



UK Transparency Report 2022

Meeting our reporting requirements

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Introduction

KPMG in the UK's [2022 Transparency Report](#) provides information about our firm's governance, culture, relentless focus on quality and processes for risk management. Whilst KPMG is a multi-disciplinary firm, the report is primarily focused on our Audit practice and the policies and programmes we have in place to support audit quality.

The information disclosed relates to KPMG in the UK's activities as at 30 September 2022, and demonstrates compliance with the following reporting requirements:

- Audit Firm Governance Code (Revised 2016)
- Article 13 (Transparency Report) of Regulation (EU) No 537/2014 of the European Parliament and of the Council – as amended by The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019
- The Local Auditors (Transparency) Regulations 2020
- Consultative Committee of Accountancy Bodies Voluntary Code of Operative Practice on Disclosure of Audit Profitability (March 2009)

The pages that follow provide an overview of where information in response to each requirement can be found.



Audit Firm Governance Code (Revised 2016)

The [Audit Firm Governance Code \(Revised 2016\)](#) (the Code) is intended to enhance trust and confidence in the value of audit amongst the public and particularly investors. The Code applies to firms auditing 20 or more listed companies.

This version of the Code was issued in July 2016 and is applicable for financial years beginning on or after 1 September 2016. For the purposes of KPMG in the UK's 2022 Transparency Report, the 2016 Code has been applied. KPMG in the UK's response to the Provisions that require specific disclosure in a firm's Transparency Report is shown below.

Compliance with requirements of Audit Firm Governance Code

The Board of KPMG LLP is responsible for the firm's system of internal controls and for reviewing its effectiveness. The Board has reviewed the provisions of the 2016 Audit Firm Governance Code (which span beyond the Transparency Report related provisions below) and confirms that the firm complied with these provisions throughout the year ended 30 September 2022.

Audit Firm Governance Code (2022)

In 2022, the FRC published an updated version of the Code, which supersedes the 2016 Code and is applicable for financial years beginning on or after 1 January 2023. This 2022 Code will therefore be applied to KPMG in the UK's 2023 Transparency Report (next year's report).

Principles and Provisions

Where information in response to each Provision can be found

A Leadership

A.1 Owner accountability principle

The management of a firm should be accountable to the firm's owners and no individual should have unfettered powers of decision.

A.1.2 The firm should state in its transparency report how its governance structures and management operate, their duties and the types of decisions they take. In doing so the firm should explain how its governance structure provides oversight of both the Audit practice and the firm as a whole with a focus on ensuring the Code's purpose, is achieved. If the management and/or governance of the firm rests at an international level it should specifically set out how management and oversight of Audit, is undertaken and the Code's purpose achieved in the UK.

For information about the governance structure of KPMG in the UK, visit: [Our leadership](#)

For information about the KPMG global organisation, refer to: **Appendix 1: Legal structure**

A.1.3 The firm should state in its transparency report the names and job titles of all members of the firm's governance structures and its management, how they are elected or appointed and their terms, length of service, meeting attendance in the year, and relevant biographical details.

For information about the members of KPMG in the UK's governance structure, visit: [Our leadership](#)

For more information on individuals, refer to: **Appendix 4: Board and Committees of the Board membership**

For information about KPMG in the UK's governance structure meeting attendance for the year ended 30 September 2022, refer to: **Appendix 2: Meeting attendance records for the year ended 30 September 2022**

B Values

B.1 Professionalism principle

A firm should perform quality work by exercising judgement and upholding values of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour in a way that properly takes the public interest into consideration and meets auditing and ethical standards.

B.1.2 Firms should introduce KPIs on the performance of their governance system, and report on performance against these in their transparency reports.

Refer to: **Appendix 3: Key performance indicators for our governance system**

Audit Firm Governance Code (Revised 2016)

Continued

Principles and Provisions

Where information in response to each Provision can be found

C Independent Non-Executives

C.1 Involvement of independent non-executives principle

A firm should appoint independent non-executives to the governance structure who through their involvement collectively enhance the firm's performance in meeting the purpose of the Code.

C.1.1 Independent non-executives should number at least three and be in the majority on a body that oversees public interest matters; and/or be members of other relevant governance structures within the firm. They should also meet as a separate group to discuss matters relating to their remit. They should have full visibility of the entirety of the business but should pay particular attention to and report on risks to audit quality and how they are addressed. If a firm considers that having three INEs is inappropriate given its size or number of public company clients, it should explain this in its transparency report and ensure a minimum of two at all times. Where the firm adopts an international approach to its management it should have at least three INEs with specific responsibility and relevant experience to focus on the UK business and to take part in governance arrangements for this market; or explain why it regards a smaller number to be more appropriate, in which event there should be a minimum of two.

KPMG has six independent non-executives. Four are Independent Non-Executives as contemplated in the Audit Firm Governance Code (2016) and three are Audit Non-Executives (as contemplated in the Audit Firm Governance Code (2022); one of the independent non-executives is both an INE and ANE.

For information about independent oversight at KPMG in the UK:

- visit: [Our leadership](#);
- refer to: [Statement by the Independent Non-Executives and Audit Non-Executives](#); and
- refer to: **Appendix 4: Board and Committees of the Board membership**

C.1.2 The firm should disclose on its website and in its transparency report information about the appointment, retirement and resignation of independent non-executives; their remuneration; their duties and the arrangements by which they discharge those duties; and the obligations of the firm to support them. The firm should report on why it has chosen to position its independent non-executives in the way it has (for example, as members of the main Board or on a public interest committee). The firm should also disclose on its website the terms of reference and composition of any governance structures whose membership includes independent non-executives.

For information about independent oversight at KPMG in the UK:

- visit [Our leadership](#);
- refer to: [Statement by the Independent Non-Executives and Audit Non-Executives](#); and
- refer to: **Appendix 4: Board and Committees of the Board membership**

C.1.3 The independent non-executives should report in the firm's transparency report on how they have worked to meet the purpose of the Code defined as:

- Promoting audit quality.
- Helping the firm secure its reputation more broadly, including in its non-audit businesses.
- Reducing the risk of firm failure.

For information about independent oversight at KPMG in the UK:

- visit [Our leadership](#); and
- refer to: [Statement by the Independent Non-Executives and Audit Non-Executives](#)

C.2 Characteristics of independent non-executives principle

The independent non-executives' duty of care is to the firm. They should command the respect of the firm's owners and collectively enhance shareholder confidence by virtue of their independence, number, stature, experience and expertise. They should have a balance of relevant skills and experience including of audit and a regulated sector. At least one independent non-executive should have competence in accounting and/or auditing, gained for example from a role on an audit committee, in a company's finance function, as an investor or at an audit firm.

C.2.1 The firm should state in its transparency report its criteria for assessing the impact of independent non-executives on the firm's independence as auditors and their independence from the firm and its owners.

Refer to: [Statement by the Independent Non-Executives and Audit Non-Executives](#)

Audit Firm Governance Code (Revised 2016)

Continued

Principles and Provisions

Where information in response to each Provision can be found

D Operations

D.1 Compliance principle

A firm should comply with professional standards and applicable legal and regulatory requirements. Operations should be conducted in a way that promotes audit quality and the reputation of the firm. The independent non-executives should be involved in the oversight of operations.

- D.1.3** The firm should state in its transparency report how it applies policies and procedures for managing potential and actual conflicts of interest.

Refer to: [Quality control and risk management](#)

D.2 Risk management principle

A firm should maintain a sound system of internal control and risk management over the operations of the firm as a whole to safeguard the firm and reassure stakeholders.

- D.2.2** The firm should state in its transparency report that it has performed a review of the effectiveness of the system of internal control, summarise the process it has applied and confirm that necessary actions have been or are being taken to remedy any significant failings or weaknesses identified from that review. It should also disclose the process it has applied to deal with material internal control aspects of any significant problems disclosed in its financial statements or management commentary.

Refer to: [Quality control and risk management](#)

E Reporting

E.2 Governance reporting principle

A firm should publicly report how it has applied in practice each of the principles of the Audit Firm Governance Code and make a statement on its compliance with the Code's provisions or give a considered explanation for any non-compliance.

- E.2.1** The firm should publish on its website an annual transparency report containing the disclosures required by Code Provisions A.1.2, A.1.3, B1.2, C.2.1, D.1.3, D.2.2, E.2.2 and E.3.1.

Refer to the rows above and below within this table

- E.2.2** In its transparency report the firm should give details of any additional provisions from the UK Corporate Governance Code which it has adopted within its own governance structure.

Refer to: **Appendix 5: UK Corporate Governance Code (2018)**

E.3 Transparency principle

A firm should publish on an annual basis in its transparency report a commentary on the firm's performance, position and prospects.

- E.3.1** The firm should confirm that it has carried out a robust assessment of the principal risks facing the audit firm, including those that would threaten its business model, future performance, solvency or liquidity. The firm should describe those risks and explain how they are being managed or mitigated.

Refer to: [Quality control and risk management](#)

- E.3.2** The transparency report should be fair, balanced and understandable in its entirety.

The Board has considered the disclosures within the 2022 Transparency Report and considers the report to be fair, balanced and understandable and in compliance with the 2016 Audit Firm Governance Code. The Board notes that the 2022 version of the Code will apply to the 2023 Transparency Report.

Article 13 (Transparency Report) of Regulation (EU) No 537/2014 of the European Parliament and of the Council – as amended by The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019

[Article 13 \(Transparency Report\) of Regulation \(EU\) No 537/2014 of the European Parliament and of the Council](#) – as amended by [The Statutory Auditors and Third Country Auditors \(Amendment\) \(EU Exit\) Regulations 2019](#) – requires a statutory auditor that carries out the statutory audit of a public interest entity, to publish a signed, annual transparency report (see KPMG in the UK's Transparency Report 2022 [here](#)).

The Regulation requires that the Report is published at the latest four months after the end of each financial year, on the website of the statutory auditor, and shall remain available on that website for at least five years from the day of its publication on the website (KPMG in the UK's historical Reports can be found in our [Report hub](#)).

