



Emerging Stronger

Impacting our shared future, starting today
KPMG in Singapore Sustainability Report 2019



Sustainability Report 2019



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

This report covers the period 1 January 2019 to 31 December 2019. All statistics are for the year ended 31 December 2019 or as at 31 December 2019, unless otherwise stated.

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Stronger
Together

Stronger Together

A message from the KPMG in Singapore Operations Committee

'In diversity there is strength, and from adversity can come newfound resilience.' – this is the belief that guides KPMG in Singapore Operations Committee's 'team effort' approach to the unprecedented disruptions we have faced as a firm.



New leadership, new challenges, new lessons to learn

With a diverse mix of professional disciplines adding up to over 230 years of combined experience, we were eager to work together as an Operations Committee to address the changing market demands. And change it did, in rapid and unexpected ways.

As a leadership team, we've had to tap into the full range of our expertise to guide the firm through the COVID-19 pandemic. In doing so, we've learnt that there is no singular approach for businesses to successfully bounce back from the current situation. The challenge remains to act upon these lessons and surge forward, ever stronger; by always delivering sustainable, long-term value to the businesses we serve.

230
years' combined
experience in
Operations
Committee

2020 Operations Committee



Ong Pang Thye
Managing Partner



Tay Hong Beng
Head of Central
Services and Chief
Financial Officer



Lee Sze Yeng
Head of Audit



Ajay Sanganerla
Head of Tax



Ling Su Min
Head of Clients,
Markets &
Innovation



Roger Tay
Head of Advisory
(Deal Advisory)



Malcolm Ramsay
Quality & Risk
Management Partner,
and Ethics and
Independence
Partner



Irving Low
Head of Advisory
(Consulting)



Shifting our focus from shareholders to stakeholders



The economic fallout from COVID-19, has exemplified the interdependencies companies have with the larger community, whilst making clear how important it is for businesses to deliver societal impact beyond financial returns.

Indeed, the pandemic has put businesses under increased scrutiny, with stakeholders – not just shareholders – wanting to know what companies will do to positively impact the larger society. Companies must now broaden the way they incorporate

COVID-19 has exemplified the interdependent relationship a company has with the larger community, and has made clear how important it is for businesses to deliver societal impact beyond financial returns.



stakeholder needs into their business decisions. In this new normal, we see key environmental, social, and governance (ESG) factors playing a bigger role than ever in contributing to the continued success and resilience of businesses.

As a firm, KPMG in Singapore is committed to making a positive impact on all our stakeholders as a part of our commitment to the United Nations Sustainable Development Goals – from driving climate change action and sustainable financing forward in the region, to equipping our people as well as the less fortunate in the community with lifelong skills to enhance their employability for years to come.



Relooking resilience

To not only survive but thrive in this era of stakeholder capitalism, companies must adopt a new approach to building enterprise-wide resilience – to **re-imagine** their strategic responses, **re-plan** their workforce and businesses, and find new ways to accelerate **recovery**.



We see opportunities amidst this adversity. Such widespread disruption is likely to trigger re-energised innovation and risk taking as enterprises pivot to adapt. This pivoting could then lay the grounds for innovative new business models and service delivery platforms that will in turn lead to stronger, more sustainable enterprises.

A global drive to make a difference

As a firm, we have been working to ensure that our businesses, people and community emerge stronger in this new reality.

Looking ahead, we are embarking on a shared journey alongside KPMG firms worldwide to work with clients in addressing the biggest issues facing our planet.

Our vision: to make a real and positive impact both today and for our collective future.

KPMG in Singapore is already laying the grounds to create this impact. In this report, we will share perspectives and actions on our approach to addressing current issues and future challenges.



KPMG is working with clients to address the biggest issues facing our planet. Our vision: **to make a real and positive impact both today and for our collective future.**



Making a positive impact on the world

Stakeholders of today want to know how companies are adapting their business models to create value for businesses and society over the long-term – KPMG in Singapore is intent on partnering with companies to answer this call.



Together with KPMG’s global network of member firms, we see ourselves working with clients to fulfil their purpose while also delivering against the United Nations Sustainable Development Goals. We will do this through industry-leading practices, research, services, and solutions that address the biggest issues facing businesses, our communities and our planet.

Working in alignment with the United Nations Sustainable Development Goals:



Our focus moving forward:

ESG (Environmental, social and governance) & Sustainability

Help clients adapt to emerging changes, and support them to develop responsible and sustainable strategies, business models, operations and investments.

Economic & Social Development

Work with corporates, governments, multilateral institutions and development organisations to address inequalities, to help both societies and economies to prosper.

Sustainable Finance

Integrate ESG into the investment, financing, insurance and corporate finance strategies and processes we deliver, so as to achieve more sustainable outcomes for all.

Climate change and decarbonisation

Drive business models, products and services that address climate change and reduce carbon emissions, while ensuring continued resilience and enhanced performance.

Impact measurement, assurance & reporting

Devise improved methods, tools and frameworks to help clients track and measure their impact, as well as enable decisions to lessen their impact.

COVID-19 Response

Responding strongly to crisis

When COVID-19 crept up on the world and Singapore in late-2019, we found ourselves adapting rapidly to a whole new way of working, while still delivering our services and solutions to clients. Our response has since laid the foundations for how KPMG in Singapore will operate through future uncertainties, while reinforcing our priorities in making a positive difference to our **people**, our **clients**, and the larger **community**.



Putting our people first in the face of the pandemic

As the firm put its business continuity plans (BCP) in place to comply with government regulations and to manage the COVID-19 outbreak, our priorities were clear: our employees' well-being and safety always came first.

From mid-February 2020, the firm introduced work from home (WFH) arrangements wherever possible. Our Information and Technology teams rallied together to ensure that all employees had the necessary hardware and software to meet, collaborate and work. When required to work from the office (or from the clients' premises), all necessary precautions such as staggered hours and safe distancing were put in place.



Keeping our people at the heart of our COVID-19 responses

Regular communications with our people became even more important as a way to engage staff and care for their well-being amidst the trying times.

The firm was pro-active in keeping our people involved and up-to-date on the evolving COVID-19 situation through online communications and e-mails. There were continued internal communications created solely to look out for the welfare of staff: from clear guidance on how employees could adjust their practices and behaviour to stay compliant, to tips for staff to care for their personal well-being ranging from exercise-at-home tips to food delivery recommendations.

We also made links to various governmental news releases and forms easily accessible to all staff on internal portals.

More than

3,000

partners & staff,
**engaged despite
remote work
arrangements**

Stories of impact:

Leadership in action in a time of crisis

The COVID-19 pandemic called for strong and decisive guidance, direction and care. And KPMG in Singapore's leadership stepped up quickly to actively engage with employees, beyond their daily business-as-usual interactions.

The tone was set from the top with our Managing Partner Ong Pang Thye sending regular emails to encourage employees, rally spirits, as well as personally update staff on how the firm was doing. In the same way, partners across the firm reached out to check in with their teams through regular emails, calls and online meetings.

We gathered the entire firm together, despite the ongoing pandemic, and, in addition to regular smaller group discussions/townhalls, the firm held its virtual firmwide townhall meetings on 22 May 2020 and 28 September 2020.

Over three thousand partners and employees from across KPMG in Singapore joined in the event from offsite locations using their laptops or mobiles, as our Managing Partner offered real-time updates on the firm's response to COVID-19 and its impact on the business.

A new business-as-usual in serving our clients' business

As the new reality of COVID-19 set in, we were determined to keep business-as-usual operations going where possible and practicable, albeit in different ways.

The firm was quick to tap in to technology to take client interactions beyond emails and phone calls. Meetings between KPMG personnel and clients in Singapore as well as overseas were conducted virtually and staff continued working on engagements.

On the work productivity front, employees drew even more on the automated systems that the firm already had in place for their daily work as our workforce quickly adapted to working from home.

**Our intent...
is to ensure we
can continue to
effectively protect
the interests of
our clients.**

Agile risk management to enhance business resilience to COVID-19's economic fallout

Quality and integrity become even more important in uncertain times brought about by the pandemic – they ensure that KPMG in Singapore's clients, regulators, stakeholders and community have the confidence to work with us, so that we can keep making a positive impact for them as a firm. And this begins with having the right fundamentals and risk management practices in place.

KPMG in Singapore's Enterprise Risk Management (ERM) framework has been critical in helping the firm put the necessary measures in place to respond to COVID-19.

At the same time, there have been ongoing reviews to enhance our own resiliency plans. Throughout this period, we have adopted an agile approach, collaborating across business and support functions while leveraging on new technologies and tools to better manage the effects of the pandemic. Our intent in doing this is to ensure we can continue to effectively protect the interests of our clients.

In light of COVID-19's impact, the firm was also quick to kickstart a process of risk re-assessment of our client portfolios based on the types of services we provide and the industry that these clients are in.



The way ahead for businesses, post COVID-19 – Building enterprise resilience

There is no doubt that businesses and entire sectors will be fundamentally and permanently changed. The future will also bring more challenges and uncertainties such as the global economic recession and climate change risks.

KPMG in Singapore is committed to helping our clients grow in resilience in order to survive and thrive moving forward. Our approach is to help businesses build enterprise-wide resilience in the post COVID-19 world. And this resilience is rooted in 3 'R's:

- **Re-imagine** strategic business responses and be ready to improvise and stay agile.
- **Re-plan** the workforce, to the point of changing business models to stay relevant.
- **Recover** by leveraging available support even while rolling out costs-saving measures.

