoon selling hundreds of pins, with half of the proceeds going to Ronald McDonald House, plus enjoyed some fabulous people-watching with race goers dressed to the nines and getting increasingly "weary" from the afternoon in the sun!



Green fingers to the rescue

COMMUNITY ORGANISATION:

Cholmondeley Children's Home

OUR VOLUNTEERS:

Simon Radke, Private Enterprise, Christchurch, and his wife Berrit; later joined by more of the Audit team

WHAT WE DID:

Cholmondeley Children's Centre – which provides respite care to children (aged 3-12) in times of family stress or crisis – had been rebuilt after the earthquakes. Simon and Berrit joined other volunteers planting trees and plants around the centre in August; and returned next month with the Audit team for a further half-day helping out.

Passing on the principles of taekwando

COMMUNITY ORGANISATION: Merivale School

OUR VOLUNTEERS:

Morgan Lloyd, Private Enterprise, Tauranga

WHAT WE DID:

Using his volunteering time to share his passion for Taekwando, Morgan has been teaching the Korean martial art at Merivale School in Tauranga. His daughter, Francis, has also been along to help out; and there's been some great feedback from the school.

The kids day out

COMMUNITY ORGANISATION: KidsCan

OUR VOLUNTEERS:

The Auckland Tax Transfer Pricing Team

WHAT WE DID:

Volunteering as Official KidsCan Supervisors for the day, the TP team joined some of the KidsCan team and two classes from The Holy Cross Primary School from Papatoetoe on a fun day out to Rangitoto Island (and a climb to the top!) For many of the kids, it was their first boat trip.



We believe educational success is the single biggest contributor to harnessing the talents of New Zealanders, including those communities struggling with poverty. That's why we're so passionate about our local school partnerships - where **KPMG offices are** partnered with low-decile schools throughout the country. Our people donate their time and resources to make a positive impact on these communities in many and varied ways; including Board roles, mentoring, scholarships, fundraising, volunteering for school activities and excursions, and more.



Edmund Hillary Primary Te Kura Whakapumau

PAPAKURA, AUCKLAND

SOME HIGHLIGHTS:

In the last 12-months our Audit teams have taken the entire school to MOTAT for an interactive day of learning about the technological achievements that have helped shape New Zealand, and totally revamped the school jungle gym. We have helped make school lunches, fundraised for a commercial kitchen dishwasher, and continue to provide robust financial support to the school board of Trustees.

Our people brought a gift for each of the 140 EHS kids as part of KPMG's national Christmas giving and we are delighted to provide on-going annual scholarships to pupils who show a commitment to achieving both academic potential as encapsulated in the school motto "Be Determined, Aim High"

A recent Educational Review Office review found that the school is achieving above national averages for all decile 1 schools across the country, and above that of all schools in Papakura.





A FULL-IMMERSION TE REO MAORI SCHOOL

WALTHAM, CHRISTCHURCH

SOME HIGHLIGHTS:

This year we helped the school to fund a school trip; donated secondhand computers, desks and other equipment; and saw them connect with another KPMG community partner, Banger, to trial their financial literacy programme. We helped the school access additional special funding that was available to them, via our contacts at the (former) Canterbury Community Trust. We also fundraised and wrapped a gift for each of the children at the Kura as part of KPMG's national Christmas giving.





Rhode Street School

DINSDALE, HAMILTON

SOME HIGHLIGHTS:

This year, our people helped organise the school's library and media room, as well as helping out at their annual athletic day and talent show. We also enjoyed supporting the students' critical thinking and communication skills as they created their very own mechanoid robot. We were able to donate a \$2,000 Rock Shop gift voucher to their end-ofyear prize giving, ending the year on a high note!



Merivale School

MERIVALE, TAURANGA

SOME HIGHLIGHTS:

The last 12-months have seen KPMG volunteers teaching Taekwondo at the school, arranging for students to visit our client Comvita, Visitors Centre, helping out with school outings and attending special school events, and presenting two KPMG scholarships for prize-giving. We also continued on the roster for breakfast club two days a week, donated gifts for every child at Christmas, and helped provide resources for classrooms and sports equipment. We even inspired ANZ, our fellow building tenant, to get involved in volunteering at the breakfast club too; as well as fabulous support in donating togs (see story on page 32)





Hutt City

LOWER HUTT

Since September 2014, KPMG Wellington has been part of an initiative with the Hutt City Council to partner with a cluster of low decile schools in the Hutt Valley area. The partnership aims to support some of New Zealand's most vulnerable kids by giving them the opportunities and access to services and activities that a vast majority of New Zealanders may take for granted.