The Regulation requires the Report to comprise specific disclosures. KPMG in the UK's response to these requirements is shown below.

Paragraph	Requirement	Where information in response to each Paragraph can be found
2 (a)	A description of the legal structure and ownership of the statutory auditor, if it is a firm;	Refer to: Appendix 1: Legal structure
2 (b)	Where the statutory auditor is a member of a network: <ul style="list-style-type: none"> i. a description of the network and the legal and structural arrangements in the network; ii. the name of each member of the network that is eligible for appointment as a statutory auditor, or is eligible for appointment as an auditor in an EEA state or Gibraltar; iii. for each member of the network identified under paragraph (ii), the countries in which they are eligible for appointment as auditors or in which they have a registered office, central administration or principal place of business; iv. the total turnover of the members of the network identified under (ii) resulting from statutory audit work or equivalent work in EEA states or Gibraltar; 	Refer to: Appendix 1: Legal structure KPMG also operates in Gibraltar through KPMG LLP's wholly owned subsidiary, KPMG Limited, a company registered in Gibraltar. KPMG Limited is approved as a statutory auditor by the Gibraltar Financial Services Commission under the Gibraltar Financial Services Act 2019. Refer to: 2022 Gibraltar Transparency Report
2 (c)	A description of the governance structure of the statutory auditor, if it is a firm;	Visit: Our leadership
2 (d)	A description of the internal quality control system of the statutory auditor and a statement by the management body on the effectiveness of its functioning;	Refer to: Quality control and risk management
2 (e)	An indication of when the last quality assurance review referred to in Article 26 was carried out;	Refer to: Audit quality
2 (f)	A list of public-interest entities for which the statutory auditor carried out statutory audits during the preceding financial year;	Refer to: Appendix 6: UK Public Interest Entities
2 (g)	A statement concerning the statutory auditor's independence practices which also confirms that an internal review of independence compliance has been conducted;	Refer to: Quality control and risk management

Article 13 (Transparency Report) of Regulation (EU) No 537/2014 of the European Parliament and of the Council – as amended by The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019

Continued

Paragraph	Requirement	Where information in response to each Paragraph can be found
2 (h)	A statement on the policy followed by the statutory auditor concerning the continuing education of statutory auditors referred to in paragraph 11 of Schedule 10 to the Companies Act 2006;	Refer to: Audit quality
2 (i)	Information concerning the basis for the remuneration of members of the management body of the statutory auditor, where that statutory auditor is a firm;	Refer to: People and culture
2 (j)	A description of the statutory auditor's policy concerning the rotation of key audit partners and staff in accordance with Article 17(7);	Refer to: Quality control and risk management
2 (k)	Where not disclosed in accounts, information about the total turnover of the statutory auditor or the audit firm, divided into the following categories: <ul style="list-style-type: none"> i. revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity; ii. revenues from the statutory audit of accounts of other entities; iii. revenues from permitted non-audit services to entities that are audited by the statutory auditor; and iv. revenues from non-audit services to other entities. 	Refer to: Appendix 7: Financial information
3	The transparency report shall be signed by the statutory auditor	Visit: UK Transparency Report 2022

The Local Auditors (Transparency) Regulations 2020

[The Local Auditors \(Transparency\) Regulations 2020](#) requires a “transparency reporting local auditor” (a local auditor that has issued an audit report in relation to one or more major local audits at any time during the financial year of that local auditor) to publish a signed, annual transparency report (see KPMG in the UK’s Transparency Report 2022 [here](#)).

The Regulation requires that the Report is published at the latest four months after the end of each financial year, on the website

of the statutory auditor, and shall remain available on that website for at least five years from the day of its publication on the website (KPMG in the UK’s historical Reports can be found in our [Report hub](#)).

The Regulation requires the Report to comprise specific disclosures. KPMG in the UK’s response to these requirements is shown below.

Paragraph	Requirement	Where information in response to each Paragraph can be found
(a)	A description of the legal structure, governance and ownership of the transparency reporting local auditor;	For information about the governance structure of KPMG in the UK, visit: Our leadership For information about the legal structure of KPMG in the UK, refer to: Appendix 1: Legal structure
(b)	Where the transparency reporting local auditor belongs to a network, a description of the network and the legal, governance and structural arrangements of the network;	Refer to: Appendix 1: Legal structure
(c)	A description of the internal quality control system of the transparency reporting local auditor and a statement by the administrative or management body on the effectiveness of its functioning in relation to local audit work;	Refer to: Quality control and risk management
(d)	A description of the transparency reporting local auditor’s independence procedures and practices including a confirmation that an internal review of independence practices has been conducted;	Refer to: Quality control and risk management
(e)	Confirmation that all engagement leads are competent to undertake local audit work and staff working on such assignments are suitably trained;	Refer to: Appendix 8: UK Major Local Audits listing
(f)	A statement of when the last monitoring of the performance by the transparency reporting local auditor of local audit functions, within the meaning of paragraph 23 of Schedule 10 to the 2006 Act, as applied in relation to local audits by Section 18 and paragraphs 1, 2 and 28(7) of Schedule 5 to the 2014 Act, took place;	Refer to: Audit quality
(g)	A list of major local audits in respect of which an audit report has been made by the transparency reporting local auditor in the financial year of the auditor; and any such list may be made available elsewhere on the website specified in regulation 4 provided that a clear link is established between the transparency report and such a list;	Refer to: Appendix 8: UK Major Local Audits listing
(h)	A statement on the policies and practices of the transparency reporting local auditor designed to ensure that persons eligible for appointment as a local auditor continue to maintain their theoretical knowledge, professional skills and values at a sufficiently high level;	Refer to: Appendix 8: UK Major Local Audits listing
(i)	Turnover for the financial year of the transparency reporting local auditor to which the report relates, including the showing of the importance of the transparency reporting local auditor’s local audit work; and	Refer to: Appendix 7: Financial information
(j)	Information about the basis for the remuneration of partners.	Refer to: People and culture

Consultative Committee of Accountancy Bodies Voluntary Code of Operative Practice on Disclosure of Audit Profitability (March 2009)

Following the recommendation from the Market Participants Group in 2007 that “audit firms should disclose the financial results of their work on statutory audits and directly related services on a comparable basis”, the Consultative Committee of Accountancy Bodies developed guidance (the Code) for audit firms on the voluntary disclosure of this information.

The Code establishes a basis for comparable reporting of audit profitability by defining the audit segment (the ‘reportable segment’) and suggesting principles designed to achieve more comparable and consistent treatment of costs relating to that segment.

KPMG in the UK’s voluntary disclosure of this information can be found in **Appendix 7: Financial information**.



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Appendix 1: Legal structure

Legal structure

KPMG LLP¹ is constituted as a limited liability partnership under the Limited Liability Partnerships Act 2000. The capital in KPMG LLP is contributed by its members (the members are referred to as partners).

KPMG LLP, is part of the KPMG global organisation of professional services firms providing Audit, Tax, and Advisory services to a wide variety of public and private sector organisations. The KPMG organisation structure is designed to support consistency of service quality and adherence to agreed Values wherever its member firms operate.

KPMG International Limited, an English private company limited by guarantee, and the KPMG member firms are not a global partnership, single firm, multi-national corporation, joint venture, or in a principal or agent relationship or partnership with each other. No member firm has any authority to obligate or bind KPMG International Limited, any of its related entities or any other member firm vis-à-vis third parties, nor does KPMG International Limited or any of its related entities have any such authority to obligate or bind any member firm.

Member firms are generally locally owned and managed. Each member firm is responsible for its own obligations and liabilities, and for taking responsibility for its management and the quality of its work. KPMG International and other member firms are not responsible for a member firm's obligations or liabilities. Member firms may consist of more than one separate legal entity. If this is the case, each separate legal entity will be responsible only for its own obligations and liabilities, unless it has expressly agreed otherwise.

KPMG LLP and all other KPMG firms are party to membership and associated documents, the key impact of which is that all KPMG member firms in the KPMG global organisation are members in, or have other legal connections to, KPMG International Limited.

KPMG International Limited acts as the coordinating entity for the overall benefit of the KPMG member firms. Its activities are funded by an annual payment paid to it by member firms. KPMG International does not provide professional services to clients. Professional services to clients are exclusively provided by member firms.

KPMG is the registered trademark of KPMG International and is the name by which the member firms are commonly known. The rights of member firms to use the KPMG name and marks are contained within agreements with KPMG International.

Pursuant to their membership agreements with KPMG International, member firms are required to comply with KPMG International's policies, including quality standards governing how they operate and how they provide services to clients to compete effectively. This includes having a firm structure that ensures continuity and stability and being able to adopt global strategies, share resources (incoming and outgoing), service multi-national clients, manage risk, and deploy global methodologies and tools.

Insurance cover is maintained in respect of professional negligence claims. The cover provides a territorial coverage on a worldwide basis.

Further detail on the legal and governance arrangements for the KPMG global organisation can be found in section 'Governance and leadership' of the [2022 KPMG International Transparency Report](#).

Governance

The key governance and management bodies of KPMG International are the Global Council, the Global Board, and the Global Management Team. Further details on KPMG International's governance structure can be found in the [2022 KPMG International Transparency Report](#).

Total turnover achieved by EU/EEA audit firms resulting from the statutory audit of annual and consolidated financial statements²

Aggregated revenues generated by KPMG firms³, from EU and EEA Member States resulting from the statutory audit of annual and consolidated financial statements was EUR 2.2 billion during the year ending 30 September 2022. The EU/EEA aggregated statutory audit revenue figures are presented to the best extent currently calculable and translated at the average exchange rate prevailing in the 12 months ended 30 September 2022.

The name of each audit firm that is a member of the organisation and the EU/EEA countries in which each firm is qualified as a statutory auditor or has its registered office, central administration or principal place of business are available [here](#).

