



Corporate citizenship

Annual report 2021

February 2022
KPMG in Saudi Arabia and the Levant

Table of contents

03

Foreword

04

Sustainability in Saudi Arabia

07

KPMG International: Our Impact Plan

09

Embracing corporate citizenship

10

Our values and our approach

11

Our initiatives

14

Credits and appreciation

15

Contacts

Foreword

As we emerge from the pandemic and life in many respects has returned to normal, we see that some things have changed. Environmental, social and governance (ESG) policies are now front and center at many organizations, with a stronger emphasis on purpose. To this end, we are now considering our ESG strategy as the evolution of our corporate social responsibility (CSR) activities—a next step toward being more sustainable as a firm, and serving the best interest of our people, community and planet.

This annual report is an illustration of evolving from our dedication and commitment to corporate social responsibility and contributing to the wider community, to embedding it as part of our ESG program. Saudi Arabia has committed to decarbonization by 2060 and we plan to be part of it. We strive to be the best place to work for our employees by investing in their continuous development, offering flexibility to balance between work and life and empowering women to take on advancing roles. We continuously aim to consider the economic, environmental and social impact of our activities and align our financial and societal performance, combined with a strong focus on governance.

At KPMG, we have also learned some important lessons from the pandemic. We always say that people are the most important asset we have as an organization. The pandemic allowed us to prove that conviction and also gave us an opportunity to look deeply at how we take care of our people and the wider community.

Awareness around sustainability and the environment concern is growing around the world and in the region. Recently, the Kingdom became part of the United Nations Global Compact network, joining 69 other local chapters around the world, focusing on aligning strategies and operational processes with global best practices related to the environment, human rights and anti-corruption. KPMG is one of the 30 signing companies to this agreement.

We also made our mark in several initiatives in the field of women's empowerment and support to aspiring entrepreneurs—two themes that are close to my heart.



Dr. Abdullah Hamad Al Fozan
Chairman
KPMG in Saudi Arabia and the Levant

Sustainability in Saudi Arabia

Vision 2030

In April 2021, Saudi Arabia marked the fifth anniversary of Vision 2030, a good moment to take stock of the achievements so far and to identify the challenges of the road ahead. During the first five years of the program, it is hard to miss how the Kingdom has changed visibly and structurally.

That includes building an empowering infrastructure, building the institutional and legislative structures, establishing general policies, and supporting a wide range of initiatives. The next phase of the vision will focus on the continuation of implementation, ensuring greater participation by citizens and the private sector.

Recognizing the importance of future generations, education is a critical part of the Kingdom's long-term plans. As a result, education receives the largest portion of the government's budget.

Achieving gender equality is also a large part of Vision 2030. The strategy for this lays out plans to help women increase their contribution to the labor market in various sectors.

“ We see around us that ESG policies are gaining importance for business leaders. It is encouraging to see that corporates are ready to work closely with governments to make good on these ESG commitments and are prepared to be held accountable on them. Listening to my peers around the economy, it is nearly unanimous that CEOs will be increasingly held accountable for driving progress on social and environmental issues. ”



Muhammad Tariq
Head of Corporate Citizenship
KPMG in Saudi Arabia and the Levant

Saudi Green Initiative

Since the launch of Vision 2030 in 2016, the Kingdom has taken significant steps to scale up its climate action and environmental protection. Under the patronage of HRH Crown Prince Mohammed bin Salman, the Saudi Green Initiative (SGI) now takes efforts to the next level by unifying all sustainability efforts in the Kingdom to increase reliance on clean energy, offset the impact of fossil fuels and combat climate change.

SGI coordinates initiatives and objectives around environmental protection, energy transformation and sustainability programs. It sets out a goal to achieve net carbon neutrality by 2060. The transition to net zero carbon emissions will be carried out in a way that maintains the Kingdom's leadership role in enhancing the security and stability of global energy markets, especially given the maturity and availability of technologies required to manage and reduce emissions. More specifically, Saudi Arabia aims to reduce its carbon emissions by 278 million tons per year by 2030.