Our relationships with Pomare Primary, Avalon Intermediate, Taita College, St Michaels Primary and Taita Central School are well underway. Everyone we've involved in this 10-year project is excited to help, including our clients.

SOME HIGHLIGHTS:

- Providing support to Pomare School to purchase chemicals for their newly refurbished swimming pool, which had been sitting unused due to lack of funding. This meant in summer, the kids were able to use it every day of the school week.
- Establishing a scholarship programme for each of the schools; where we present an annual scholarship award to individual students for various academic and cultural achievements, as decided by the schools themselves.
- Starting a mentoring programme for 15 students at Taita College, which includes one-on-one mentoring from our people on an ongoing basis. This mentoring programme provides an insight into life post-College, whether that be starting university, entering the workforce or in a flatting environment.



Togs, togs, togs!



JULIANNE MCMILLAN Office & Events Manager Tauranga

When KPMG people spot an opportunity to help, they're always quick to put their hand up. Here's what happened at our Tauranga office one afternoon last year, as recounted by Julianne McMillan, Office and Events Manager.

"I had an email late Thursday afternoon from the Office Manager at Merivale School, she wanted to know if we had any old togs or towels that could be passed on the kids who were about to start their annual swimming lessons at the local pool. I put a message out to our people if they had anything to offer, having a young team in the office – not so many with young children, I thought I had better cast the net wider and sent an email to my contacts in other tenancies in the building.

Today I came into the office with a few towels and togs from home, then I got a call from reception, Allison Stewart from Realty Services was there with a bags of towels and togs, she was off shopping to buy more, their staff had a whip round to make some purchases. One of the partners had a big bag of shorts and rash shirts and so it continued... new togs, old togs, towels started to appear on my desk. I sent a message to my contacts in the building and another tenant from ANZ turned up with \$50, another with togs.

The look on the teachers/staff faces when we delivered the donated items said it all... they are so looking forward to swimming now, a time that they usually dread. They also joked that some kids who had togs one day may forget theirs the next when they see the flash ones that had come through from KPMG (and their generous friends at 247 Cameron Road).

I got this message from the school...

"WOW we have had such an amazing response to our request for help with togs and towels so our tamariki can participate in swimming lessons.

They are all very happy with their new togs and towels and so proud wearing them. We have decided to let the children keep them at the end of the two weeks so they have togs going into the summer (they are also very attached to them now.)

Swimming lessons are so important for our children and they absolutely blow us away with the progress they make as the two weeks goes by. Giving them exposure to the water and the opportunity to learn to swim is invaluable.

No children have missed out on swimming this term thanks to your generosity so a HUGE thank you from everyone at Merivale School, we are very very grateful and think you are all amazing."

Jan Honey, Office Manager, Merivale School

A start of the second secon

KPMG also has a national community strategy that is aligned with our wider purpose of Fuelling New Zealand's Prosperity.

It's also why we've chosen a special area of focus as part of our national community strategy. Over the past two years we have been targeting our support towards under-performing youth, education, and leadership – we call this Youth+.

In the following pages, some of our incredible community partners outline the work they do, and what prosperity means to them. Together, we are all working for the same goal – a stronger, healthier, more vibrant New Zealand.






Key partnerships include:











Inspiring stories



P CASE STUDY

Our purpose:

The vision of Inspiring Stories is to see every young New Zealander unleash their potential to change the world. Operating nationwide, we've supported more than 5,000 Kiwis to dream big, develop their ideas and skills to make a difference, and take action. KPMG has been involved in two of our flagship programmes - the national event Festival for the Future, and the accelerator developing young social entrepreneurs and their ventures, Live the Dream.



The impact we're having:

There are literally hundreds of inspiring stories. Here are just two examples...

#1 During a volunteering experience in Vanuatu, Bonnie Howland from Christchurch met a solo Mum who had deteriorating eyesight with cataracts in both eyes - a hugely confronting experience. Bonnie wanted to do something to help, and was accepted into the Live the Dream accelerator programme. Her goal is to cure treatable blindness in the South Pacific by 2025. Bonnie founded Indigo & Iris, an ethical beauty that apportions revenue to the Fred Hollows Foundation for restorative sight surgery. Over the past year Bonnie has incorporated the company, found the right manufacturer, done product and brand development, and is preparing to launch. She also won a scholarship to attend the Global Entrepreneurship Summit in Kenya, co-hosted by US President Barack Obama. Bonnie just turned 20, lives in Wellington, and is working full time on her venture.