1 KPMG LLP has a number of direct and indirect subsidiaries, including KPMG UK Limited, which is the primary vehicle for employing staff for use of KPMG LLP and KPMG Audit Plc, which historically provided some audit services.

2 The financial information set forth represents combined information of the separate KPMG firms from EU and EEA Member States that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

3 Does not include revenues from UK.

Appendix 2: Meeting attendance records for the year ended 30 September 2022

Key information

- The number of meetings included are regularly scheduled meetings.
- Numbers in italics relate to standing invitees of the Committees only and as such attendance is optional.

	Board	Public Interest Committee	Audit Board	Audit Committee	People Committee	Risk Committee	Nomination Committee	Executive Committee
Bina Mehta ⁴	8 (8)	-	-	-	3 (3)	2 (2)	5 (5)	-
Jonathan Holt	8 (8)	-	-	-	-	-	-	11 (11)
Annette Barker	6 (8)	-	-	-	3 (3)	5 (6)	5 (5)	-
John Bennett	-	-	-	-	-	-	-	11 (11)
Anne Bulford	7 (8)	4 (4)	-	5 (6)	-	-	-	-
Cath Burnet	-	-	-	-	-	-	-	10 (11)
Liz Claydon	-	-	-	-	-	-	-	10 (11)
Jonathan Evans	7 (8)	4 (4)	-	-	-	4 (6)	3 (5)	-
Jonathan Downer ⁵	4 (4)	-	6 (6)	3 (3)	-	-	-	-
Melissa Geiger ⁶	7 (8)	-	-	-	5 (6)	0 (2)	5 (5)	-
Karim Haji	-	-	-	-	-	-	-	9 (11)
John Hallsworth	6 (8)	-	-	-	6 (6)	-	4 (5)	-
Oonagh Harpur	8 (8)	4 (4)	3 (3)	-	6 (6)	-	-	-
Chris Hearld	-	-	-	-	-	-	-	10 (11)
Victoria Heard	-	-	-	-	-	-	-	10 (11)
Lisa Heneghan	-	-	-	-	-	-	-	10 (11)
Michelle Hinchliffe ⁷	4 (4)	-	4 (4)	3 (3)	-	-	-	-
Melanie Hind	-	1 (1)	10 (10)	-	-	-	-	-
Kevin Hogarth	-	-	-	-	-	-	-	10 (11)
Rachel Hopcroft	-	-	-	-	-	-	-	9 (11)
Claire Ighodaro	8 (8)	2 (2)	10 (10)	-	-	-	-	-
Tim Jones	8 (8)	-	-	-	-	-	-	10 (11)
Anthony Lobo	8 (8)	-	7 (10)	6 (6)	-	6 (6)	-	-
Linda Main	8 (8)	-	-	5 (6)	-	6 (6)	-	-
Kathleen O'Donovan	8 (8)	3 (4)	10 (10)	-	-	-	-	-
David Rowlands	-	-	-	-	-	-	-	11 (11)
Suzanne Shenton	-	-	-	-	-	-	-	11 (11)
Dan Thomas	-	-	-	-	-	-	-	8 (11)

⁴ Bina Mehta stepped down as a member of the People Committee and Risk Committee on 1 February 2022.

⁵ Jonathan Downer joined the Audit Committee as a member on 1 May 2022.

⁶ Melissa Geiger stepped down as a member of the Risk Committee on 1 February 2022.

⁷ Michelle Hinchliffe retired from the firm on 28 February 2022.

Appendix 3: Key performance indicators for our governance system

Requirement	Response
The Board should meet at least six times each year with a minimum attendance target of 80% over a 12-month rolling period.	The Board had eight business as usual meetings with members average attendance of 93%.
The gender diversity of the Board should be composed of a minimum one third women.	As at 30 September 2022 the Board included 44% female members.
There should be a diverse range of skills represented in the composition of the Board (by reference to each evaluation of Board effectiveness).	There is a diverse range of skills represented on the Board. The appointment of nominated Board members provides a mechanism for maintaining appropriate diversity of skills. The Nominations Committee is responsible for board appointments with reference to the Board skills matrix.
As part of the firm's culture assessment, the firm should hold an annual People Survey or Pulse Survey, with the Board acting upon the findings.	A Global People Survey was undertaken in autumn 2022. The UK findings (which provide data on engagement and other key metrics about partners' and employees' relationships with the firm) were tabled at the Board in November where results were discussed, and action taken where appropriate.
There should be at least three UK INEs, and the Public Interest Committee should meet at least four times each year. On an annual basis, the Board must satisfy itself that the INEs remain independent from the firm.	As at 30 September 2022 there were four INEs. The Public Interest Committee had four formal meetings during the year. The Board has considered and (based on compliance returns, disclosures and relevant independence checks) is satisfied that the INEs remain independent from the firm.
The Audit Board should meet at least six times each year to oversee the focus on audit quality.	The Audit Board had ten business as usual meetings and one special meeting.
The Board should review the annual Transparency Report to satisfy itself that it is fair, balanced and understandable, and complies with the Audit Firm Governance Code, or explain otherwise.	The Board has considered the disclosures within the 2022 Transparency Report and considers the report to be fair, balanced and understandable and in compliance with the 2016 Audit Firm Governance Code. The Board notes that the 2022 version of the Code will apply to the 2023 Transparency Report.
The terms of reference for all Board Committees are reviewed annually as a minimum.	The terms of reference for all Board Committees were reviewed during the year.
External Board evaluation.	The Board evaluation was conducted in 2021 and the recommendations from that have been implemented. A follow up was conducted in 2022 and the recommendations will be implemented in the first quarter of 2023. The external review was initiated in the summer of 2022. Any recommendations that are implemented as a result of that review will be reported on in next year's Transparency Report.
There is an annual self-assessment of Board and Committees' effectiveness (unless external review is undertaken).	An external review of Board effectiveness was initiated during the year and any recommendations from the 2021 review have been implemented. Part of that review will be reported on in next year's Transparency Report.
Board comprises a minimum of one practising Audit Partner.	During the year the Board membership included at least one practising auditor.
Board comprises more than 50% members who are qualified auditors (per s.1219 of the Companies Act 2006 or equivalent).	During the year the Board comprised more than 50% members who are qualified auditors.
The Board should satisfy itself on at least an annual basis that a formal programme of investor dialogue is occurring.	The Board has assessed that an appropriate level of investor dialogue is in place as summarised in the Audit quality section of this Report.

Appendix 4: Board and Committees of the Board membership

UK Board

Our UK Board as of 30 September 2022 comprised the Chair, the Chief Executive, the Senior Elected Member, four other Elected Members, one Nominated Member and one other Executive Member.

Bina Mehta

Chair

Bina has been a partner since 2015. Bina became Chair of the Board in February 2021 (as at the year-end, this equates to one year of service as Chair).

Tim Jones

Chief Operating Officer*

Tim has been a partner since 2005 and joined the Board in June 2019 (as at the year-end, this equates to approximately three years of service as a member of the Board).

Jon Holt

Chief Executive

Jon has been a partner since 2005. Jon became a member of the Board in April 2021 (as at the year-end, this equates to one year of service as a member of the Board).

Linda Main

Elected member*

Linda has been a partner since 2001 and joined the Board in October 2019 (as at the year-end, this equates to three years of service as a member of the Board). She chairs the Risk Committee and is a member of the Audit Committee.

Melissa Geiger

Senior Elected Member

Melissa has been a partner since 2008 and joined the Board in October 2019 (as at the year-end, this equates to approximately three years of service as a member of the Board). Melissa is a member of the People Committee.

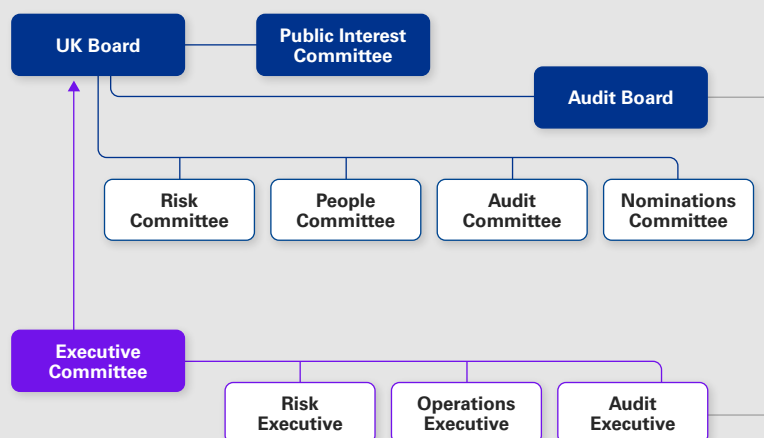
Annette Barker

Elected Member

Annette has been a partner since 2016 and joined the Board in October 2020 (as at the year-end, this equates to approximately two years of service as a member of the Board). Annette is a member of the Risk Committee and People Committee.

Governance structure at 30 September 2022

Board Committees



Executive Committees

John Hallsworth

Elected Member*

John has been a partner since 2010 and joined the Board in September 2021 (as at the year-end, this equates to approximately one year of service as a member of the Board). He is Chair of the People Committee.

Anthony Lobo

Elected Member

Anthony has been a partner since 2007 and joined the Board in November 2020 (as at the year-end, this equates to approximately two years of service as a member of the Board). Anthony is Chair of the Audit Committee and a member of the Audit Board and Risk Committee.

Jonathan Downer

Nominated Member

Jonathan has been a partner since 2006 and joined the Board in March 2022 (as at the year-end, this equates to seven months of service as a member of the Board). Jonathan is a member of the Audit Committee and Audit Board and practicing auditor.

Changes close to, or after, the year end

- * Tim Jones stepped down as an Executive Member of the Board with effect from 30 September 2022.
- * Linda Main became a member of the People Committee on 9 November 2022.
- * John Hallsworth became a member of the Risk Committee on 9 November 2022.

Chris Hearld was appointed as an Executive Member of the Board in his capacity as Chief Operating and Financial Officer with effect from 1 October 2022.