Building enterprise-wide resilience starts here:

Re-imagine
strategic responses

Re-plan
the workforce and
consider new
business models

Recover
by exploring
avenues beyond
cost-cutting



Doing our part to keep the community COVID-safe

Beyond supporting our clients and our people to get through COVID-19, we are also fully aware of our responsibility to care for stakeholders in the community that we operate in.

From looking out for the less fortunate among us, to partnering with the Government to help local businesses stay up and running, we ensured that the pandemic did not hinder us from continuing to reach out and care for the community.



Stories of impact:

Helping the less fortunate get through the pandemic

With Singapore's modern cityscape and robust development, many may forget that there are households getting by with as little as S\$250 per capita income (PCI). And when COVID-19 hit our community, KPMG in Singapore was quick to remember the needs of these families among us.

Working with our community partners, the firm rallied together to support 300 low-income families comprising elderly seniors, single parents and other disadvantaged groups. Our intent was to give tangible help by covering their food and grocery costs during this difficult time.

Our partners led the way by kickstarting donations, before inviting the rest of the firm to pledge their own donations. In all, our contributions would cover over two and a half months of grocery and food costs for our beneficiaries. We see it as part and parcel of our role as an engaged corporate citizen.

Stories of impact:

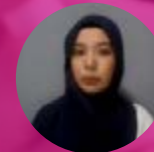
Stepping up to keep Singapore's people and businesses COVID-safe

With the SG Clean project, KPMG in Singapore played an active role to help Singapore's most at-risk establishments stay in business in the midst of COVID-19, while looking out for the safety of the general population.

Working alongside the Government, we partnered with hotels, shopping malls, F&B chains, and resorts and attractions to put rigorous COVID-19 measures in place. Our goal was to help these businesses stay open and operational, by giving assurance to the community and raising public confidence.

Some aspects of our work under the SG Clean project included an assessment tool for businesses to independently verify COVID-19 standards, and a digital dashboard offering insights on root cause issues and best practices.

"When we started on the SG Clean project in March 2020, there was a lot of uncertainty about the virus. Initially, we felt afraid to enter the various business premises, but we knew there was a job to be done: we were there to help prevent the community spread of COVID-19."



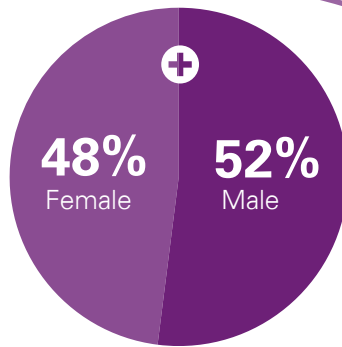
Armeera Warhab
Associate
Governance & Risk
KPMG in Singapore

Making a positive impact, above and beyond COVID-19

Click on the circles to find out more.

3 Impacting Businesses

Adding sustainable value to businesses with the right leadership, new ways of working, and unwavering integrity



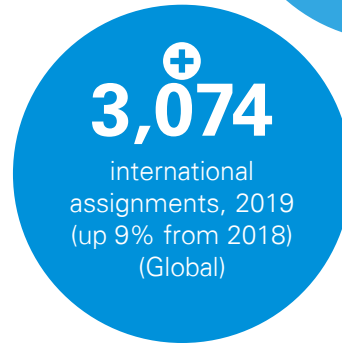
A leadership with diverse perspectives



Global investment in tech, people and innovation

4 Impacting Our People

Nurturing a growth mindset that will take our people confidently into the future



Shaping a world-savvy workforce globally



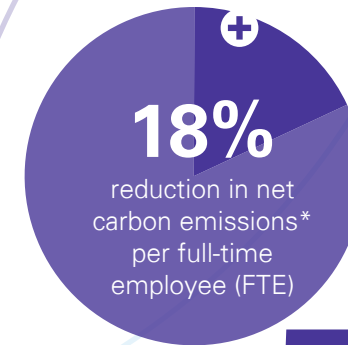
Preparing our people for the new world of work



Leadership skills to enhance employability



Driving social cohesion while inspiring purpose



Ahead of 15% reduction target set for greenhouse gas emissions per FTE by 2020
*measured against a 2016 baseline

5 Impacting Our Community

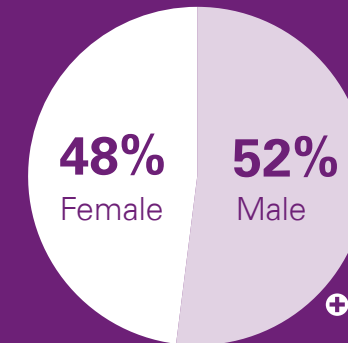
Embracing our role as a corporate citizen to support all segments of society



Impacting Businesses

Building stronger,
more resilient enterprises

The economic fallout of COVID-19 is not an isolated episode. In recent years, the speed and scale of such large-scale disruptions have grown increasingly frequent and intense. We believe businesses can survive and even thrive in this age of uncertainty by shifting their focus to building resilience, and by making sound financial, operational and commercial decisions on a daily basis.



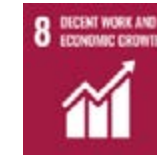
New leadership, more diversity & fresh perspectives to take on the new business as usual



Global investment in technology, people and innovation so that our business can impact more businesses



In our interactions and engagements with enterprises, KPMG in Singapore aligns itself with the following UN Sustainable Development goals:



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



Make cities and human settlements inclusive, safe, resilient and sustainable



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Rethinking who we do business for and how we do it

Today's business leaders face challenges few of their predecessors would be familiar with. More than ever, they must be agile enough to rethink the way they work and who they are working for, quickly redirect their course of action, and better safeguard their returns on investments.

Momentum is also growing for a shift to stakeholder capitalism. Enterprises must now create innovative solutions that not only address the needs of key clients and shareholders, but of wider stakeholders that include those along the supply chain.

Technology will be an important enabler to achieve this. Responding to the heightened call for transparency and accountability by stakeholders will also be key.

As a firm, we make it a point to engage with key stakeholders as part of our focus on integrating environmental, social and governance factors into the way we work.

Our People

We place emphasis on developing, motivating and equipping our people with the right tools and skills.

Our Clients

Our commitment is to deliver quality work and enhance the experience that our teams provide to our clients.

Our stakeholder groups

The Community

Our purpose is to inspire confidence and empower change by improving the communities within which we work.

World-class learning and innovation programmes

across KPMG's global network

Strong strategic alliances

with Google Cloud, IBM, Microsoft, Oracle and more globally

US\$5b

to accelerate the digital transformation of member firms and clients (Global)

Equipping our business to impact businesses

KPMG in Singapore has actively embraced technology platforms and tools to transform the way we work. Our intent is to ensure that we continue to deliver quality output to our clients.

- US\$5b global investments over the next five years in technology, people and innovation to accelerate the digital transformation of member firms and clients
- A world-class learning and innovation centre in Orlando, Florida
- 29 more Global Ignition Centres set up to continue fostering innovation and collaboration
- Ongoing investment and adoption of KPMG Clara and Microsoft 365. Jointly, these form critical tenets of KPMG's investments in a cloud-based digital platform
- On track to target of having 100% of clients in Singapore piloted on KPMG Clara
- Alliances with Google Cloud, IBM, Microsoft, Oracle, Workday amongst many others globally



From building sustainability across the Asia Pacific...

Clean and green infrastructure is a key enabler for driving sustainable growth across the region laying the groundwork for businesses to continue evolving and growing for the decades to come. As such, KPMG in Singapore is committed to doing our part to embed sustainability into the infrastructure space across the Asia Pacific.



Working with Multilaterals Lending Agencies (MLAs)

We work actively with MLAs such as the World Bank and Asian Development Bank to drive green infrastructure that can help us better meet sustainable development goals as a region.

Enhancing infrastructure performance in emerging markets

KPMG in Singapore works with governments and developers to incorporate smart infrastructure frameworks into the overall development planning of emerging markets.

Facilitating inbound investments

We engage with various players in the infrastructure ecosystem to make sure that emerging markets in the Asia-Pacific benefit from foreign investments coming in from China, Japan, Korea, Europe and the USA.

...to being recognised for building sustainable value

KPMG in Singapore is humbled to be awarded both locally and globally. We see these awards as recognition that we are adding sustainable value to our practice, our enterprises and the larger business community.

Global awards:

- Leader in IDC MarketScape’s Worldwide Intelligent Automation Services 2019 Vendor Assessment.
- ALM Vanguard Leader in Cyber Consulting
- ALM Vanguard Leader in Service Operation Consulting
- ALM Vanguard Leader in Workforce Operations Consulting
- ALM Vanguard Leader in Communications and Change Consulting
- ALM Vanguard Leader in Finance Operations Consulting
- ALM Vanguard Leader in HR Operations Consulting
- ALM Vanguard Leader in Supply Chain Planning
- #1 and #2 positions in HFS Research’s Report on top two global providers of Google Cloud AI services
- Forrester New Wave™: KPMG in Singapore is a leading Workday Implementation Partner

Local accolades:

- Regulation Asia Awards: Best Solution in Cybersecurity
- International Tax Review: Transfer Pricing Firm of the Year 2019
- International Tax Review: Tax Disputes & Litigation Firm of the Year 2019





Responsive yet robust risk management for every client

KPMG in Singapore's Enterprise Risk Management framework (ERM) is critical to establishing sustainable operations for us as a firm, and is integral to our vision of becoming the most trustworthy firm for our people, our clients, and our communities.

Our ERM framework involves structured, disciplined and systematic identification, assessment, measurement, management, monitoring and reporting of inherent risks on an ongoing basis. We use this risk information to improve decision-making and develop the right risk management strategies for our clients. This ensures that risks taken and/or accepted are adequately and effectively managed.