#2 Sixteen-year-old Sophie Ross from Nelson attended Festival for the Future in 2014. While there she learned about the work done by the team from the Student Volunteer Army in response to the Christchurch earthquakes. Back home and inspired, Sophie met up with Volunteering Nelson and identified that they struggled to engage with young people in the community. She created a partnership between her local High School and Volunteering Nelson. Now, an 'army' of 120 girls are out actively volunteering every weekend. Sophie is now in her first year of University at Otago, where she has also become an official 'campus ambassador' for Inspiring Stories helping to get more students engaged in social entrepreneurship.

"...every young New Zealander has a strong sense of purpose, and is leveraging their connections and capability to help solve the complex and urgent problems our world is facing – whether social, environmental, or economic."

Guy Ryan Founder & CEO, Inspiring Stories

KPMG's Partnership

Inspiring Stories is growing a movement of young New Zealanders who can, and will change the world. IST was founded in 2011 by Guy Ryan, who was named the 2015 Young New Zealander of the Year. Guy and his team have built an impressive track record of programmes and partnerships that support young New Zealanders to unleash their potential to change the world.

Since 2013, we have sponsored and attended their flagship national event Festival for the Future. The Festival is a vibrant 3-day event that showcases a diverse range of youth-led Kiwi innovation, and supports young New Zealanders to develop their ideas and skills for a better world. KPMG has also partnered with Inspiring Stories to host a range of events, and has supported our people to become mentors and workshop facilitators throughout Live the Dream. Adrian Wimmers, a KPMG Wellington Advisory Partner, is a proud member of the Inspiring Stories Board of Trustees.





www.inspiringstories.org.nz www.festivalforthefuture.org.nz www.livethedream.org.nz





SpringboardTrust

P CASE STUDY

Our purpose:

SpringboardTrust is a unique charitable trust within the education sector, working to assist educational leaders enhance student achievement by strengthening strategic leadership capability in schools. This is achieved through capacity building amongst school leaders and providing them with access to cross-sector expertise drawn from New Zealand's public, private and philanthropic communities.

SpringboardTrust's unique cross-sector approach provides education leaders with access to bespoke expertise that would otherwise not be available within New Zealand schools. Our fundamental belief is that if we help school leaders be more effective, then improved student outcomes will follow.

Strategic Leadership for Principals Programme (SLPP)

12-month action orientated curriculum to develop robust strategic plans and goals. This includes regular strategic planning workshops, facilitated by senior business leaders and supported by individual capacity partners who coach and challenge principals.

"The SpringboardTrust SLPP programme has been the best professional learning experience I have had as a leader in my 20-years as principal."

Alumni services – community

Bringing graduates together, providing the structure to help them solve problems as a community, allowing them to continue interacting with the business community and learning about strategic leadership.

Alumni services in schools

Extending the support beyond the strategic plan, graduating principals and their school community have access to best practice change leadership and strategy implementation to assist in acceleration of key strategic initiatives.

Currently

162 Principals

50,000+ Students

600+ HRS Leadership around the table

"...all young Kiwis are flourishing, and supported by outstanding leaders in education; regardless of their social, economic or geographic status."

Lorraine Mentz CEO, SpringboardTrust

KPMG's partnership

KPMG has been providing pro bono audit work to Springboard Trust since 2012. In December 2015, we expanded this relationship, signing a Memorandum of Understanding to deliver additional pro bono business expertise alongside our audit work, at an organisational level and to provide 3-4 skilled senior KPMG people to participate as capacity partners on the 2016 SLPP.

By being business coaches to principals, helping to enhance their leadership and planning skills, SpringboardTrust and its capacity partners help to achieve better educational outcomes for schools and their students, and dramatically improving life skills for young New Zealanders. The SLPP programme provides professional development opportunities for both principals and capacity partners and so is inspiring and rewarding for all involved.





www.springboardtrust.org.nz





KidsCan

₽ CASE STUDY

Our purpose:

We want to help disadvantaged New Zealand children be more engaged at school, and give them better chance of reaching their full potential.