Appendix 4: Board and Committees of the Board membership

Continued

The Executive Committee

Jon Holt

Chief Executive

Jon has been a partner since 2005. Jon became Chair of the Executive Committee in April 2021 (as at the year-end, this equates to over one year of service as Chair).

Chris Hearld

Chief Financial Officer and Head of Regions

Chris has been a partner since 2004. Chris has been a member of the Executive Committee since June 2019 (as at the year-end, this equates to over three years of service as a member of the Executive Committee).

Cath Burnet

Head of Audit

Cath has been a partner since 2011. Cath has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Tim Jones

Chief Operating Officer*

Tim has been a partner since 2005. Tim has been a member of the Executive Committee since June 2019 (as at the year-end, this equates to over three years of service as a member of the Executive Committee).

Lisa Heneghan

Chief Digital Officer*

Lisa has been a partner since 2011. Lisa has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Suzanne Shenton

Head of KBS*

Suzanne has been a partner since 2017. Suzanne has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Dan Thomas

Head of Corporates*

Dan has been a partner since 2008. Dan has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

John Bennett

Chief Risk Officer

John has been a partner since 2013. John has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Rachel Hopcroft

Head of Corporate Affairs

Rachel has been a partner since 2018. Rachel has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Kevin Hogarth

Chief People Officer*

Kevin has been a partner since 2020. Kevin has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Victoria Heard

Head of Tax and Legal

Victoria has been a partner since 2014. Victoria has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

David Rowlands

Head of Consulting

David has been a partner since 2009. David has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Liz Claydon

Head of Deal Advisory

Liz has been a partner since 2007. Liz has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Karim Haji

Head of Financial Services*

Karim has been a partner since 2009. Karim has been a member of the Executive Committee since June 2021 (as at the year-end, this equates to over one year of service as a member of the Executive Committee).

Appendix 4: Board and Committees of the Board membership

Continued

The Executive Committee Continued

Changes close to, or after, the year end

- * The Head of Regions position stopped being on the Executive Committee from 1 October 2022, principally due to the rationalisation of the Markets organisation and the Operations function. The Chief Operating Officer became Chief Operating and Financial Officer, with effect from 1 October 2022. Chris Hearld was appointed Chief Operating and Financial Officer with effect from 1 October 2022.
- * Tim Jones was appointed Interim Chief People Officer with effect from 1 October 2022. Lisa Fernihough became Chief People Officer with effect from 1 January 2023.
- * Lisa Heneghan stepped down from the Executive Committee with effect from 1 October 2022. The Chief Digital Officer position stopped being on the Executive Committee from 1 October 2022, principally due to the rationalisation of the Markets organisation and the Operations function.
- * Suzanne Shenton, the Head of KPMG Business Services (KBS), became Head of KPMG Business Services and Transformation, with effect from 1 October 2022.
- * The Head of Corporates position stopped being on the Executive Committee from 1 October 2022, principally due to the rationalisation of the Markets organisation and the Operations function. Dan Thomas was appointed Head of Markets with effect from 1 October 2022. The Head of Markets position commenced being on the Executive Committee from 1 October 2022, due to the rationalisation of the Markets organisation.
- * Kevin Hogarth stepped down from the Executive Committee on 30 September 2022 upon his retirement from the Partnership.
- * Karim Haji stepped down from the Executive Committee with effect from 1 October 2022. The Head of Financial Services position stopped being on the Executive Committee from 1 October 2022, principally due to the rationalisation of the Markets organisation and the Operations function.

Appendix 4: Board and Committees of the Board membership

Continued

Independent Non-Executives as at 30 September 2022

There were no new appointments, retirements or resignations of independent non-executives during the year.

Lord Evans of Weardale

Chair of the Public Interest Committee

Jonathan Evans joined the Public Interest Committee in March 2017 and became its Chair in October 2019. As at the year-end, this equates to over five years of service as a member of the Public Interest Committee. Jonathan was Director General of MI5 from 2007 to his retirement in 2013, having spent his career in the UK

Security Service. From 2013 to 2019 he was a Non-Executive Director of HSBC Holdings. Jonathan is currently Chair of the Committee on Standards in Public Life, a Non-Executive Director of Ark Data Centres Limited, an advisor to several small tech companies and Chairman of Kent Search and Rescue.

Claire Ighodaro CBE

Chair of the Audit Board (Audit Non-Executive)

Claire Ighodaro was appointed as Chair of the Audit Board in September 2021. As at the year-end, this equates to one year of service as Chair.

Claire Ighodaro CBE is Remuneration Committee Chair of Pennon Group PLC and a Leadership Council Member of TheCityUK. Her previous board roles include Board Chair of AXA XL – UK Entities, Audit Committee Chair of Lloyd's of London, Flood Re, UK Trade & Investment, and the Open University, Governance Committee Chair of Bank of America's Merrill Lynch International and Board Member of the International Ethics Standards Board for Accountants. She was a senior executive at BT PLC, working in the UK and Germany and was the first female President of CIMA (the Chartered Institute of Management Accountants).

Claire is a volunteer mentor on both executive and young people's development programmes and was awarded an honorary doctorate by the Open University and a CBE, by HM the Queen, for services to business.

Anne Bulford CBE OBE

Member of the Public Interest Committee

Anne joined the Public Interest Committee in May 2019. As at the year-end, this equates to over three years of service as a member of the Public Interest Committee. She is a Chartered Accountant, a Non-Executive Director of Reach plc, Chair of GOSH Children's Charity and a Royal Ballet Governor. Previous roles include Non-Executive member of the Executive Committee of the Army Board, Deputy Director General of the BBC, Channel 4's Chief Operating Officer, Director of Finance and Business Affairs at the Royal Opera House, Chair of Ofcom's Audit Committee and Finance Director at Carlton Productions.

Oonagh Harpur

Member of the Public Interest Committee

Oonagh Harpur joined the Public Interest Committee in April 2018. As at the year-end, this equates to over four years of service as a member of the Public Interest Committee. Oonagh has over 30 years' experience in the boardroom including 14 years in CEO roles in the private, public and third sectors. Her experience spans partnerships and professional service firms, financial and health services.

Oonagh is also a member of the Civil Service Talent Advisory Group and the Culture Observatory Advisory Board, a trustee of the Scientific and Medical Network and senior board advisor to a number of professional service firms.

Melanie Hind

Member of the Audit Board (Audit Non-Executive)

Melanie Hind joined the Audit Board in September 2021. As at the year-end, this equates to one year of service as a member of the Audit Board.

Melanie Hind is a former PwC Audit and Advisory partner, a former Chief Risk Officer and held the role of Executive Director at the FRC between 2012 and 2018. Since then, she has advised on accounting and audit regulation, and in 2020 acted as Head of Assurance Quality at BDO International.

Melanie has also held non-executive roles associated with her role at the FRC; she was a board member of the International Forum of Independent Audit Regulators, chairing its Global Audit Quality working group, and is a former member of the Advisory Council to the International Financial Reporting Standards Foundation.

Melanie has experience as an independent board member in the private and non-profit sectors in the UK and USA. She is a board member and audit committee chair of Talbot Underwriting Limited (a Lloyd's managing agent that is part of the AIG group), a board member and risk sub-committee chair at OneFamily (a mutual insurer and asset manager), and is an independent trustee and Honorary Treasurer of the Disasters Emergency Committee which raises funds in the UK to provide overseas humanitarian aid in emergency situations.

Kathleen O'Donovan

Member of the Public Interest Committee and Audit Board (Audit Non-Executive)

Kathleen O'Donovan joined the Public Interest Committee in July 2019. As at the year-end, this equates to over three years of service as a member of the Public Interest Committee. Kathleen joined the Audit Board in September 2021. As at the year-end, this equates to one year of service as a member of the Audit Board. Kathleen is currently the Chair of the Invensys Pension Scheme and Founder Partner of Bird & Co Board & Executive Mentoring Ltd.

Formerly she has held Non-Executive Director roles at ARM Holdings Plc, DS Smith plc, Prudential plc, O2 Plc, Great Portland Estates plc, EMI Group plc and the Bank of England. Kathleen was also co-Chair of International Rescue Committee UK, a charity supporting conflict zone refugees. Kathleen trained as a Chartered Accountant and her previous roles include CFO of BTR plc/Invensys plc and Partner at Ernst & Young.

Find out more about our leadership on our UK website [here](#).

Appendix 5: UK Corporate Governance Code (2018)

The UK Corporate Governance Code, published by the FRC, is applicable to all companies with a Premium Listing of equity shares in the UK. These companies are required under the Listing Rules to report in their annual report and accounts on how they have applied the Code.

Although the application of the Code is not mandatory for KPMG in the UK and the Code is designed to be applied in a company rather than in a partnership, the provisions set out below are ones that KPMG in the UK has sought to adopt or reflect insofar as relevant within our own LLP governance arrangements.