The Operations Committee also reviews these key risk profiles periodically, designating risk owners to ensure that appropriate risk management programmes are in place.

20,000

'Know Your Client' checks completed, year ended 31 December 2019

A firmwide commitment to fight bribery and corruption

To uphold the highest standards of professional conduct, KPMG in Singapore adheres to a Code of Conduct that sets out what is expected of our people and promotes consistency across the firm.

We have zero tolerance for bribery and corruption and a programme that includes detailed policies and compliance procedures to ensure this. There are also KPMG in Singapore as well as KPMG International whistle-blowing hotlines that all partners and employees are advised to use if and when necessary.

In terms of training, it is mandatory for all new hires to complete the *'Acting with Integrity'* course, which covers all necessary aspects of anti-corruption. All KPMG in Singapore partners and staff are also required to retake and complete the *'Acting with Integrity'* course every two years, with the last firmwide completion being in 2018.

Ensuring that we work with the right clients

Singapore's stringent Know Your Client (KYC) and Anti-Money Laundering (AML) laws require us to review every new client diligently and thoroughly.

This assessment is required annually for external audit clients, and at regular intervals for our other clients.

This results in many KYC checks each year.

Singapore's
#1 Auditor
for large listed companies

**ACRA Audit Quality
Indicators 2019**

The ACRA Audit Quality indicators are shared with our external audit clients at a firm and engagement level.

43%

share of top 100 listed
Singapore companies
by market capitalisation

As of 30 April 2020

Conducting high-quality audits

Audit quality has always been the litmus test of a firm's overall commitment to quality. In 2019, we continued to invest in technology and training to enhance audit quality:

- New KPMG Clara platform – a cloud-based, “smart” audit platform delivering powerful data & analytics capabilities on one interface – was piloted on a number of clients with a significant ramp up to full deployment in 2022
- Continued expansion of the use of data analytics with the deployment of more tooling and routines
- Investment in training through commitment to programmes such as the ISCA SQP programme

Maintaining client confidentiality

With the rapid expansion of data, new work arrangements due to COVID-19 and a large proportion of staff working from home, being able to communicate electronically and share large volumes of data confidentially has become paramount.

In response, the firm has rolled out client collaboration platforms to support secure remote working, moving many of our applications to the Cloud. Along with this has come requirements to step up cyber security and data confidentiality protocols.



Being independent and conflict free

KPMG in Singapore utilises global KPMG systems such as Sentinel, a system that vets each engagement that we undertake. We also leverage KICS (KPMG Independence Compliance System), which tracks all investments held by our senior staff and partners globally. Our risk management team conducts risk management and ethics training, and obtains annual confirmations from all our partners and staff.

Rigorous internal quality and compliance testing

Internationally, KPMG has Quality, Risk and Compliance programmes that we must undertake here in Singapore.

These programmes require us to actively test our processes and procedures, then report back to KPMG International any areas of non-compliance as well as root cause analysis with regards to the issues identified. The programmes span across all three divisions (Audit, Tax and Advisory), and include the annual Quality Risk Program (QRP) as well as the annual Risk Compliance program (RCP).

In 2019, KPMG in Singapore was subject to a tri-annual Global Compliance Reviews Programme.



Compliance with laws

As a firm, we are subject to numerous laws and regulations in undertaking the services that we deliver to our clients. In 2019, no conviction of fraud, confidentiality breach or criminal activity has been passed against KPMG in Singapore in a court of law. Nor have any penalties been imposed by a professional body or regulator.

Open and transparent regulator interactions

KPMG in Singapore is subject to regular regulatory inspections from company and prudential regulators.

We operate in an open and honest way with regulators, sharing information requested and addressing areas of improvement or non-compliance in a timely way and with appropriate action plans.

Accountable partners and staff

As part of our partners' and employees' annual performance assessment, the results of all risk and compliance processes are summarised in each individual's Quality and Risk Rating Performance (QuRRP) rating. This rating has an impact on our partner's and staff's performance rating and compensation.



Stories of impact:

The journey to a stronger public transport system

When one of Singapore’s key transport operators was directed to overhaul its maintenance approach so as to reduce train breakdowns, they came to KPMG in Singapore to take them forward.

Our task was to transition our client to a new condition-based maintenance approach that would enhance the longevity of their assets by detecting and rectifying potential issues early. The job included implementing this framework on the ground – no small feat, considering that this meant linking the risk of failure to frequency of maintenance for over 700,000 assets.

Ultimately, the team delivered a reporting dashboard that gave our clients clarity into the risk profiles of all their assets, while establishing clear standards for assessment.

Our work for this project is being reviewed by the Government, and could potentially set the benchmark for rail standards in Singapore.

Embedding resilience in the **Public Sector**

700,000

assets checked as part of public transport operator’s maintenance overhaul





Stories of impact:

A prescription for better cyber security

What does it take to boost the cyber security posture of a healthcare player that covers over 40 entities and 60,000 users? This was the task given to KPMG in Singapore – to design a cyber security governance model for one of Singapore’s leading healthcare providers.

The team worked alongside multiple stakeholders across healthcare institutions, a technology provider as well as a national regulator. Our wide-ranging recommendations – which included overhauling our client’s IT service delivery model and remodelling their Chief Information Security Officer role – were well-received, and subsequently presented in Parliament by Singapore’s Minister for Health.

The firm has since been appointed to facilitate the implementation of the target operating model for the healthcare provider, as well as to establish a cyber security project prioritisation methodology.

Embedding resilience in the **Public Sector**

40 healthcare entities;
60,000 users;
1 goal :
Assured cyber security for all





Stories of impact:

Protecting our coastlines

Across the world, rising sea levels and extreme weather are set to trigger more intense and frequent flood events. This is a particularly alarming prospect for a low-lying country like Singapore. In response, KPMG in Singapore is already working to put coastal protection measures in place for one of the nation's key tourist island destinations.

Our team was called upon to analyse potential flood damages for the decades to come and recommend coastal adaptation measures to match.

In assessing the various coast protection measures, care was taken to consider factors such as maintenance requirements, whether these measures would complement the island's character, as well as the impact of these measures on residents and businesses – all important considerations to manage the long-term economic and social impact of protecting our coastlines.

Embedding resilience in the **Public Sector**

Rising sea levels means a lot more for a low-lying island state like Singapore...



Stories of impact:

Innovative solutions for real-world business problems

Since 2018, we have been working with Singapore's infocomm media statutory board to accelerate business growth and innovation through regular innovation calls on the Open Innovation Platform.

Each of these calls comprises challenge statements based on real-world business problems, and are crafted by the team here at KPMG in Singapore. We then use these challenge statements to engage innovative problem solvers worldwide, with shortlisted finalists getting the chance to turn their solutions into proof of concepts or prototypes.

Since launching, the Open Innovation Platform has seen over 6,000 users, hosted over 120 challenge statements, and facilitated over 30 cutting-edge prototype solutions. These have included a fact-check engine to combat fake news, and IoT solutions for smart asset management. Consider it an innovation ecosystem to help businesses stay always a step ahead.

Making an
impact on
Enterprises

Stories of impact:

Championing fintech start-ups, co-innovating future solutions

Responding to pandemics; innovative climate financing; more financial inclusion... these are just some of the issues we have tackled with the Global FinTech Hackcelerator.

Organised by KPMG in Singapore and the nation's monetary authority as part of the Singapore FinTech Festival, this annual programme gives fintech players the chance to develop ready-to-adopt prototypes for industry buyers and investors. And each year, our team gets into the thick of action: from defining the most pressing problem statements, to pairing start-ups with corporate champions.

The results have begun to show. Many Global FinTech Hackcelerator finalists have gone on scale their prototype solutions across markets. More than this, the programme is a starting point for enterprises to adopt innovative technologies to address business challenges.



Stories of impact:

Supporting climate change action in Indonesia

Indonesia is one of the world's richest with regards to its biodiversity. And it is this biodiversity that KPMG in Singapore is proud to help our regional neighbour protect.

Since 2018, Indonesia has created fiscal instruments specifically for climate change action: the issuance of the green sukuk (commonly referred to as a 'sharia-compliant' bond). KPMG in Singapore was tasked to enable this endeavour, by providing independent assurance to the country's Ministry of Finance Green Bond report.

This innovative financial instrument has been significant in supporting Indonesia's commitment to reduce greenhouse gas emissions. In the 2018 issuance, 100% of the US\$1.25b in proceeds went to financing or refinancing green projects that will help mitigate climate change and preserve biodiversity.

Championing sustainability
in the region





Stories of impact:

Support for marginalised businesses in India

KPMG in Singapore is proud to work with one of India's largest asset financing companies to provide assurance on their first international public social bond – in itself, a landmark transaction for the country.



The client's objective with this bond is to support the financial inclusion of thousands of drivers-turned-owners by offering affordable finance on pre-owned commercial vehicles.

Beyond this, proceeds from this public social bond have been channelled back to a range of businesses in India:

- Financing for small road transport operators and first-time buyers from underserved communities at favourable interest rates
- Financial instruments and supporting services for micro, small and medium-sized enterprises
- Affordable loans to promote entrepreneurship in low-income states



Championing sustainability in the region





Championing
sustainability
in the region

“We are passionate about contributing to our city’s next phase of growth. Hosting this sustainable finance roundtable has fostered a real sense of community amongst those who believe in making a difference through tangible action.”