Additionally, the Kingdom will join the Global Methane Pledge to contribute to cutting global methane emissions by 30 percent and will eliminate 200 million tons of carbon emissions by planting 450 million trees and rehabilitating 8 million hectares of degraded lands by 2030.

“ As we chart our paths forward, societies are increasingly holding their business and government leaders accountable for their organization's environmental and social impact. We have taken this to heart and helped craft our ESG strategy around some of the region's most pressing issues. As a firm and as part of a wider global network, we are looking to globally-agreed goals like the UN's strategic development goals to help align our ESG strategy with those of leading organizations around the world.



Nafez Almorhabi

Managing Partner, KPMG in Lebanon
Chief Operating Officer, KPMG in Saudi Arabia and the Levant

United Nations Global Compact

The United Nations Global Compact is a non-binding United Nations pact to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The Lebanon chapter was launched in 2015 and in September 2021, also Saudi Arabia joined the now 69 other countries in the UN Global Compact network.

Joining the compact means joining a principle-based framework for businesses, stating ten principles in the areas of human rights, labor, the environment and anti-corruption. Under the Global Compact, companies are brought together with UN agencies, labor groups and civil society. Globally, companies in network countries are invited to align their strategies and operational processes with global best practices related to human rights, the environment and anti-corruption. The Kingdom's local network already includes 30 leading companies from around the economy.

Sustainable Development Goals

The 2030 agenda for the United Nations Sustainable Development contains 17 sustainable development goals (SDGs). They recognize that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth — all while tackling climate change and working to preserve our oceans and forests.

The SDGs not only identify where we must be in 2030 to create a sustainable world but also outline new markets and opportunities for companies all over the world. To succeed, we must turn the global goals into local business. The UN Global Compact is committed to being a leading catalyst of that transformation. We will devote our capacities and global network to make it happen – based on the sound values and principles that the UN Global Compact is built upon.

“ One of the conclusions of our first edition of the CEO Outlook for Jordan was that ESG policies are gaining importance for business leaders. It is encouraging to see that corporates are ready to work closely with governments to make good on these ESG commitments and are prepared to be held accountable on them. Listening to my peers around the economy, it is nearly unanimous that CEOs will be increasingly held accountable for driving progress on social and environmental issues. As a firm, part of a wider global network, I am proud that we are able to contribute in our way, by aligning ourselves with global programs, like the UN SDGs. I believe coordination on environmental and social issues — at both the local and global level — is key to building a better world. ”



Hatem Kawasmy
Managing Partner
KPMG in Jordan

KPMG International: Our Impact Plan

Guided by the UN SDGs, KPMG International has set out to solidify a plan around our own ESG commitments. These commitments under one umbrella: [Our Impact Plan](#).

Using the values as a guide, Our Impact Plan, was published in January 2021 as a document to bring all ESG-related priorities together. It clarifies our commitments and actions as a global firm across four important categories: planet, people, prosperity and governance. We've approached this plan by reviewing and revising our commitments relating to our carbon footprint, renewable energy usage and inclusiveness. Over the coming months and years, we will look at how to strengthen our commitment in these areas, and work across all KPMG global organization to develop the roadmap to implementation. We will report our progress openly, even when we do not currently have the answer, so we can track our progress. And through the everyday work of our firms, we will focus on building trust and delivering growth with purpose—bringing the best of KPMG to help our clients so all our communities can thrive and prosper.

“

How you grow matters, and what worked for us and other businesses in the past will not work in the future. The world faces crises on multiple fronts, which is why we are putting the ESG agenda at the heart of everything we do. ESG will be the watermark running through our global organization; from empowering our people to become agents of positive change, to the services with our clients and our partnerships with critical stakeholders. KPMG has the global scale, expertise, technology, and relationships that give us the ability and responsibility to use our position to provide solutions and services to overcome the challenges facing our planet and society.

”








Bill Thomas

Chairman and CEO
KPMG International

Our Impact Plan

Planet

Decarbonization: Achieve net-zero carbon emissions by 2030.

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

Nature and biodiversity: Understanding and improving our impact on nature and biodiversity.