Para.	Provision	Application
5.	For engagement with the workforce, one or a combination of the following methods should be used: <ul style="list-style-type: none"> — a director appointed from the workforce; — a formal workforce advisory panel; — a designated non-executive director 	The Board benefits from engagement with the workforce through KPMG's Employee Business Forum.
9.	The roles of chair and chief executive should not be exercised by the same individual	The roles of Chair and Chief Executive of KPMG are not held by the same individual.
13.	Non-executive directors have a prime role in appointing and removing executive directors. Non-executive directors should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives. The chair should hold meetings with the non-executive directors without the executive directors present.	Non-executive members of the Board comprise the Nominations Committee which was formed during the year and reviewed and advises the Board on the appointment of executive members of the Board. The composition and activities of the Nominations Committee are detailed in the report.
17.	The board should establish a nomination committee to lead the process for appointments, ensure plans are in place for orderly succession to both the board and senior management positions, and oversee the development of a diverse pipeline for succession. A majority of members of the committee should be independent non-executive directors. The chair of the board should not chair the committee when it is dealing with the appointment of their successor.	A Nominations Committee was formed during the year which oversaw the process of an election of the non-executive elected members of the Board. The composition and activities of the Nominations Committee are detailed in the report. The Independent Non-Executive chair of our Public Interest Committee attends the Nominations Committee which is comprised of non-executive members of the Board.
21.	There should be a formal and rigorous annual evaluation of the performance of the board, its committees, the chair and individual directors. The chair should consider having a regular externally facilitated board evaluation. In FTSE 350 companies this should happen at least every three years.	External consultants are appointed every three years to evaluate the Board's effectiveness.
22.	The chair should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board. Each director should engage with the process and take appropriate action when development needs have been identified.	The 2021 Board Effectiveness recommendations have been implemented and the 2022 Board Committee Effectiveness Review recommendations are currently being implemented and will be reported on in next year's Transparency Report.
32.	The board should establish a remuneration committee of independent non-executive directors, with a minimum membership of three, or in the case of smaller companies, two.	The People Committee (comprising a minimum of three Elected Members of the Board) fulfils these functions, with attendance by one Independent Non-Executive.
33.	The remuneration committee should have delegated responsibility for determining the policy for executive director remuneration and setting remuneration for the chair, executive directors and senior management.	The People Committee (comprising Elected Members of the Board) oversees the policy for remuneration of all Partners, which includes the executive members of the Board. It also evaluates and determines the remuneration of the Chair and Chief Executive, as well as approving the remuneration of members of the Executive Committee. The INE who attends the Committee chairs these discussions while the Senior Elected Member (SEM) of the Board gathers feedback and data with respect to the performance of the Chair and Chief Executive and makes recommendations for consideration by the Committee.

Appendix 6: UK Public Interest Entities

In compliance with Article 13 (f) of EU Regulation 537/2014 as amended by The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019, we have included the list of UK Public Interest Entities (as defined by the FRC Ethical Standard) for which we carried out statutory audits in the financial year ended 30 September 2022.

Entity name

3i Group Plc	Baltic Classifieds Group Plc	Croda International Plc	Legal & General Assurance (Pensions Management) Ltd
ABC International Bank plc	Bank Of Ireland (UK) PLC	CT Global Managed Portfolio Trust	Legal & General Finance Plc
Aberdeen City Council	Barclays Bank PLC	Currys Plc	Legal & General Group Plc
Aberdeen New India Investment Trust Plc	Barclays Bank UK Plc	Devro Plc	Legal And General Assurance Society Limited
abrdn Life and Pensions Limited	Barclays PLC	DFS Furniture Plc	Liontrust Asset Management Plc
abrdn Equity Income Trust Plc	Bazalgette Finance plc	Dialight Plc	London & Quadrant Housing Trust
abrdn European Logistics Income Plc	Big Yellow Group Plc	EMH Treasury Plc	Luceco PLC
abrdn Japan Investment Trust Plc	Bloomsbury Publishing PLC*	Esure Insurance Limited*	M&G Plc*
abrdn Plc	BPHA Finance plc	Family Assurance Friendly Society Ltd*	Manchester Airport Group Funding Plc*
abrdn UK Smaller Companies Growth Trust Plc	BRISTOL & WEST PLC	Fidelis Underwriting Limited	Markel International Insurance Company Limited
Affinity Sutton Capital Markets PLC	British American Tobacco Plc	Forester Life Ltd.	Marston's Issuer plc
Aioi Nissay Dowa Insurance UK Limited	British Telecommunications plc	Games Workshop Group Plc	Marston's PLC
Alphawave IP Group Plc	BT Group plc	GLH Hotels Ltd*	Masthaven Bank Limited
AMBAC Assurance UK Limited*	Buckinghamshire Building Society*	Gracechurch Card Programme Funding PLC	Mercantile Indemnity Co Ltd*
Amigo Holdings Plc*	Cambridge and Counties Bank Limited*	Grainger Plc	Micro Focus International Plc
Amtrust Europe Limited	Cambridgeshire Housing Capital Plc	Hampshire Trust Bank Plc	Midland Heart Capital plc
AO World Plc	Capita Plc	HICL Infrastructure Plc	Mitchells & Butlers plc
Ascential Plc	Card Factory Plc	Hollywood Bowl Group Plc	Moneysupermarket.com Group PLC
Ashmore Group Plc	Cardiff University	Howden Joinery Group Plc	Motability Operations Group Plc
Aspen Insurance UK Limited*	Carr's Group PLC*	Income Contingent Student Loans 1 (2002-2006) Plc	Motors Insurance Company Limited
Aspire Defence Finance Plc	Charles Stanley Group PLC*	Income Contingent Student Loans 2 (2007-2009) Plc	Myriad Capital PLC
Aster Treasury Plc	Chemring Group Plc	Invesco Asia Trust plc	National Casualty Company of America Ltd
AutoTrader Group PLC	Chetwood Financial Limited	IP Group Plc	National Counties Building Society
AVI Global Trust plc	China Taiping Insurance (UK) Co Ltd	James Fisher and Sons Plc	NCC Group PLC
Avon Protection Plc	Citibank UK Limited	JD Sports Fashion Plc	Network International Holdings Plc
B & C E Insurance Limited	Clarion Funding Plc	John Lewis Plc	NewDay Partnership Funding 2017-1 Plc
B.A.T. International Finance p.l.c.	Compass Group Plc	John Wood Group PLC	Ninety One plc*
Baillie Gifford Shin Nippon Plc	Computacenter plc	Ladbroke's Group Finance plc	
Baillie Gifford US Growth Trust Plc	Connect M77/GSO Plc	Lancashire Insurance Company (UK) Limited	
Balfour Beatty plc	Connect Plus (M25) Issuer Plc	Leek United Building Society	
	Consort Healthcare (Birmingham) Funding Plc		

* UK PIEs we have resigned from but the last year-end and signing date falls with KPMG's FY 2022.

Appendix 6: UK Public Interest Entities

Continued

North of England Protecting and Indemnity Association Limited*	Rombalds Run-off Limited*	The Prudential Assurance Company Limited*
Odyssean Investment Trust plc	Rothschild & Co Continuation Finance PLC	The Scottish American Investment Co PLC*
Orbit Capital plc	Royal & Sun Alliance Insurance Limited	The University Of Oxford*
Oxford BioMedica Plc	Royal & Sun Alliance Reinsurance Ltd	TheWorks.co.uk Plc
Paragon Bank PLC	Royal Mail PLC	TR Property Investment Trust Plc
Paragon Banking Group Plc	RSA Insurance Group Limited	Travis Perkins plc
Paragon Mortgages (No.12) Plc	Saga Plc	Tritax Eurobox Plc
Paragon Mortgages (No.25) Plc	Samsung Fire & Marine Insurance Company of Europe Limited	TSB Bank Plc
Paragon Mortgages (No.26) Plc	Sanctuary Capital Plc	TSB Banking Group Plc
Paragon Treasury Plc	Sanctuary Housing Association	Unilever PLC
PayPoint plc	Sanlam Life & Pensions UK Ltd*	United Utilities Group plc
Peabody Capital No 2 Plc	Schroder UK Mid Cap Fund Plc	United Utilities PLC
Peabody Capital Plc	Scottish Power UK Plc	United Utilities Water Finance Plc
Pendragon Plc	Senior PLC	United Utilities Water Limited
Pension Insurance Corporation plc	Serco Group plc	Utilico Emerging Markets Trust Plc
Pets at Home Group PLC	Severfield Plc	Vitality Health Limited
Places for People Capital Markets plc*	Shawbrook Bank Limited	Wheatley Group Capital plc
Places for People Finance plc*	SMBC Bank International PLC	Wickes Group Plc
Places for People Homes Limited*	Smith & Nephew plc	Workspace Group plc
Places for People Treasury plc*	Smiths Group plc	Zegona Communications PLC
PMGR Securities 2025 Plc	Sovereign Housing Capital plc	
Polar Capital Technology Trust Plc	SP Distribution PLC	
Premier Foods Plc*	SP Manweb plc	
PREMIER MITON GLOBAL RENEWABLES TRUST PLC	SPT Transmission PLC	
Prudential plc	SPEEDY HIRE PLC*	
Prudential Pensions Limited*	SSP Group Plc	
PureTech Health plc	Starling Bank Limited	
Quadrant Housing Finance Limited	Strategic Equity Capital Plc	
Reckitt Benckiser Group plc	TCHG Capital Plc	
Reckitt Benckiser Treasury Services Plc	Telecom Plus Plc	
Redrow PLC	The Baillie Gifford Japan Trust PLC	
Redwood Bank Limited*	The Bank of New York Mellon (International) Limited	
Ricardo PLC	The Berkeley Group Holdings plc	
Rightmove Plc*	The Excelsior Insurance Company Limited	
Rio Tinto plc	The Marine Insurance Company Limited	
Road Management Services (A13) plc		

* UK PIEs we have resigned from but the last year-end and signing date falls with KPMG's FY 2022.

Appendix 7: Financial information

Under Article 13.2 of the EU Audit Regulation (subsequently incorporated into UK Law) we are required to disclose certain financial information in respect of statutory audit work. In addition, the Consultative Committee of Accountancy Bodies issued the Voluntary Code of Operative Practice on Disclosure of Audit Profitability in March 2009 requiring disclosures in respect of audit and directly related services, where audit and directly related services meet the definition of 'reportable segment' as set out in the Voluntary Code. The disclosures below meet both requirements.

The information below showing the relative importance of statutory audit work is extracted from KPMG UK's financial reporting systems.

	2022 £m	2021 £m
Statutory audits and directly related services for entities we audit:		
UK public interest entities and their subsidiaries (see Appendix 6)*	221	225
Major local audits (see Appendix 8)	3	3
Other entities	485	418
Statutory audit and directly related services for audit clients	709	646
Non-audit services for audit clients	98	150
Non-audit services for non-audit clients	1,916	1,637
Total UK Firm Revenue	2,723	2,433
Statutory audit and directly related services for audit clients:		
Revenue	709	646
Operating profit	98	73

Revenue and operating profit have been recognised for the reportable period based on the firm's unaudited consolidated financial statements:

- Revenue represents amounts recovered or recoverable from clients and the entities we audited during the year, exclusive of Value Added Tax.
- Recoverable amounts reflect the fair value of the services provided to those entities based on the stage of completion of each engagement including expenses and disbursements, as at the statement of financial position date.