Ian Hong
Partner
Sustainability Services
KPMG IMPACT

Impacting
Businesses

Stories of impact:

Leading the push for sustainable financing in Asia

On the back of the Singapore FinTech Festival 2019, KPMG in Singapore also hosted a roundtable that brought representatives from the Monetary Authority of Singapore together with leading senior executives from global banks.

The ensuing discussion centred around concrete actions that can be taken to successfully enable sustainable financing in Asia.



Stories of impact:

Paving the way for ASEAN's digital economy to thrive

Strong governance frameworks, robust infrastructure and progressive policies – KPMG in Singapore is proud to have played a pivotal role in putting these in place for Southeast Asia's growing digital economy through the ASEAN Framework on Digital Data Governance.

Created as part of the Master Plan for ASEAN Connectivity 2025 initiative led by the Telecommunications and Information Technology Senior Officials Meeting (TELSOM), we were tasked to develop a framework that took into account the region's differing levels of digital data maturity and transparency. The firm delivered in 2019, with a framework that is set to boost trade across all 10 ASEAN member states by:

- Strengthening the region's data ecosystem;
- Harmonising legal and regulatory frameworks; and
- Fostering data innovation

Championing sustainability
in the region





Championing
sustainability
in the region

Impacting
Businesses

Stories of impact:

Strong foundations for sustainable infrastructure in ASEAN

Southeast Asia faces an infrastructure gap from 2016 through to 2030 of approximately US\$2.8 trillion. So, what will it take to unlock more capital flows towards sustainable infrastructure in the region? KPMG in Singapore was called upon to weigh in on this issue as the exclusive knowledge partner to the Singapore Institute of International Affairs (SIIA) in a report launched in April 2020.

Titled '*Financing Sustainable Infrastructure in ASEAN*', the report offers 10 recommendations for ASEAN governments, industry associations, financial institutions and financial service providers. These recommendations have effectively set the blueprint for how Singapore and ASEAN can make sustainable infrastructure the foundation for our long-term growth and resilience.



Impacting Our People

Building a stronger workforce

We consider our people a key stakeholder group, and actively engage with each employee as part of our commitment to nurture a capable, engaged and productive workforce.



Adding value by equipping our people with leadership skills for lifelong employability



Making the new world of work, work for all



Shaping a world-savvy, future-ready workforce globally





KPMG in Singapore is committed to the following UN Sustainable Development goals as part of our interactions with employees and staff:



Ensure healthy lives and promote well-being for all at all ages



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all





Grooming the future workforce

As a firm, KPMG in Singapore is committed to actively engaging its people, encouraging collaboration, and championing integrity, transparency and accountability.



Our commitment is to the overall well-being of our employees, both now and for the future. And we work to provide the environment, tools and opportunities for each individual to build a fulfilling lifelong career – where they are equipped to take on future workplace challenges, and actively contribute to the larger community.



Leveraging technology to prepare our people for tomorrow

There is no doubt that technology has done a lot to improve the way we deliver our services to clients. More than this, we believe that leveraging technology such as AI and IoT will add long-term value to our people, by giving them the exposure and necessary skills to thrive in the future economy.

To this end, KPMG in Singapore has continued to employ technologies in an assistive manner to improve our processes and re-imagine the way our people work, from smart audit platforms powered by data and analytics to paperless systems for our tax practice.





Stories of impact:

KPMG Clara - Equipping our people to deliver Audit Quality

Audit Quality does not happen by chance; this is why we invest in giving our audit professionals the support, tools, and environment to consistently deliver high-quality audits. Case in point: our new globally-developed tool for audit professionals, KPMG Clara.

2019 saw the deployment of KPMG Clara across the firm. This tool puts data analytics, innovative new technologies and collaboration capabilities directly into the hands of our employees.

In this way, our people are equipped to give clients a completely re-imagined audit experience that is more seamless, efficient and intuitive.



Stories of impact:

DMS - A paperless future for a more proficient tax practice

With KPMG's Document Management System (DMS), our tax professionals leverage technology to deliver their services in a smarter, faster and more efficient manner.

DMS works as a central digital platform which manages and stores tax-related engagement documentation and content, and is but one step in our journey towards going paperless. The benefits are clear: Engagement information is easily accessible; collaboration becomes easier; and clients get the information they want more efficiently.

Beyond its environmental and professional implications, the DMS platform also ensures that our people are skilled and ready for more tech-based solutions to come.

Empowering every individual to reach new heights

Everyone a leader

At KPMG in Singapore, long-term growth and development begins with ensuring employees take ownership of their growth and career development.

This is the starting point for our Take Charge initiative. Launched in 2019, this initiative empowers our people to be leaders every day, to be accountable for their own growth, and to define their own success – goals that add sustainable value to their future.

The initiative comprises four prongs encompassing the multi-facets of life in KPMG : **Performance, Career, Learning, and Work.**

Take Charge of Your Performance

In July 2019, we launched our new OPEN Performance Development System. This system allows employees to co-create a robust performance-driven culture and shift to a growth mindset by being proactive about managing their performance and development.

Take Charge of Your Career

We have also introduced a new internal mobility platform. The portal, called Career Mobility Connection, enables employees to seamlessly explore both internal and global work opportunities, instead of having to look to various disparate sources.

100%

of workforce onboarded to "Everyone a Leader" in 2019

"I am encouraged that with the growth mindset now embedded in our people, ...we will overcome future challenges together and grow as one KPMG."

Tay Hong Beng
Head of Central Services
KPMG in Singapore



Take Charge of your learning

In the past year, our Global Learning Management System (GLMS) platform delivered a mix of technical as well as future-centric courses such as design thinking and negotiation skills. Staff were encouraged to tap into these resources for their personal development and to advance their skills for the future economy.



We've also made sure that our people grow in their professionals skills and qualifications. KPMG in Singapore is already the first Accredited Training Organisation recognised by the Singapore Accountancy Commission (SAC). In 2019, we locked in the most candidates among Singapore's Big 4 accounting firms to attempt the Singapore Chartered Accountant qualification examinations. Our average pass rate was 73% - higher than the 69% national pass rate. Our candidates also attained 'top scorer' status in various modules.

Average training hours

68 hours for Management Group

77 hours for Professional Staff

11 hours for Administrative Staff

Course attendance 2019

Open Performance Development (Firmwide) **774** over 17 sessions

"Handling Difficult Conversations – Saying It Right" Coaching Clinics **68** over 10 clinics

Lunch and Learn sessions (soft-skills training) March to Nov 2019 **330**

Coffee with Partners Series March to July 2019 **101**

Design Thinking (Two-day workshops) March to Oct 2019 **42**

Demystifying Design Thinking (3-hour session for KPMG in Singapore Partners) **48**

223,951
person hours

Total time invested in training the KPMG in Singapore workforce, 2019



Stories of impact:

Making a career out of personal interests

Want to change your career path? Then, go ahead and change it – That is what’s possible with KPMG in Singapore. Jonathan Lee, an assistant manager in Corporate Tax Advisory, is proof of that.

Jonathan started his career in Corporate Tax Compliance. He was always interested in taking on complex multi-layered issues though – something he thought he could experience in Corporate Tax Advisory. And when Jonathan indicated this interest to his work mentors, they were quick to support his career switch.

Today, Jonathan has indeed made the jump to a corporate tax advisory role. He’s even managed to bag a three-month overseas secondment to Luxembourg to better understand global tax practices. You could say that he’s truly going places in his career with KPMG.



Stories of impact:

Equipping our people for the future of work

As Director of Business Operations at KPMG in Singapore, Andrew Leonard’s work revolves around dealing with IT applications, robotic automation processes and AI to improve the way the firm’s employees do their work. It’s a job scope he never expected doing.

It’s understandable, seeing that Andrew worked as a tax advisor for many years prior to this role. Yet, it was partly this time on the frontline that motivates him to help KPMG in Singapore’s teams work smarter, faster and more efficiently.

At the end of the day, Andrew’s job is all about equipping employees with the next-generation tools necessary to thrive in the future economy. In this way, he embodies the firm’s larger vision for impacting people – to ensure that every KPMG employee has the skills, exposure and knowledge they need to take their careers forward.



Stories of impact:

Spreading the love of continuous learning

Some people spend their weekends relaxing and doing what they enjoy. Terence Chew uses it to check out online courses and tutorials on the latest in data analytics and visualisation.

A data analytics manager in our audit practice, Terence has always enjoyed learning new ways to make audit work easier and more efficient. Self-learning is his way to continually grow in professional skills and mastery. And he doesn’t keep these to himself; Terence shares what he’s learnt with his peers and colleagues as part of coaching sessions to enhance audit quality and efficiency.

So why does he do it? For one, Terence sees the importance of staying up to date on new ways to apply data analytics for the evolving field of audit. For another, it’s part and parcel of the firm’s culture of continuous learning that he has come to embrace, and enjoy.

.....
“I want to be sure that our people know they have the backing of leadership to give them time to learn (about AI, Robotic Automation etc), and that we will help coach you in what you need to do in the future.”

Andrew Leonard
Director of Business Operations
KPMG in Singapore

.....
“As you progress in your career, you gain clarity on what keeps you engaged at work and also what sparks joy.”

Terence Chew
Manager
Audit
KPMG in Singapore
.....





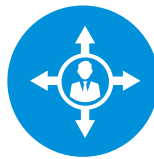
Take Charge of your work

Perhaps one of 2019's most buzzworthy initiatives among our people was the launch of our new flexi-work policies.

Starting from June 2019, employees were empowered to take charge of three key areas of their jobs: the hours they choose to work in the day, where they worked, and how they dressed for work.