People

Health and well-being: Protect the health of our people – both physically and mentally—and enable them to be effective and productive.

Continuous learning: Develop a continuous learning culture.

Inclusion and diversity: An inclusive culture with equal opportunities, built on trust with an educated, empathetic workforce.

Human rights: Respect human rights.









Governance







Act lawfully, ethically and in the public interest.

Work against corruption in all its forms, including extortion and bribery.

Prosperity

Purposeful business: Always act with a clear purpose. Lead the profession in audit quality. Drive a responsible tax practice.

Education and communities: Support education and lifelong learning. Provide UNESCO with pro bono resources for the Global Education Coalition.

Download Our Impact Plan, our global publication, by clicking on the cover, or find it on our website: <https://home.kpmg/xx/en/home/about/corporate-reporting/our-impact-plan.html>.



Embracing corporate citizenship

While ambitious plans are needed to tackle society's biggest problems, it is also important for organizations to focus on the issues that they are most capable of helping solve. That is why we have chosen five of the UN's SDGs to build our efforts around.

Within the framework we have built around these five SDGs at KPMG in Saudi Arabia and the Levant, we are developing a clear action plan and set of programs for change. We continuously work towards achieving sustainable business management and embedding this social responsibility mentality into our day-to-day activities. Through all we do, we insist on working with partners who follow ethical business practices and share our values of sustainability, accountability, and transparency.

Embracing corporate citizenship and sustainability under five pillars, based on selected SDGs

Governance

1

SDG 3: Health & wellbeing

Protect the health of our people



2

SDG 4: Investing in knowledge and growth

Develop a continuous learning culture



3

SDG 5: Inclusion & diversity

Embracing diversity in an inclusive culture



4

SDG 13: Live green, save green

Protect and preserve the planet



5

SDG 17: Partnerships for the goals

Partnering with organizations that share our values



Our values and approach

Our values



Integrity

We do what is right



Courage

We think and act boldly



For Better

We do what matters



Excellence

We never stop learning and improving



Together

We respect each other and draw strength from our differences

Our values create a strong sense of shared identity in what we stand for and how we do things. We are constantly striving to uphold KPMG's identity as a trusted professional services firm in instilling our core values through the work we do in our efforts to lead positive change in our society.

Our approach



Education

We value education and lifelong learning

Influence positive change in our community and the marketplace



Inclusion

We show courage and embrace courage to do the right things

Cultivate environments where everyone can have equal opportunity to succeed



Mentorship

By investing in others to develop and grow, we create a community that strives for the better

Sharing knowledge and expertise



Pro-bono work

We seek to invest in those who will make the world a better place

Setting the precedent for giving back to the community



Volunteering

In giving time and effort, we instill the importance of giving back to our community

Bringing people together and providing opportunity for them to give their time to make a difference

We strive to invest in key areas to foster growth, knowledge, and development. We act as responsible corporate citizens by broadening our skills, experience, and perspectives through work in our communities. We strongly believe everyone should have equal access to opportunity.

Our initiatives

Our vision is not just about setting an agenda for the future, but also about actionable initiatives on the grounds.

Our commitment to protecting and enhancing our society is apparent in the list of initiatives we have taken on over the past few years. We support various charitable organizations and also have our own initiatives in areas that we value. Through all we do, we insist on working with partners who follow ethical business practices and share our values of sustainability, accountability and transparency. Below are some of the initiatives that we were part of or actively supported, and that underline our values and commitment:

AlNahda Women's Society



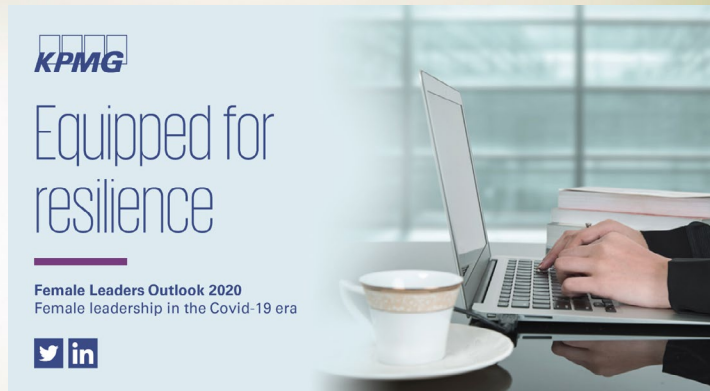
We continue our long-standing collaboration with AlNahda Women's Society who was the official host organization for W20, of which the virtual summit was hosted in Riyadh in November 2020. KPMG continues its involvement with the Al Nahda Women's society which has been firmly established in 2019. AlNahda is a nonprofit organization established in 1963 dedicated to empowering women socially and economically through the execution of numerous projects and programs. KPMG's focus has been to build strong ties with an organization with such influence and that has been accredited by the UN Economic and Social Council (ECOSOC) as a non-governmental organization. KPMG works with AlNahda's organizational capacities on developing their HR policies and procedures, which are now being implemented and followed. KPMG also helped analyze the results of AlNahda people's survey and acted as a sound board for the strategies which aim to improve their employee satisfaction and retention.

Breast Cancer Awareness Campaign



October is Breast Cancer Awareness Month, during which we decided to shed some light on what we can do collectively to support women in combatting this deadly disease and raise awareness for the importance of early screening, diagnosis and treatment. Breast cancer is affecting women everywhere and often. Awareness and investment are the most important ways to battle this disease. As part of this awareness month, we hosted a series of initiatives in our offices in Saudi Arabia and Jordan, with survivor stories, virtual talks, information booths and in-office screening, providing the opportunity to get informed and get checked. KPMG in Jordan partnered with the Jordan Breast Cancer Program and King Hussein Cancer Center to support the awareness campaign.

International Women's Day – Female Leaders Outlook



KPMG member firms around the world participate in International Women's Day (IWD) on 8 March. In Saudi Arabia, a series of nationwide activities are

annually organized to celebrate women's contributions to the success of our firm. The IWD theme this year was 'Choose to Challenge'. As a part of the program, guest speaker Dr. Thoraya Obaid shared her experience as a female leader in Saudi Arabia — including being the first Saudi woman to head a UN agency and being among Forbes' 50 most powerful Arab women. We published our first edition of the [Female Leaders Outlook: Saudi Arabia](#), under the title Equipped for resilience. The Global Female Leaders Outlook was launched five years ago to balance the CEO Outlook survey, which was still mostly male-dominated. Through the survey, taking insights from female leaders around the world and in Saudi Arabia, we were able to present female leadership challenges.

“ Working mothers have always worked a “double shift.” With the Covid-19 pandemic, women in particular have been negatively impacted and are often exhausted and burned out as a result. Companies can #ChooseToChallenge by building a more flexible and empathetic workplace. This will create more opportunities for women to succeed and retain more female talent. ”



Kholoud Mousa

Partner and Head of Inclusion & Diversity
KPMG in Saudi Arabia and the Levant

UN Global Compact

KPMG in Saudi Arabia is a member of the Saudi Chapter of the United Nations Global Compact. Our role within the chapter is to help other member organizations meet the UN's wider goals and objectives and to help them craft sustainable and socially responsible policies. Our chairman attended a CEO roundtable held to discuss the role of the private sector in achieving the UN's Sustainable Development goals. There, he helped tie the UN SDGs to Vision 2030 here in Saudi Arabia — an example of the coordination necessary to achieve our climate goals.



Endeavor Pitstop @KPMG



Another of our focuses to build a better society is to support new ventures and business opportunities. KPMG has the expertise and resources to support new businesses. The Pitstop program comes as part of the ongoing partnership between Endeavor and KPMG. The program aims to help accelerate entrepreneurs' projects through collaboration with KPMG. Entrepreneurs submit their project requests based on their needs and are then provided with the needed consultancy by KPMG to address challenges that arise for their businesses. Our collaboration with the program started with five companies; Saferoads, Paytabs, Foodics, Al Hatab Bakery and Ekupe, which have benefited from our teams, working with strategy, business processes, operational improvement, deal and capital markets advisory, organizational design, and human capital and workforce development. We are proud to be part Endeavor Pitstop, as a commitment to giving back to the community, as well as because of the success stories of these local ventures.