Operating profit for the reportable segment is calculated based on an allocation of direct costs and an allocation of overheads (such as property and IT costs) on a pro rata basis. The basis of allocation is primarily on headcount or revenue as well as an allocation of costs directly attributable to the reported segment based on information in our internal management accounts.

No cost is included for the remuneration of members of KPMG LLP. This is consistent with the treatment of partners' remuneration in the firm's consolidated financial statements.

With the transition of the Audit practice to an operationally separated business and the implementation of the FRC's principles of Operational Separation, we expect there may be changes that could have an impact on reported revenues and profits generated from audit activities in future periods.

* This description was updated in March 2023 to correct a misprint which originally stated "EU public interest entities," replacing it with "UK public interest entities".

Appendix 8: UK Major Local Audits listing

The organisations below are those which a) constitutes a 'major local audit' for the purposes of Regulation 12 of The Local Audit (Professional Qualifications and Major Local Audit) Regulations 2014 (SI 2014/1627); and b) for which KPMG LLP signed an audit report on its annual financial statements during year ended 30 September 2022.

In accordance with the Local Auditors (Transparency) Regulations 2020, we confirm that all engagement leads are competent to undertake local audit work and staff working on such assignments are public sector specialists. All our engagement leaders for local audit work have been accredited as 'Key Audit Partners' by the ICAEW. As a national Public Sector team, we will roll out a series of specific, tailored and targeted technical accounting training sessions to all our team members to ensure that they are all sufficiently trained in undertaking these audits. In addition, all our audit teams on these audits have an individual RI appointed from our national pool of KAP accredited RIs. Further information on training delivered in Audit, and our training accreditation and assignment process are included in the [Audit quality](#) page and Appendix 9 (Our Audit Quality Framework).

In addition, we are subject to external inspection by the AQR (for Major Local Audits) and the QAD (for other local audits). See Section 4 for our AQR results which include a minimum of one Local Audit each year and our QAD results which include a selection. Local Audits are also included within the scope of our QPR process described in the [Audit quality](#) page.

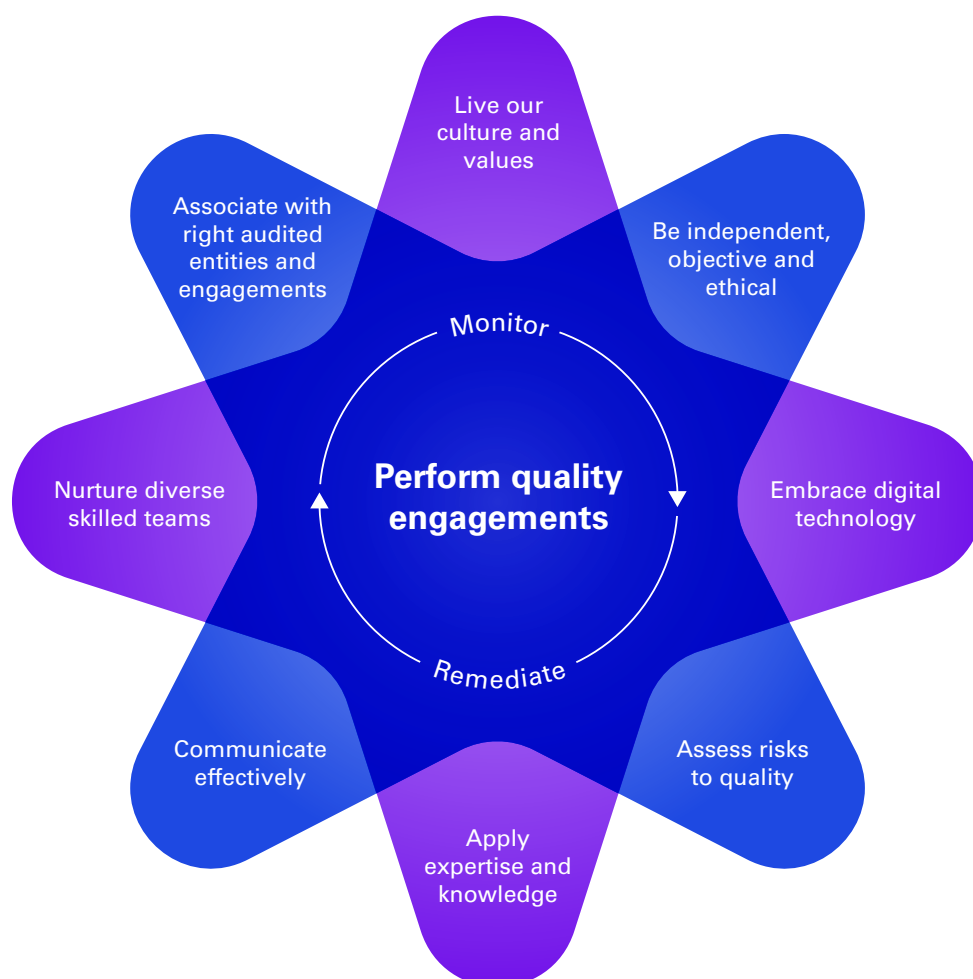
Entity name

Epsom & St Helier Hospitals NHSTrust	NHS Frimley CCG	NHS Bradford District and Craven CCG
London North West Healthcare NHS Trust	NHS Mid Essex CCG	NHS Leeds CCG
Nottingham University Hospitals NHSTrust	NHS West Essex CCG	NHS Barnsley CCG
The Royal Wolverhampton Hospitals NHSTrust	NHS North Central London CCG	NHS Rotherham CCG
University Hospitals Coventry and Warwickshire NHS Trust	NHS South East London CCG	NHS Sheffield CCG
Shrewsbury and Telford Hospital NHS Trust	NHS Kirklees CCG	NHS Dorset CCG
NHS Surrey Heartlands CCG	NHS Wakefield CCG	NHS Derby and Derbyshire CCG
NHS North East London CCG	NHS Stockport CCG	NHS Nottingham Clinical Commissioning Group
	NHS Bolton CCG	NHS Doncaster CCG
	NHS Morecambe Bay CCG	
	NHS Blackpool CCG	

Appendix 9: Our Audit Quality Framework

Our Audit Quality Framework describes how our commitment to integrity and quality lie at the heart of the way we do things at KPMG, serving the public interest. KPMG's refreshed Quality Framework provides a common language across our global network to describe what we believe drives quality.

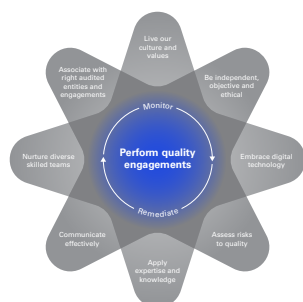
The commitment to 'perform quality engagements' sits at the core of our audit quality drivers. Our approach to audit quality relies on exceptional people having access to the right knowledge at the right time, and harnessing industry leading technology on every engagement. Our global commitment to continually monitor and remediate to fulfil these drivers is central to our approach to quality.



Appendix 9: Our Audit Quality Framework

Continued

1. Perform quality engagements



- Critically assess audit evidence, using professional judgement and scepticism.
- Direct, coach, supervise and review, including Second Line of Defence and EQCR.
- Appropriately support and document conclusions.
- Monitor engagement milestones.
- Consult when necessary.

Critical assessment of audit evidence, exercise of professional judgement and professional scepticism

We consider all audit evidence obtained during the course of the audit, including consideration of anything that is contradictory or inconsistent. This analysis requires each of our team members to exercise professional judgement, maintain professional scepticism and demonstrate appropriate challenge to obtain sufficient and appropriate audit evidence.

Professional judgement and scepticism training is embedded in our core audit technical training programme for junior staff and ongoing training and workshops for more experienced staff.

Timely senior involvement and monitoring of milestones

The engagement leader is responsible for the overall quality of the audit engagement and therefore for its direction, supervision and performance. Involvement and leadership from the engagement leader early in the process helps set the appropriate scope and tone for the audit. To reinforce this, we mandate the completion and review of audit planning activities within specified timeframes to evidence completion of the relevant planning activities.

The engagement leader reviews key audit documentation – in particular, documentation relating to significant matters arising during the audit and conclusions reached. The engagement manager assists the engagement leader in meeting these responsibilities as well as in the day-to-day liaison with the audited entity and monitoring of engagement milestones.

Involvement of our Second Line of Defence

Our Second Line of Defence team is a group made up of senior auditors which supports our higher risk engagements with a focus on public interest and listed entities. The team performs in-flight reviews of audits to improve the quality of audit execution and documentation, including effective challenge of management in judgemental areas. These senior auditors also help throughout the audit cycle, to identify issues before they impact audit quality. This has a dual purpose: firstly, to enable coaching of teams and, secondly, to act as another level of review and challenge to help engagement teams in the delivery of high-quality audits. In addition, it informs our ongoing horizon scanning for emerging issues that may require broader responses.

Appropriate and timely involvement of specialists

Our engagement teams have access to a network of specialists, which may include involving UK specialists or those from other KPMG member firms. Our audit methodology requires the involvement of relevant specialists in the core audit engagement team when certain criteria are met or where the audit team considers it appropriate or necessary.

Appendix 9: Our Audit Quality Framework

Continued

Appropriate involvement of the Engagement Quality Control Reviewer

Our Engagement Quality Control Reviewers (EQCRs) are independent of the engagement team and have appropriate experience and knowledge to perform an objective review and challenge of the more critical and judgemental elements of the audit. The audit report can only be released when the EQCR is satisfied that all significant questions raised have been resolved.

An EQCR is appointed for the audits, including any related review(s) of interim financial information, of all listed entities, non-listed entities with a high public profile, engagements that require an EQCR under applicable laws or regulations, and other engagements as designated by the Audit Risk Management Partner or the Chief Auditor.