Flexible work hours



Freedom to work offsite



Flexible dress code



Beyond offering more space and freedom to employees, KPMG in Singapore's flexi-work policies have brought us far larger benefits in terms of building teamwork and accountability among our people.

"I think ultimately it comes down to building trust," said Felicia Chia, Partner, Tax Consulting, who is also one of our many performance leaders. "And I think the way that we can do that is by having good two-way communication."

The flexi-work policies have certainly laid the groundwork to build more mutual trust and accountability, and is proving to help make employees happier, more productive and more engaged. And that in itself, is good enough reason for employees to continue taking charge of the way they work.



Improving employee experiences

KPMG in Singapore believes in the value of on-the-ground 'reality checks'. We regularly engage with employees to check if we are on track with our ambitions and goals.

Every year, we track and measure employee engagement through the Global People Survey (GPS). The results are then used as guidance for the firm to develop and implement action plans.

2019's GPS reported the highest level of staff participation at around 95%. There was also almost a 100% increase in ratings for each category, with the rewards & recognition and leadership categories recording most of the improvement areas.

**85 teams,
400 staff
and partners**
all recognised as
Service Champions,
2019



Recognising our people - Service Champions Awards

Client experience management has become more demanding by the day, especially in our digitalised world. We look to our people to differentiate us in today's fast-paced marketplace by delivering a world-class experience each and every time they engage with customers.

Our Service Champions Awards was created to recognise those who have done just that, and to motivate our people to continually improve the way they service our clients.

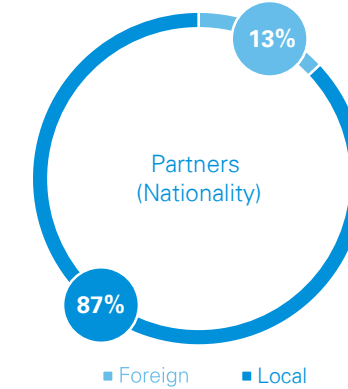
Every year, awardees are selected based on rigorous criteria which include how satisfied clients were with the overall quality of service delivery and how the KPMG in Singapore team added value. And in 2019, nearly 400 of our people were singled out as service champions.

Regardless of race, language, age, gender and everything in between

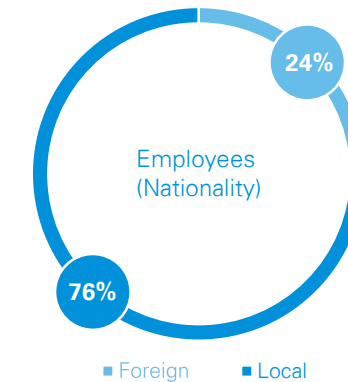
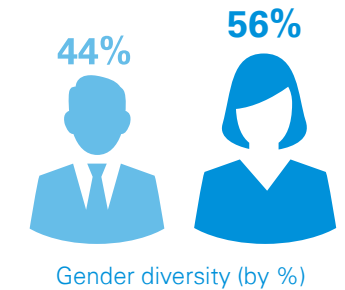
Driven by our Global Inclusion and Diversity Framework, KPMG in Singapore is committed to building an inclusive future for all in the firm. We hold ourselves accountable to creating a workplace that's free from discrimination, harassment, misuse of substances and unsafe conditions, and to ensure that all employees are engaged as equal stakeholders regardless of their profiles and backgrounds.

We currently employ 3086 permanent and 125 temporary employees and understand that our diverse, multi-generational workforce has differing expectations from work. This is why we continuously listen – so that we can enable our people to experience, harness and capitalise on the diversity, passion and talent within the firm. We hired 992 new employees during the reporting period and our employee turnover rate was 22.11%.

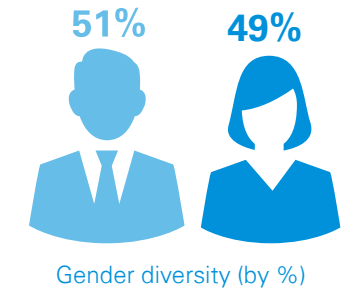
Diversity in local and foreign hires



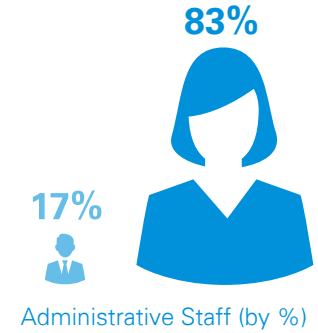
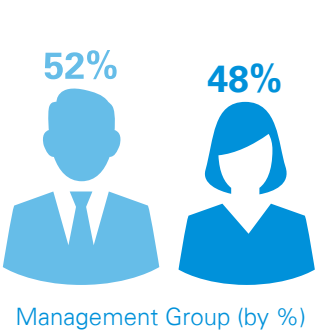
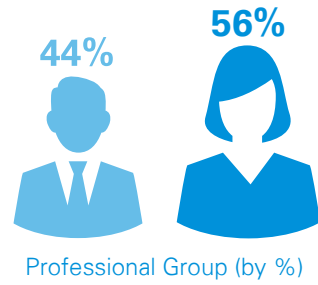
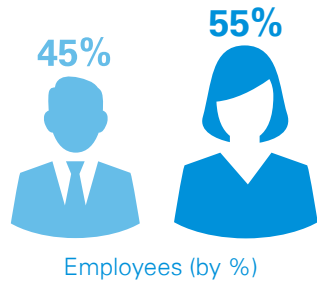
Gender diversity for permanent employees



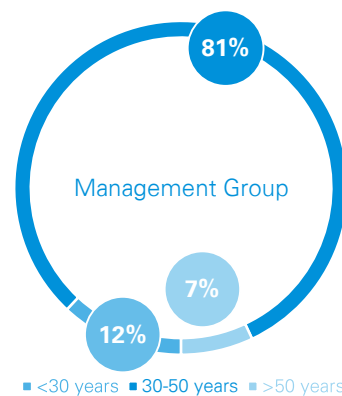
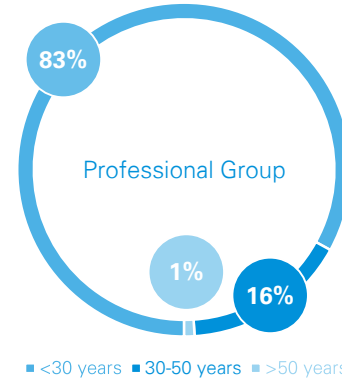
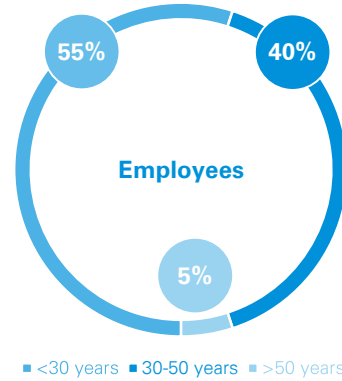
Gender diversity for temporary employees



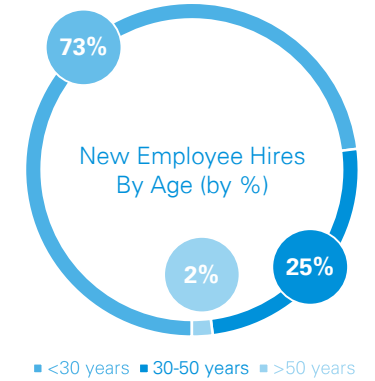
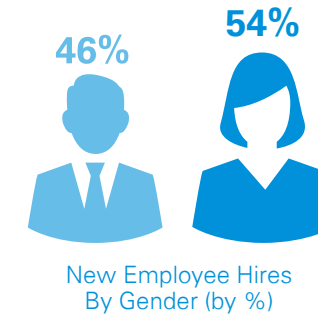
Gender diversity (overall and by employee grade)



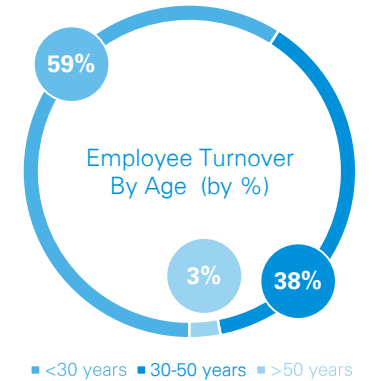
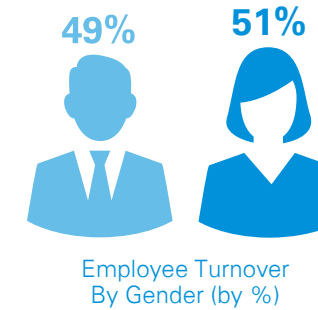
Age diversity (overall and by employee grade)



Age and gender diversity in new employee hires



Employee Turnover (age and gender)



Impacting Our Community

Working for a stronger community

At KPMG in Singapore, we view corporate citizenship as a responsibility and core value. Our goal is to contribute to the sustainable development of our community in meaningful and positive ways. After all, our firm can only function with a social licence to operate. This is why it is critical that we continually earn the trust of our communities.

24,000
hours

**Total people volunteer
hours**

18%
reduction in net
carbon emissions*
per full-time
employee (FTE)

**Ahead of 15% reduction
target set for GHG
emissions per FTE by 2020**
*measured against a 2016
baseline

KPMG in Singapore is committed to the sustainable development of the larger community, and is proud to be aligned with the following UN Sustainable Development Goals:



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Reduce inequality within and among countries



Take urgent action to combat climate change and its impacts

Embracing our role as a corporate citizen

KPMG in Singapore is actively involved in creating a more sustainable future with and for our external stakeholders.