"Our future prosperity is tied to how we help the needy now."

KIDSCAN CEO & FOUNDER, JULIE CHAPMAN

The impact we're having:

KidsCan supports over 119,000 disadvantaged New Zealand children in 544 low-decile schools nationwide.

Our 'Food for Kids' programme is feeding more than 20,000 hungry children at school every week.

Since inception, KidsCan has provided more than 14 million food items, over 226,000 raincoats, over 99,000 pairs of shoes, and more than 234,000 health and hygiene items. "We are so lucky to have food provided, it makes me feel that the school cares for me."

"Having a hot meal each lunch time has changed my attitude to school."

QUESTION:

Since your school has joined with KidsCan, have you and your teachers noticed an improvement in attendance?



"...all New Zealand children would be fed, clothed and have the healthcare they need to come through the school gates in a position to learn. Families would have enough income to meet the cost of living. And KidsCan wouldn't need to exist!"

Julie Chapman CEO & Founder, KidsCan

KPMG's partnership

As a conduit between community, businesses, Government and schools, KidsCan help feed and clothe some of the one in four New Zealand children (that's 260,000) who live in poverty, going without the basics most of us take for granted.

KidsCan supports over 20,000 hungry children a week with food insecurity. Their tangible programmes, Food for Kids, Shoes for Kids, Raincoats for Kids and Health for Kids concentrate on giving the basics directly to children in need in partnership with the schools they attend. KPMG partners with KidsCan by providing pro bono work, fundraising and volunteering. Many of our people make monthly contributions to sponsor KidsCan children.

John Kensington, an Auckland Audit Partner, is a passionate KidsCan Trustee.





How can you make a difference?

By supporting a child in need through KidsCan's 'In Our Own Backyard' programme. A monthly contribution of \$15 (50 cents a day) will enable KidsCan to provide a child with the essentials they need to get through the school gates in a position to learn.

100% of your contributions go directly to the kids they support and you can choose where you would like us to direct your donation from one of the fifteen regions we work in.

www.kidscan.org.nz



Centre for Social Impact



P CASE STUDY

Our purpose:

A home for courageous collaboration on longstanding social challenges.

The Centre for Social Impact supports strategic grant-making by philanthropic sector funders, and works alongside community organisations to develop their capability and capacity to respond to challenges and achieve social impact.

The impact we're having:

Social sector leaders are exploring new solutions to some of the biggest issues facing New Zealand's communities. This is important work and there are no easy answers. The Centre for Social Impact is bringing these leaders together with philanthropic funders and corporate partners who bring different

The philanthropic journey

perspectives, skills and experience to the table. That is helping shape better questions, and identify new possibilities. That in turn is leading to quality innovation and greater social impact. What anchors the relationship between these parties is a shared commitment to creating a better world.



This infinity diagram captures how we see the philanthropic journey for funders, corporate partners and community organisations; a continuous cycle of learning, refocusing, looking at potential responses, implementing these, reaping the benefits, then looking at opportunities for renewal.

"There will always be social challenges – but in an ideal world, we'll have a much more collaborative approach to tackling the issues of the future. We will work and learn and continually innovate together."

Alison Taylor Head of the Centre for Social Impact

KPMG's partnership

Our pro bono work with the Centre for Social Impact (an initiative of Foundation North, New Zealand's largest philanthropic funder) supports organisations aiming to increase their social impact and become catalysts for change.

The Centre's work ranges from working with funders and grant-makers to develop their policies and strategic approach to grant-making, to supporting community organisations to develop their capabilities to deliver initiatives and achieve social impact. KPMG signed a Memorandum of Understanding with the Centre to provide business expertise to a cohort of not-for-profit organisations taking innovative approaches to identified social issues. Organisations KPMG has assisted to date include the YWCA of Auckland, Manurewa Marae and Whangarei Youth Space.

We are also working alongside other Centre partners supporting regular capacity development workshops.





www.centreforsocialimpact.org.nz



What could be a more fitting way for KPMG to support the charity Bikes in Schools? We jumped on our own bikes and went for a 637km ride up the South Island.



In April 2015, eight keen cyclists from KPMG rode from Bluff to Wellington as part of the legendary Tour of New Zealand 2015. Our two teams were aptly-named Keep Pushing for More Glory (the 'A' team), and Keep the Pedalling Motion Going.