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

To invest in building the skills and capabilities of our professionals, we adopt a continuous learning environment. We support a coaching culture throughout KPMG as part of enabling colleagues to achieve their full potential.

Our Coaching for Quality programme, which was developed with the support of external behavioural psychologists, gives colleagues the tools they need for productive coaching conversations.

New engagement leaders are also provided with an experienced mentor to support their transition into this critical role.

Appropriately supported and documented conclusions

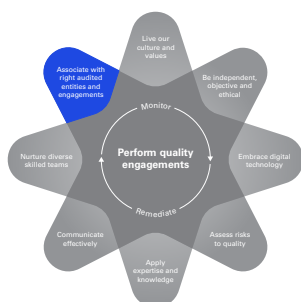
Audit documentation records the audit procedures performed, evidence obtained, and conclusions reached on significant matters on each audit engagement. Our policies require review of documentation by more experienced engagement team members.

Standardised approaches and workpapers assist our audit teams with appropriately supported and documented conclusions.

Appendix 9: Our Audit Quality Framework

Continued

2. Associate with the right audited entities and engagements



- Follow acceptance and continuance policies.
- Accept appropriate engagements.
- Manage portfolio of engagements.

Rigorous engagement acceptance and continuance policies and processes are vitally important to our ability to provide quality audits, as well as to protect KPMG's reputation and support our brand.

We evaluate all prospective audited entities before accepting them. This includes a review of any non-audit services provided to the entity and of other relevant relationships and matters which may have a bearing on our independence. We also perform background checks on the prospective audited entity, its key management and beneficial owners. A key focus is on the integrity of management.

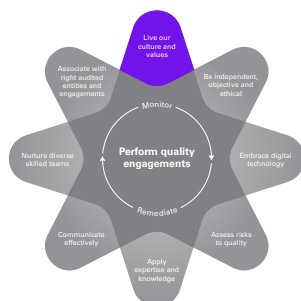
A second partner, as well as the evaluating partner, approves the prospective audited entity evaluation. Where the audited entity is considered to be 'high risk', the Risk Management Partner is involved in approving it. Each prospective engagement is also evaluated. The engagement leader evaluates this in consultation with other senior colleagues and Risk Management leadership as required.

Controls are built into our engagement management system to ensure we complete the audited entity and engagement acceptance process appropriately.

Additional safeguards may be introduced to help mitigate any identified risks and potential independence or conflict of interest issues are documented and resolved prior to acceptance. We will decline a prospective audit engagement if a potential independence or conflict issue cannot be resolved satisfactorily.

Audit services are reviewed at least annually. Ongoing monitoring means that audited entities are re-evaluated earlier if there is an indication that there may be a change in their risk profile. Recurring or long-running engagements are also subject to periodic re-evaluation.

3. Live our culture and values



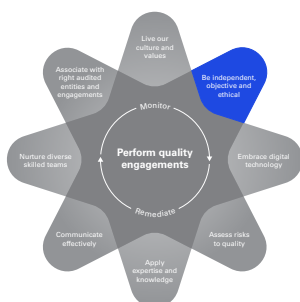
- Foster the right culture, starting with tone at the top.
- Clearly articulate strategy focused on quality, consistency, trust and growth.
- Define accountabilities, roles and responsibilities, including for leadership.
- Oversee using robust governance structures.

The [People and culture](#) page sets out in detail how we are embedding these factors to help drive audit quality and create an environment of continuous improvement.

Appendix 9: Our Audit Quality Framework

Continued

4. Be independent, objective and ethical



- Act with integrity and live our values.
- Maintain an objective, independent and ethical mindset, in line with [our code](#) of conduct and policies.
- Have zero tolerance of bribery and corruption.

Auditor independence is a cornerstone of international professional standards and regulatory requirements.

As described in the [Quality control and risk management](#) page, we have adopted the KPMG Global Independence Policies which are derived from the IESBA Code, and, in the UK, supplement them with other policies to ensure compliance with the FRC's 2019 Ethical Standard.

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

Compliance with laws, regulations and standards is a key aspect for everyone at KPMG. In particular, we have zero tolerance of bribery and corruption.

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

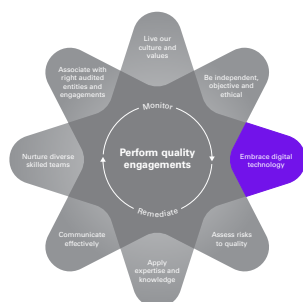
Further information on KPMG International anti-bribery and corruption policies can be found on the [anti-bribery and corruption site](#).

Refer to: [Quality control and risk management](#).

Appendix 9: Our Audit Quality Framework

Continued

5. Embrace digital technology



- Audits delivered through KPMG Clara.
- Intelligent, standards-driven audit workflows.
- Digital data and emerging technologies.

We recognise that in order to deliver quality audits, we need to continually evolve and develop our technology solutions to keep pace with today's digital world. That is why we have embarked on a process of reimagining our audit technology platform and methodology to embed digital working into business-as-usual, provide enhanced consistency and support to our audit teams, deliver more detailed insights, and future-proof our systems for the expected continued development of new technologies such as robotic process automation and machine learning. The continuation of this process has seen new workflows and revised audit methodologies embedded into our smart audit platform, KPMG Clara.

Limited deployment of the KPMG Clara workflows took place in the UK during 2019 and 2020. Full deployment started in 2021 and is expected to be completed by the summer of 2023. The release of the KPMG Clara workflows and the new and enhanced audit methodology is an important milestone in KPMG's journey to innovate, digitalise and transform the audit experience for our people. It is a significant investment that underlines our commitment to audit quality, consistency and innovation.

Our refreshed methodology is easy to understand and is aligned to the language of the International Standards on Auditing (ISA), delivering the requirements of these standards. Improved risk identification and assessment is at the core of the audit approach, embedding the principles of ISA 315 (Revised). This enables improved tailoring of our audit response to the risks identified. Incremental UK standards and policy requirements are delivered alongside the KPMG Clara workflows to support consistent and effective execution of quality audits.

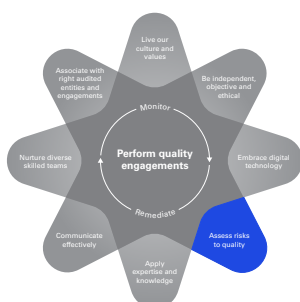
The KPMG Clara workflows give a foundation for use of existing data and analytics capabilities on our audits today and facilitates the continued transformation of the way we execute our audit work.

To learn more about KPMG Clara and our other technology-based tools, refer to: [Audit quality](#).

Appendix 9: Our Audit Quality Framework

Continued

6. Assess risks to quality



- Identify and understand risks to delivering quality engagements and implement effective mitigating controls.

KPMG in the UK has a number of quality processes and controls that are designed to identify and understand the risks to delivering quality engagements at both the practice and individual engagement level. With the issue of the new quality management standard (ISQM 1), which was approved by the FRC in July 2021 and became effective as of 15 December 2022, a number of the quality control processes have been refined.

Key quality control processes include:

- Annual portfolio reviews: Individual partner and director portfolios are monitored and reviewed on an annual basis.
- Accreditation process: Only partners and employees with the appropriate training and experience are assigned to engagements and are appropriately licensed where necessary.
- Audit Risk Panels: High risk audit engagements have two panels (one at planning and one at completion) that challenge the audit team on the key audit judgements.
- Second Line of Defence: A dedicated team reviews the audit documentation of the significant audit areas on the majority of our listed audits prior to the audit report being signed.
- Pre-issuance review of financial statements: An independent review is carried out by DPP Accounting & Reporting of all listed financial statements prior to the audit report being signed.
- The 'Emerging Issues' process: This identifies, in real time, recurring themes arising from our external inspections, internal Quality Performance Reviews and other quality processes, and recommends actions that are ratified by our Audit Quality Council.
- Root Cause Analysis: An independent root cause analysis is undertaken on all key findings raised by external inspections together with the findings from our internal monitoring processes. This informs the remedial actions we take to respond to these findings.

Appendix 9: Our Audit Quality Framework

Continued

7. Apply expertise and knowledge



- Methodology aligned with professional standards, laws and regulations.
- Deep technical expertise and knowledge.
- Quality and risk management manual.
- Standardised workpapers and guidance.

A UK lens on our global methodology and standardising our approach

The transition to KPMG Clara workflows bring with it an opportunity to introduce our new global methodology which is delivered to teams through KPMG's Audit Execution Guide. The methodology is based on the requirements of the International Standards on Auditing (ISAs) and all member firms are required to follow it. This includes additional requirements that go beyond the ISAs and which KPMG believes enhance the quality and value of our audits. KPMG in the UK also adds local requirements and guidance to comply with additional professional, legal or regulatory requirements specific to the UK and our own internal policies.

Our new methodology is clear and easy to understand with a real focus on the risk continuum so that our audit teams can execute consistently against our quality standards.

Our increased focus on audit quality in the UK means we welcome these enhancements which are being introduced globally. As ever, in the UK we will continue to develop our audit methodology to remain in step with changes in laws and regulations.

Standardised workpapers and guidance assist our audit teams in bringing greater consistency to our audits.

Ensuring our people have the right technical expertise and knowledge

We are committed to ensuring that audit professionals working on engagements have appropriate audit, accounting and industry knowledge, experience and training. Our accreditation process enables us to ensure the right partners and employees are assigned to engagements and are licensed where necessary.

Our technical learning curriculum provides a core training programme for all colleagues and differs by grade, role and experience level. To read more about the training for our audit professionals, refer to: [Audit quality](#).

Developing business understanding and industry knowledge

A key part of engagement quality is having a detailed understanding of the audited entity's business and industry. For significant industries, global audit sector leads are appointed to support the development of relevant industry information, which is made available to audit professionals. This knowledge comprises examples of industry audit procedures and other information (such as typical risks and accounting processes).