Through KPMG Cares, for instance, we twin philanthropy with our work in the community to build resilient communities, cultivate a sense of collective purpose among our people, and forge partnerships within the community.

We also hold ourselves accountable for our environmental impact on the community. Our vision is to implement a low-emissions and resource-efficient environmental strategy, while engaging with local suppliers to create sustainable value.



“The community is a big focus for us as a firm. Our purpose is to invest in and improve the communities in which we live and work. We want to make a positive difference in everything that we do in the hope of achieving a better tomorrow.”

Lee Sze Yeng
Partner
KPMG Cares
KPMG in Singapore



Investing in the community to build an inclusive society

2019 was a time for us to understand and identify the challenges faced by our community, so that we could proactively address them in a way that can create lasting and meaningful value.

We focus on four aspects to drive positive change in our communities: **Lifelong Learning, Sustainable Communities, Disability and Low Income**, and **Volunteering**.

Lifelong Learning

We believe that lifelong learning and education for all can inspire the next generation of leaders, open up gateways to learning opportunities and drive economic growth for generations to come.

Our initiatives /activities

- Inclusive Employment Initiative
- Cyber Awareness Workshops

What we achieved in 2019

- 19 beneficiaries from the Deaf and Hard of Hearing Federation, Personalised Love, CPAS and Grace Orchard School
- Over 6,000 students reached through Cyber Awareness Workshops

More than
6,000
lifelong learning
beneficiaries since
inception



Stories of impact: Jobs for all

Companies need corporate tokens. People with disabilities want paid employment – KPMG in Singapore’s Inclusive Employment Initiative connects the dots between the two by training people with disabilities (PWD) to produce corporate tokens as a form of employment.

Since the inception of this programme, we have supported 19 beneficiaries from the Deaf and Hard of Hearing Federation, Personalised Love, CPAS and Grace Orchard School. Many of these beneficiaries have also moved on to clock their own milestones:

- Pioneer KPMG Cares deaf beneficiaries have set up ‘The Silent Artisans’ e-commerce site, and actively conduct craft workshops at schools and corporates
- Artisans from our partner social enterprise, Personalised Love, have learnt advanced leather crafting, communications and presentation skills
- Cerebral Palsy Alliance Singapore (CPAS) and Grace Orchard School beneficiaries have learnt basic leather craft and are able to complete simple products

.....
Giving people with disabilities the training and opportunities to get paid employment – that’s what our Inclusive Employment Initiative is all about.





6,000

students reached through KPMG in Singapore's Cyber Security Awareness School Outreach



Stories of impact:

Bringing cyber security awareness to schools

Cyber security threats can affect anyone of any age – it was this truth that drove KPMG in Singapore's volunteers to bring cyber security awareness to schools.

The tailored curriculum of our Cyber Security Awareness School Outreach aims to teach students how to stay safe online, as well as to enable them to champion the protection of their personal data and online security.

The initiative has impacted over 6,000 students in Singapore since its inception. The team hopes to step up its impact in the near future, by empowering students with the skills and knowledge to reach out to even more people at community centres, homes and other social service organisations.





Sustainable Communities

KPMG in Singapore is committed to reducing our impact on the environment, addressing environmental challenges, and helping our people and clients advance environmental sustainability.

Our initiatives / activities

- The Green Dot
- Global Climate Response



What we achieved in 2019

- Sustainability awareness talks, excursions to Semakau Landfill and a material recovery plant, green bazaars and hands-on workshops



.....
From conducting talks to organising excursions to various locations such as Semakau Landfill (pictured here), staff-led initiative The Green Dot has been hard at work promoting sustainability awareness and encouraging a more sustainable lifestyle among our people.





Stories of impact:

No employee left behind

We're actively working to reduce the proportion of employees in our workforce whose average monthly income is below S\$2,000. Through our Progressive Wages Programme, KPMG in Singapore actively encourages such employees to take up courses that would make them eligible for pay increments. Increments for this group of employees have also been higher than National Wages Council's recommendation.

And we did meet our goal to have all our employees earning above S\$2,000 as at end of 2019, ahead of our initial target date of July 2020.

In support of disability and low income groups

Our programmes not only help the disabled be seen and heard, but also act as a platform for us to help integrate people with disabilities.

Our initiatives / activities

- Progressive Wages Programme
- Singapore Business Network on Disability (SBNoD)
- RISE Mentorship

What we achieved in 2019

- All employees earning above S\$2,000
- Drive conversations on the importance of supporting charities and social enterprises
- Senior leadership mentorships



Stories of impact:

Looking beyond disabilities, building more inclusion

KPMG in Singapore is well aware of how cross-sector partnerships can address complex social issues and help create a world that is more inclusive, sustainable and resilient. This has led the firm to help establish the Singapore Business Network on Disability (SBNoD).

Functioning as a community of local businesses across various industries, SBNoD helps advance the equitable inclusion of persons with disabilities by sharing expertise, experience, networks and resources.

In the past year, KPMG in Singapore has worked tirelessly to encourage more companies to support charities and social enterprises, as well as share our experiences from the Inclusive Employment Initiative as a way to encourage others to do likewise in providing opportunities for people with disabilities.



Stories of impact:

Mentorships to enable people with disabilities

RISE Mentorship is a 12-week programme by SG Enable where youths with disabilities are matched with business leaders from corporates, MNCs, and other inclusive employers. Through the programme, KPMG in Singapore offers students the chance to gain a better understanding of their skills and abilities, build professional networks, and tap into their mentors' knowledge and work experience.

In 2019, KPMG in Singapore's senior leadership had the opportunity to mentor three bright students from various backgrounds as part of this programme. We also provided employment opportunities for certain RISE mentees.

.....
Building professional networks while gaining work experience – all part of the RISE mentorship programme





Volunteering as part of our corporate culture

KPMG in Singapore is committed to improving the communities in which we work through active involvement, advocacy and investment. And one of the key ways we do this, is through volunteering our time and talents.



Total people volunteer hours :

~24,000
hours

The 'Give Time' initiative encourages employees to take up to 40 hours of 'Give Time' leave per year and play a more active role in community service.

Shared Services for Charities

766
total pro bono hours

KPMG in Singapore does pro-bono work with Shared Services for Charities, a not-for-profit organisation that delivers professional services to enhance the governance and organisational excellence of charities.

KPMG Day & Make a Difference Day (MADD)

13,910++
total hours

MADD is an initiative firmly embedded in our firm's annual event calendar, where all staff dedicate a day to spend with beneficiaries of selected Voluntary Welfare Organisations.



Total 'Give Time' hours, 2019

10,000



Giving Month

KPMG in Singapore celebrates a month of giving every November. Here is Giving Month 2019 at a glance:

.....
**Give Support x
The Silent Artisans**

Deaf beneficiaries from the Inclusive Employment Initiative came together with The Silent Artisans to conduct a workshop for our employees where they taught skills learnt through the programme such as clay art and paper quilling.

.....
**Give Life x
Singapore Red Cross
Society**

Close to 90 staff gave blood in this blood donation drive to help replenish the depleting stock in Singapore's blood banks.

.....
**Give Light x
Wicare Support Group**

Our staff learnt to make eco-friendly candles that was gifted to members of the Wicare Support Group as a meaningful token to bring cheer to these ladies who have lost loved ones.

.....
Give Hope

Staff brought pre-loved items from home as part of this donation drive. The items collected were donated to Greensquare, Blessings in a Bag and New2U.





Surpassing targets in lessening our impact

KPMG's Global Climate Response (GCR), which is aligned with the United Nations Sustainable Development Goals, was developed to ensure that we reduce our environmental impact and adopt resource-efficient practices and technology all across the KPMG network.

We see the GCR as an integral aspect of mitigating the way we impact the community in which we operate in. And KPMG in Singapore is proud to not only meet but exceed global targets through the years.

In 2019, our total greenhouse gas emissions was 5,245 tCO₂e, and we remain on track to meet our 15% reduction target by 2020 when set against the 2016 baseline.



Reducing our carbon emissions as a firm

Phase 1: 2007 – 2009

29%

combined reduction achieved

Ahead of reduction target of 25% by 2010, on a 2007 baseline

13% local reduction, 3% above target

Phase 2: 2010 – 2015

27%

reduction achieved in net carbon emissions per FTE

Target set for KPMG in Singapore was an 8% reduction in net carbon emissions (against a 2010 baseline) per FTE by the end of 2015.

Phase 3: 2016 – 2020

18%

Total emissions = 5,245 tCO₂e

reduction in net carbon emissions per FTE. Ahead of the set target, achieved largely due to decreased business travel.

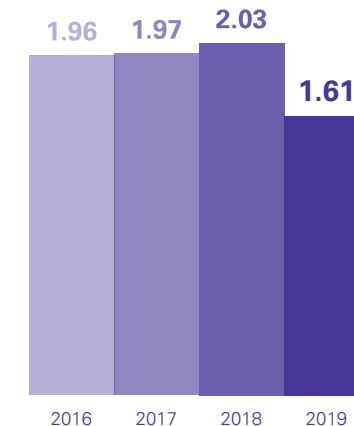
Target set for 15% (against a 2016 baseline) by the end of 2020.

Sustainable choices and internal policies

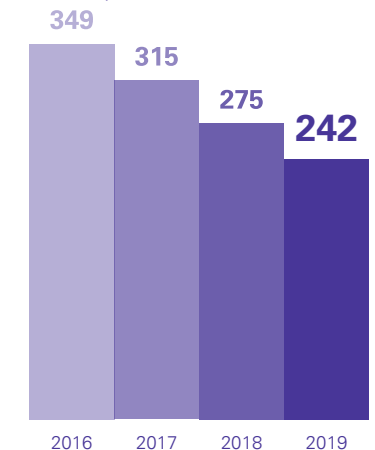
As a growing organisation, our requirements will inevitably increase. However, we emphasise on increasing efficiency in our operations while continually reducing our environmental impacts. To achieve this, we engage with associates and stakeholders across our value chain as part of our journey towards a carbon-neutral future.