Endeavor network company	KPMG Leads
Saferoads	Mohannad Elrass
Paytabs	Ahmad Sammour and Norah Alwehaibi
Foodics	Wasim Kamhawi
Al Hatab Bakery	Hany Adeeb and Elham Elbarghouthy
Ekupe	Basil Ghanem

“I am passionate about helping people, and from experience, if you are looking for a real sense of accomplishment in life, it will never come from work, title or money, but from winning hearts and being responsible towards others, our societies and communities. This is the your real impact, your legacy, and what will eventually help you lead a fulfilling life. I am proud of our association with the Endeavor network, and believe that it provides us all a great opportunity at being bold and selfless in contributing towards the development of our communities.”



Muhammad Omer Rauf
Director, Advisory
KPMG in Saudi Arabia and the Levant

Audit workshops at Princess Nourah University



KPMG Audit Partners held a series of workshops, focusing on audit assurance principles, at Princess Nourah University (PNU). In total, 50 female students attended the sessions, gaining more knowledge in the field of audit processes, risks and responsibilities, to start their careers. KPMG and PNU have agreed to continue this collaboration with a new series of workshops, targeting more students for the upcoming year.

Credits and appreciation

At KPMG, we believe that giving and supporting each other is part of our culture. The initiatives and programs in this publication would not have been possible without the relentless support of the members of our firm, across all offices and functions. We would like to thank the below colleagues in particular for embedding corporate citizenship in their day-to-day activities and taking time out of their calendars to support these projects. We would also like to thank our Head of Functions for making their teams available to support on these activities outside of their work and business requirements.

AbdulMajeed Al-Saffan

Ahmad Wadan

Ahmed Awdeh

Ahmed Jifri

Alaa Al Attas

Ali Hussen

Amin Jehangir

Basmah Alosaimi

Buthinah Alkhalifa

Derar Alaboura

Fahad Aldossari

Faseeh Iqbal

Ghazi Kamran

Hani Bedairi

Huda Wahba

Islam Albayaa

Jinan Ghannam

Justus Naude

Khalil Ibrahim Al Sedais

Kholoud Mousa

Maram Al Hamdani

Mirza Baig

Mohamad Mokadem

Mohammed Almadhoun

Mohammed Balamash

Mohanad Howsawi

Monica Sanz

Muayad Alelaiwi

Nasser Al Shutairy

Nawal Saqfelhait

Omar Bahwairth

Osama Hashim

Peter Bannink

Raghav Khullar

Reem Al Marshad

Sandi Da Cunha

Siddiqah AlhajSaleh

Wasim Kamhawi

Yasmeen AlShammary

Yara BinJabr

Gratitude is also extended to our Corporate Citizenship Committee:

Abdullah Al Sulaim

Kilbinder Dosanjh

Jamila El Dajani

Abeer Fadaak

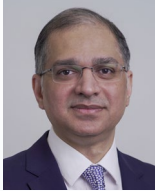
Mohammad Omer Rauf

Sana Salhieh

Muhammad Shoaib

Yara Tawk

Contacts



Muhammad Tariq
Head of Corporate Citizenship
KPMG in Saudi Arabia and the Levant
E: muhammadtariq@kpmg.com



Gary Simms
Director, Corporate Citizenship
KPMG in Saudi Arabia and the Levant
E: gsimms@kpmg.com



Nawal Hersey
Manager, Corporate Citizenship
KPMG in Saudi Arabia and the Levant
E: nhersey@kpmg.com

Contributors

Peter Bannink

Michiel Roodenburg

Dina Altaher

Fitoon Alshayie

kpmg.com/sa



© 2022 KPMG Professional Services, a Saudi Closed Joint Stock Company and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

KPMG in Saudi Arabia and the Levant comprises of the member firms in Saudi Arabia, Jordan, Lebanon and Iraq operating under their legal entities.

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

The KPMG name, logo are registered trademarks or trademarks of KPMG International.