KPMG raised an incredible \$12,688 for Bikes in Schools; and placed 2nd and 16th out of a field of 21 corporate teams. The aim of Bikes in Schools is to provide every child the opportunity to learn to ride a bike regularly at school. Creating healthier, happier and more confident kids is a goal that aligns well with our purpose of Fuelling New Zealand's Prosperity.





Living our values

KPMG's values determine how we behave – with our clients and our people. Our values create a sense of shared identity. They define what we stand for and how we do things, helping our people to work together in the most effective and fulfilling way.

KPMG's people live the following values. These values enable us to attract and keep talented people, develop relationships with the right clients, and protect and enhance our reputation.

We lead by example

At all levels acting in a way that exemplifies what we expect of each other and our firms' clients.

We work together

We bring out the best from the combined talents and experiences of our teams and culture, creating strong and successful relationships.

We respect the individual

We respect each individual for who they are and what they bring to the diversity of our teams.

We seek the facts and provide insight

We listen to and challenge different points of view in order to arrive at the right conclusion and strengthen our reputation as trusted and objective business advisors.

We are open and honest in our communication

We share information, insight and advice frequently and constructively, and manage tough situations with courage and candour.

We are committed to our communities

Acting as responsible corporate citizens, we use our talents as individuals and in teams to work in our communities and broaden our skills, experience and perspectives.

Above all, we act with integrity

We are professional first and foremost and committed to objectivity, quality and service of the highest standards which will lead to us being recognised in the marketplace as the organisation with the strongest professional reputation.



KPMG International

KPMG is a global network of professional firms providing leading professional services in audit, tax, management consulting, risk (including IT) consulting, and transactions and restructuring advice. We operate in 155 countries and have approximately 162,000 people working in member firms around the world. The independent member firms of the KPMG network are member firms of KPMG International Cooperative ('KPMG International'), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

KPMG International performs no professional services for clients nor, concomitantly, generates any revenue.



KPMG New Zealand

KPMG is a New Zealand Partnership and is a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

The KPMG story started more than 160 years ago. In the mid-19th century, J. Gilfillian set up practice to provide accounting services to the top of the North Island. Through local mergers and international connections, Peat Marwick Mitchell & Co was formed in 1983. Four years later, as the result of a mega-merger, KPMG Peat Marwick was formed from Peat Marwick Mitchell and Klynveld Main Goerdler. This provided the firm with the wide global reach that we enjoy today.

On February 1st 1996, as part of a worldwide initiative within our global practice, our name changed to KPMG.

KPMG in New Zealand offers a wide range of audit, tax, general business and financial advisory services. We provide clear and practical advice to help businesses meet the challenges of an increasingly complex business environment. Our local know how, enhanced by the technical and industry knowledge of our global network of member firms, means we bring a deep understanding of our clients' business. It enables our professionals to deliver informed and timely advice.

The Management of KPMG New Zealand's offices is the responsibility of the National Executive Committee. The NEC meets regularly and its membership comprises our Chief Executive Officer and our four National Managing Partners.

Our client portfolio includes plenty of iconic New Zealand companies – in fact, we work with more than 75% of the country's top 100 organisations. While that is a big achievement – we see it as just the starting point. We want to help fuel the prosperity of more people and organisations across New Zealand, especially our smaller private enterprises that are bursting with potential.

Contact us

Thank you for letting us share our stories with you. If you'd like to know more about KPMG's corporate social responsibility initiatives, we invite you to get in touch:

Kim Jarrett Partner

KPMG 18 Viaduct Harbour Avenue PO Box 1584, Auckland 1140 Auckland, New Zealand

T: +64 (0) 9 363 3532 E: kmjarrett@kpmg.co.nz

www.kpmg.com/nz csr@kpmg.co.nz

Justine Todd CSR Manager

KPMG 18 Viaduct Harbour Avenue PO Box 1584, Auckland 1140 Auckland, New Zealand

T: +64 (0) 9 367 5359 E: justinetodd@kpmg.co.nz

Disclaimer: This document is made by KPMG, a New Zealand Partnership and a member firm of the KPMG network of independent firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity, and is in all respects subject to the negotiation, agreement, and signing of a specific engagement letter or contract. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Copyright: © 2016 KPMG, a New Zealand partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in New Zealand. KPMG and the KPMG logo are registered trademarks of KPMG International Cooperative ("KPMG International"), a Swiss entity.