Sustainable choices and internal policies leading to decrease in paper usage.

'Net' carbon emissions per full-time employee (tCO₂e/employee)



Paper usage per person per month (No. of sheets per month/person)





Managing suppliers to mitigate our impact

Supply Chain Management

In dealing with our supplier base, KPMG in Singapore is committed to being consistent in how we procure our goods and services. We also promote sustainable sourcing. In fact, most of our suppliers are based in Singapore – all part of our aim to help drive social progress and economic development by supporting local businesses.



In conducting business globally, we are fully aware of our responsibilities:

- Compliance with local laws
- Respect for human rights
- Environment management
- Safe working conditions
- Active support for positive action with our suppliers

KPMG in Singapore’s reference points for sound supply chain management:



Supplier Code of Conduct

Encourages suppliers to demonstrate respect for our ethical standards of business behaviour and defines principles for fair and honest dealings



KPMG Procurement policy

Outlines minimum requirements, roles, responsibilities and procedure



Stories of impact:

Lessening our impact as we engage with our clients



In 2019, we set out to find a disposal vendor that could lower our environmental impact in electronic waste recycling. Our criteria for vendor selection was strict, but necessary: compliance with local and international data security, Environmental Compliance Certifications (e.g. Responsible Recycling System) and international best practice certifications such as ISO 9001, 14001.

Ultimately, we engaged a supplier that could meet with our environmental compliance and sanitisation requirements and help us deliver on our commitment to be a socially responsible corporate citizen.



Appendix

Sustainability Governance

KPMG in Singapore draws guidance from policies set by KPMG International’s key governance and management bodies, including the Global Council, Global Board, Global Executive Team and Supporting Committee.



At KPMG in Singapore, our sustainability governance structure largely covers that of our organisational structure, with leadership being the vanguard of positive change.

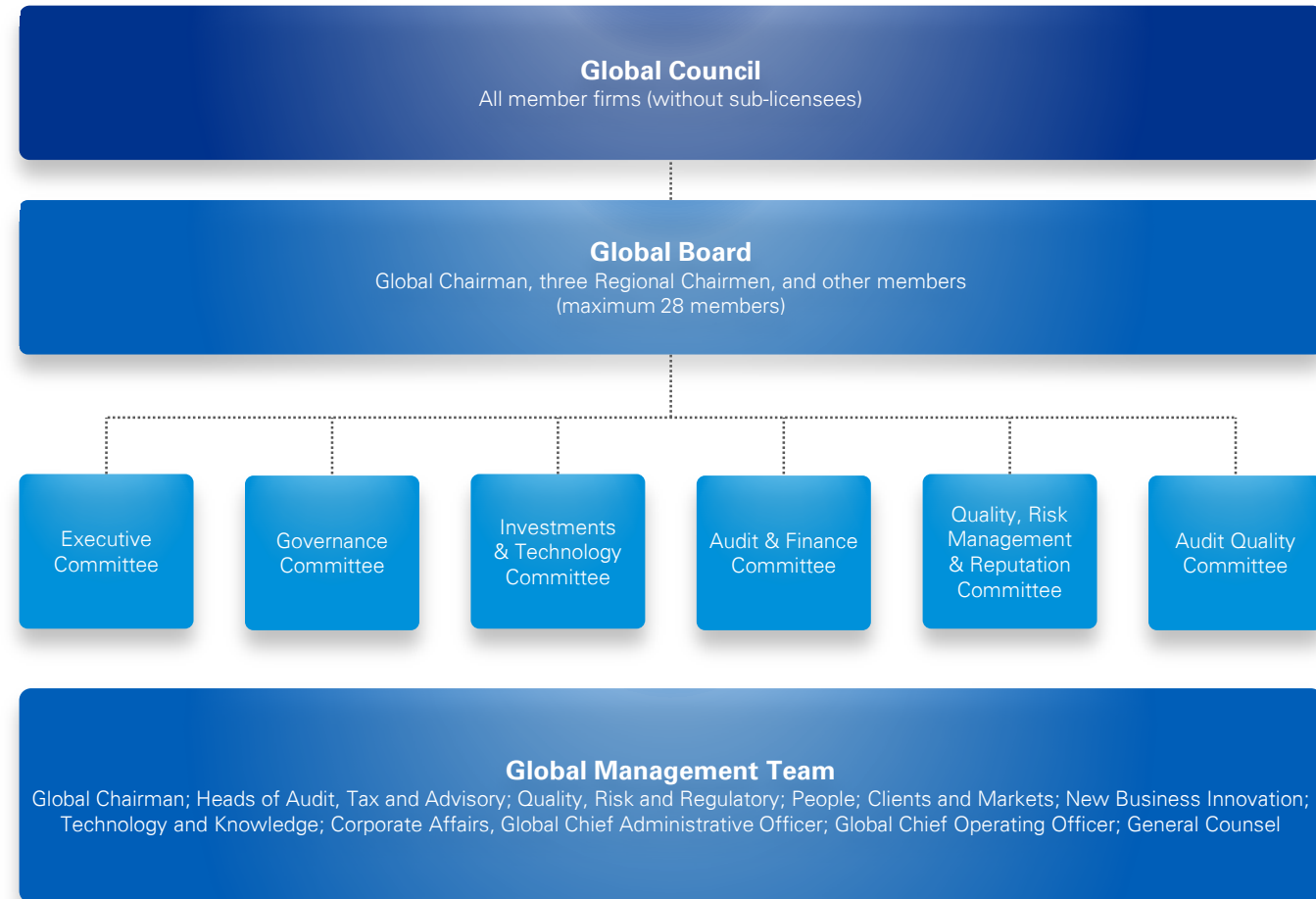
The Managing Partner is an executive position supported by the Operations Committee, and the Operations Committee comprises senior representatives from KPMG in Singapore’s various functional areas and market segments.

Representatives in the Operations Committee are responsible for the leadership of the respective market segments.

They set and manage the strategic direction and progress of their segment of area of responsibility within KPMG.

Our sustainability reporting process is jointly led by our Managing Partner, Ong Pang Thye, as well as the Head of Clients, Markets & Innovation, Ling Su Min.

KPMG International Structure and Governance



Memberships and Associations

In addition to supporting community projects, our people contribute their knowledge and skills to a range of industry bodies and not-for-profit organisations. We have partners who serve on boards of national arts organisations, professional associations, education boards, and on the local council for green issues. The list of external initiatives and association memberships that KPMG in Singapore (through KPMG International) endorses are as follows.

United Nations Global Compact (UNGC)

KPMG International is a signatory to the UNGC, a principles-based initiative that aims to influence the creation of a more sustainable and inclusive global economy. By participating in the UNGC, we demonstrate our commitment to advancing the business agenda as an active corporate citizen.

World Business Council for Sustainable Development (WBCSD)

KPMG International actively participates in the WBCSD and is involved in a variety of WBCSD projects. We focus on the Social Impact cluster, where we participate on the board. We are also involved in the Redefining Value work stream, the Greenhouse Gas Management team and the Future Leaders team.

International Integrated Reporting Council (IIRC)

KPMG International is an active participant within the IIRC in its work to promote integrated reporting to address the gap between reporting content and business value, with official representation by KPMG International as well as involvement by KPMG partners and employees worldwide.

World Economic Forum (WEF)

KPMG International works as a Strategic Partner to the WEF, helping to shape initiatives, projects and task forces as well as to give intellectual guidance. KPMG International has a strong presence in Davos every year. Regional leadership also participates in the Regional Summits that take place throughout the year.

Enactus

Enactus is a global non-profit organisation mobilising university students to make a difference in their communities while developing skills to become socially responsible business leaders. Enactus teams develop business projects that have a positive social impact over the course of a school year and compete nationally. Winning teams are invited to compete at the annual Enactus World Cup.

KPMG International has sponsored Enactus for over 18 years and is currently the Global Presenting Sponsor of the Enactus World Cup.

One Young World

One Young World summit is a global entrepreneurial forum for young future leaders. Hailed as a “junior Davos”, the annual One Young World summit provides a global platform to develop, empower, engage and network with the best and brightest people – helping them to grow into socially responsible business leaders.

Human Rights

KPMG International’s Human Rights Statement is in accordance with the UN’s Guiding Principles on Business and Human Rights. The statement lays out our commitment to respect human rights within our sphere of influence and builds on our long-standing support for the UNGC.

UN Women’s Empowerment Principles

KPMG International is a signatory to the UN’s Women’s Empowerment Principles, a set of principles for business that offers guidance on how to empower women in the workplace, marketplace and community.

Women Corporate Directors (WCD)

WCD is the world’s largest membership organisation and community of women corporate board directors, and has been instrumental in training women for board service, providing board opportunities, and facilitating introductions to nominating committee chairs. KPMG sponsors WCD globally. In Singapore, we actively lead and manage the programme for the local chapter.

Stakeholder Engagement

Our stakeholders are crucial to our success. They expect our actions to be reflective of a responsible organisation, while we look to continually engage them to ensure we remain relevant and aligned to wider issues and new priorities.

Our key stakeholder groups are:

Our People

We recognise that our people are unique individuals with diverse strengths, and they are encouraged to discover their personal purpose at work. We place significant emphasis on developing, motivating and equipping them with the right tools and skills.

Our Clients

Our clients expect us to add credibility, share insights and provide innovative solutions. Thus, it is crucial to deliver quality work and enhance the experience that our teams provide to our clients.

The Community

Our purpose is to inspire confidence and empower change by investing in and improving the communities with whom and within which we work.

Our regular and ongoing communication with our key stakeholders in the community allows us to understand their concerns and address their needs. Insights gained from such interactions are incorporated into our business strategy, as well as our reporting.

Stakeholders	Engagement Methods	Frequency	Key Concerns
People	<ul style="list-style-type: none"> Global People Survey Informal online forum, "KPMG x Change" Business strategy updates and townhall sessions Annual performance reviews Training and development programmes Support and interest groups Recreational events and activities 	<ul style="list-style-type: none"> Annual Ongoing Ad-hoc Annual Ongoing Ongoing Ad-hoc 	<ul style="list-style-type: none"> Clear leadership and sense of purpose Communication and recognition Talent building and continuous learning Sustaining energy at work
Clients	<ul style="list-style-type: none"> Dedicated teams to service each unique and individual client Events Post-engagement survey Seminars and conferences 	<ul style="list-style-type: none"> Ongoing Ongoing Ad-hoc Ad-hoc 	<ul style="list-style-type: none"> Relevant solutions and technical expertise Pursuit of excellence Industry and thought leadership
Community (Professional and Social)	<ul style="list-style-type: none"> Participation and representation in industry organisations/bodies Community investments and outreach programmes Employee volunteerism Public feedback channels 	<ul style="list-style-type: none"> Ad-hoc Ad-hoc Ad-hoc Ongoing 	<ul style="list-style-type: none"> Transparency, strong governance and ethical business practices Contribution to national goals and needs

Materiality Review

We conducted a detailed materiality assessment to identify ESG topics that are most important to our stakeholders and our firm. The identification of material topics involved a research on global and local trends in our industry, taking into consideration material topics identified by our peers. An internal dialogue was also conducted with our key stakeholders to understand their priorities.




Through this assessment, we identified 12 material topics that were reviewed and finalised by our senior management from the point of view of relevance and adequacy. As there were no major changes in the business landscape, the existing material topics were considered to still be relevant for the year 2019.

We will continue to assess these material topics on a regular basis to ensure their relevance and importance to our business.



Stakeholder Group & Boundary	Material Topic	GRI Standard	GRI Disclosures	SDG
People (within organisation)	Employment	GRI 401: Employment	Disclosure 401-1: New employee hires and employee turnover	
	Management/ Staff Relations	GRI 402: Labor /Management Relations	GRI 402-1: Minimum notice periods regarding operational changes	
	Training and Education	GRI 404: Training and Education	Disclosure 404-1: Average hours of training per year per employee	
	Diversity* (Non-material topic)			
Clients (within and outside of organisation)	Customer Privacy and Confidential Information	GRI 418: Customer Privacy	Disclosure 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	
	Market Presence	GRI 202: Market Presence	Disclosure 202-2: Proportion of senior management hired from the local community	
	Technology* (Non-material topic)			

Materiality Review

Stakeholder Group and Boundary	Material Topic	GRI Standard	GRI Disclosures	SDG
Community (within and outside of organisation)	Anti-corruption	GRI 205: Anti-corruption	Disclosure 205-2: Communication and training about anti-corruption policies and procedures	  
	Socioeconomic Compliance	GRI 419: Socioeconomic Compliance	Disclosure 419-1: Non-compliance with laws and regulations in the social and economic area	
	Citizenship			
	Local Communities* (Non-material topic)			
	Emissions* (Non-material topic)	GRI 305: Emissions	Disclosure 305-1: Direct (Scope 1) GHG emissions Disclosure 305-2: Energy indirect (Scope 2) GHG emissions Disclosure 305-3: Other indirect (Scope 3) GHG emissions	



GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
GRI 101: Foundation 2016			
GRI 102: General Disclosures 2016			
Organisational Profile			
102-1	Name of the organisation	KPMG in Singapore	
102-2	Activities, brands, products, and services	Industries and Services	
102-3	Location of headquarters	16 Raffles Quay, #22-00, Hong Leong Building, Singapore 048581	
102-4	Location of operations	Singapore	
102-5	Ownership and legal form	We are registered as KPMG LLP, KPMG Services Pte.Ltd, KPMG Corporate Finance Pte.Ltd., KPMG Consulting Pte.Ltd and KPMG Advisory Services Pte.Ltd.	
102-6	Markets served	Industries	
102-7	Scale of the organisation	Page 42-43	
102-8	Information on employees and other workers	Page 42-43	
102-9	Supply chain	Page 56	
102-10	Significant changes to the organisation and its supply chain	No significant changes during the reporting period	
102-11	Precautionary principle or approach		Information unavailable: We do not specifically address the principles of the precautionary approach.
102-12	External initiatives	Page 59	
102-13	Membership of associations	Page 59	

GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
Strategy			
102-14	Statement from senior decision-maker	Page 3-6	
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	Values and Culture	
Governance			
102-18	Governance structure	Page 4, 58	
Stakeholder Engagement			
102-40	List of stakeholder groups	Page 60	
102-41	Collective bargaining agreements	Page 60	
102-42	Identifying and selecting stakeholders	Page 60	
102-43	Approach to stakeholder engagement	Page 60	
102-44	Key topics and concerns raised	Page 60	
Reporting Practice			
102-45	Entities included in the consolidated financial statements	As our entities are limited liability partnerships and private limited companies, we are not required to disclose our financial statements. See Notes on 102-5 for a list of entities included in the report.	
102-46	Defining report content and topic Boundaries	Page 61-62	



GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
102-47	List of material topics	Page 61-62	
102-48	Restatements of information	There were no restatements for the reporting period.	
102-49	Changes in reporting	There were no changes in the reporting period.	
102-50	Reporting period	1 January to 31 December 2019	
102-51	Date of most recent report	April 2019	
102-52	Reporting cycle	Annually	
102-53	Contact point for questions regarding the report	Cherine Fok Director, Sustainability Services KPMG in Singapore cherinefok@kpmg.com.sg	
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.	
102-55	GRI content index	Page 63-70	
102-56	External assurance	KPMG in Singapore has not sought external assurance for this reporting period.	



GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
Material Topics			
GRI 202: Market Presence			
103-1	Explanation of the material topic and its Boundary	Page 42-43	
103-2	The management approach and its components	Page 42-43	
103-3	Evaluation of the management approach	Page 42-43	
202-2	Proportion of senior management hired from the local community	Page 42	
GRI 205: Anti-corruption			
103-1	Explanation of the material topic and its Boundary	Page 21	
103-2	The management approach and its components	Page 21	
103-3	Evaluation of the management approach	Page 21	
205-2	Communication and training about anti-corruption policies and procedures	Page 21	Information unavailable: The 'Acting with Integrity' course is conducted every two years, with the last firmwide completion being in 2018 and next scheduled in 2020.

GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
GRI 305: Emissions			
103-1	Explanation of the material topic and its Boundary	Page 55	
103-2	The management approach and its components	Page 55	
103-3	Evaluation of the management approach	Page 55	
305-1	Direct (Scope 1) GHG emissions	Scope 1 emissions: 2.5 tCO2e	
305-2	Energy indirect (Scope 2) GHG emissions	Scope 2 emissions: 1,242 tCO2e	
305-3	Other indirect (Scope 3) GHG emissions	Scope 3 emissions: 4,001 tCO2e	
GRI 401: Employment			
103-1	Explanation of the material topic and its Boundary	Page 42-43	
103-2	The management approach and its components	Page 42-43	
103-3	Evaluation of the management approach	Page 42-43	
401-1	New employee hires and employee turnover	Page 43	

GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
GRI 402: Labour /Management Relations			
103-1	Explanation of the material topic and its Boundary	Page 33-43	
103-2	The management approach and its components	Page 33-43	
103-3	Evaluation of the management approach	Page 33-43	
402-1	Minimum notice periods regarding operational changes		KPMG in Singapore strives to engage our multi-generational workforce who want to feel they belong. In addition, we work at communicating major operational changes and key announcements to our workforce in a timely manner.
GRI 404: Training and Education			
103-1	Explanation of the material topic and its Boundary	Page 38	
103-2	The management approach and its components	Page 38	
103-3	Evaluation of the management approach	Page 38	
404-1	Average hours of training per year per employee	Page 38	

GRI Content Index

GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
GRI 413: Local Communities			
103-1	Explanation of the material topic and its Boundary	Page 44-56	
103-2	The management approach and its components	Page 44-56	
103-3	Evaluation of the management approach	Page 44-56	
413-1	Operations with local community engagement, impact assessments, and development programs	Page 44-56	
GRI 418: Customer Privacy			
103-1	Explanation of the material topic and its Boundary	Page 21-22	
103-2	The management approach and its components	Page 21-22	
103-3	Evaluation of the management approach	Page 21-22	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 22	Confidentiality constraints: The data pertaining to complaints concerning breaches of customer privacy and losses of customer data is confidential. It will be available to stakeholders on request.

GRI Content Index



GRI Standard	Disclosure Title	Page Numbers/Notes	Omissions
GRI 419: Socioeconomic Compliance			
103-1	Explanation of the material topic and its Boundary	Page 23	
103-2	The management approach and its components	Page 23	
103-3	Evaluation of the management approach	Page 23	
419-1	Non-compliance with laws and regulations in the social and economic area	Page 23	







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.

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