KPMG Clara provides our audit teams with access to industry knowledge with libraries embedded within the tool. This allows for a consistent approach, tailored by industry, and focused on key industry audit risks.

Risk management and consultation requirements

Internal consultation, both formal and informal, is a fundamental contributor to quality; it is always encouraged, and is mandated in certain circumstances. We provide appropriate consultation support to audit engagement professionals through professional practice resources – this includes our Chief Auditor, DPP Accounting & Reporting, DPP Audit and Audit Risk Management.

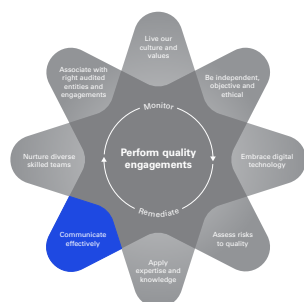
Our policies include mandatory consultation requirements on certain matters such as audited entity integrity. We have also established Risk Panels led by an audit quality or audit risk management partner to enable direct challenge of the approach to the key audit issues on our highest risk audits. In light of the war in Ukraine and the impact on the UK and global economies, we continue to require going concern consultations on a substantial number of issued opinions.

Further technical support is also available through our International Standards Group as well as the US Capital Markets Group based in New York, for work on SEC registrants, or our US Accounting and Reporting group based in London.

Appendix 9: Our Audit Quality Framework

Continued

8. Communicate effectively



- Provide insights and maintain open and honest two-way communication.
- Actively manage information flows within firms and between firms, regions and our global headquarters.
- Conduct and follow up on the Global People Survey.
- Issue external communications, including Transparency Reports.

Clear and insightful audit reports

In preparing audit reports, engagement leaders have access to extensive reporting guidance and technical support especially where there are significant matters to be reported to users.

Auditing standards and the Companies Act 2006 or similar legislative requirements largely dictate the format and content of the audit report that includes an opinion on the fair presentation of the entity's financial statements in all material respects. The existing requirement to include key audit matters in the auditor's report for entities that are required, or choose voluntarily, to report on how they have applied the UK Corporate Governance Code also includes PIEs and listed entities.

In response to the reviews on our profession and feedback from investors, we continue to take action ahead of legislation and offer 'graduated findings' in our audit reports – where the auditor provides an independent view of the relative caution or optimism of management's key judgements, rather than presenting merely a binary conclusion on the acceptability of them.

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

Two-way communication with those charged with governance is key to audit quality. We stress the importance of keeping those charged with governance informed of issues arising throughout the audit and providing robust challenge. We achieve this through a combination of reports and presentations, attendance at audit committee or board meetings, and ongoing discussions with members of the audit committee.

We deliver insights such as the appropriateness of accounting policies, the design and operation of financial reporting systems and controls, key accounting judgements and matters where we may disagree with management's view and any uncorrected audit misstatements. We ensure the content of these reports meets the requirements of auditing standards and we share our industry experience to encourage discussion and debate with those charged with governance.

Effectiveness of group audits and managing information flows

Our audit methodology stresses the importance of effective two-way communication between the group engagement team and the component auditors, which is key to audit quality. The group audit engagement leader evaluates the competence of component auditors, whether or not they are KPMG member firms, as part of the engagement acceptance process.

Our guidance and training focus on a range of aspects, including: the quality of group audit instructions; the oversight of component auditor team structures; communication between group and component audit teams; the scoping of component audit teams' work; review and evaluation of the component audit teams' work and clearly evidencing this; the involvement of the EQCR with group and component auditors; and the conclusions reached by the group team on the group file.

Appendix 9: Our Audit Quality Framework

Continued

Confidentiality, information security and data privacy

We are committed to providing a secure and safe environment for the personal data and confidential information we hold, as well as protecting the privacy of our audited entities, service providers and other third parties. The importance of maintaining audited entity confidentiality is emphasised through a variety of mechanisms including regular communications on the topic, our [Code of Conduct](#), ongoing training, and the annual independence/confirmation process, which all staff who are involved in delivering professional services engagements are required to complete.

Our information protection requirements are set out in the Global Information Security Policy published by KPMG International. Compliance monitoring against these standards and policies is carried out through our internal information security audit programme and is supplemented by annual checks by the Global Information Protection Group.

In addition, KPMG LLP is certified to ISO27001, the international standard for Information Security Management. The scope of our certification includes our IT processes, IT business assets, audited entity data in core systems, offices and physical locations. The Information Governance Oversight Committee oversees and steers all aspects of information governance within the UK firm including the setting of policies and procedures, monitoring the effectiveness of key information protection controls, and providing strategic direction on the information protection programme.

People Survey

We conduct regular surveys to find out how people feel about KPMG and their working environment. The 2022 People Survey results for UK Audit are shown within the [People and culture](#) page.

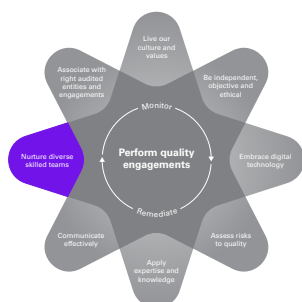
External communications

We undertake regular external communications with our stakeholders, such as investors. Further details of the programmes can be found within: [Audit quality](#).

Appendix 9: Our Audit Quality Framework

Continued

9. Nurture diverse skilled teams



- Recruit appropriately qualified and skilled people, including specialists, with diversity of perspective and experience.
- Invest in data-centric skills – including data mining, analysis and visualisation.
- Focus learning and development on technical expertise, professional acumen and leadership skills.
- Assign appropriately qualified teams.
- Recognise quality.

We are committed to equipping our people with the skills and tools they need to deliver high-quality work for our stakeholders and for the entities that we audit.

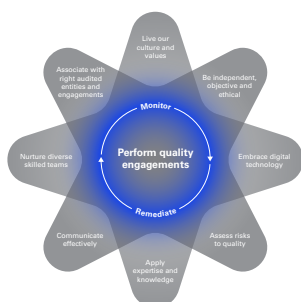
One of the key drivers of quality is making sure we assign people with the right level of skills and experience to the right engagements. This requires a focus on recruitment, development, promotion and retention of our people and the development of robust capacity, accreditation and resource management processes.

You can read more about our People strategy in the [People and culture](#) page.

Appendix 9: Our Audit Quality Framework

Continued

10. Monitor and remediate



- Rigorously monitor and measure quality at the local and global level – e.g. QPR.
- Obtain, evaluate and act on stakeholder feedback.
- Anticipate opportunities to improve quality.
- Perform root cause analysis.

We focus on ensuring our work continues to meet the needs of participants in the capital markets. To achieve this goal, we employ a broad range of mechanisms to monitor our performance, respond to feedback and understand our opportunities for continuous improvement:

- Internal monitoring which includes the Quality Performance Review and Root Cause Analysis processes.
- Quality Control Reviews which are performed after planning and completion to cover all managers.
- External monitoring which includes the findings from Audit Quality Reviews, the Quality Assurance Department and the PCAOB.
- Regulatory investigations and sanctions.
- Audited entity feedback to better understand expectations and where we can do better. Senior leadership has visibility of all feedback to identify trends and ensure appropriate response.
- Monitoring of complaints received relating to the quality of our work. These procedures are detailed on our [website](#) and are also included in our general terms of business. All formal complaints are investigated under the authority of the Chief Risk Officer.

Milestone monitoring and Audit Quality Indicators

We have commenced a project to monitor a suite of engagement level Audit Quality Indicators across a number of audit engagements. The indicators cover a range of factors, both internal and external, in areas such as personnel measures, standards and tools, technical excellence and delivery, efficiency and effectiveness, and continuous improvement. As we move forward, our audit technology platform, KPMG Clara, will facilitate more effective milestone monitoring.

FRC Thematic Reviews

The FRC Supervisory division also undertakes thematic reviews to supplement their annual programme of audit inspections of individual firms. In a thematic review, firms' policies and procedures in respect of a specific aspect of auditing, and their application in practice, are reviewed. We find these thematic review reports helpful in identifying areas of good practice as well as opportunities to improve.

Following thematic reviews performed during the year, the FRC issued a publication entitled 'What Makes a Good Environment for Auditor Scepticism and Challenge' and a public letter to Heads of Audit on the 'Role of the auditor in considering climate related risk'. Other thematic reviews have resulted in private reports to audit firms. We have considered the findings and examples of best practice within each of these reports and determined actions where appropriate.

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Interaction with regulators

At a global level, KPMG International has regular two-way communications with the International Forum of Independent Audit Regulators (IFIAR) to discuss issues identified and actions taken. In the UK, the Head of Audit and Head of Audit Quality participate in global meetings to ensure alignment across the network.

Following the restructure of the FRC's Supervisory Division in late 2021, we developed a stakeholder management map, aligning our internal leaders to the FRC's three supervisory teams being Audit Firm Supervision, Audit Market Supervision and Audit Quality Review. We have regular meetings and ongoing dialogue with relevant individuals at the FRC, including KPMG's assigned Supervisor.

We are also required to be registered with the Jersey, Guernsey and Isle of Man Financial Services Commissions in respect of Crown Dependency registered Market Traded Companies. As part of this registration, the AQR performs periodic inspections of the audit engagements meeting these criteria.

Our firm is also registered with the US PCAOB and a number of other overseas regulators, namely: the Canadian Public Accountability Board (CPAB); the Dutch Authority for the Financial Markets (AFM); the French Haut Conseil du Commissariat aux Comptes (H3C); the Hong Kong Accounting and Financial Reporting Council (AFRC); the Japanese Financial Services Authority (JFSA); the Irish Auditing and Accounting Supervisory Authority (IAASA); the Italian Commissione Nazionale per le Società e la Borsa (CONSOB); the Luxembourg Commission de Surveillance du Secteur Financier (CSSF); the Norwegian Finanstilsynet; and the Swedish Inspectorate of Auditors (SIA). We will seek further registrations as required.

Appendix 10: Communication with partners as members of KPMG LLP

The Chair and Chief Executive, together with members of the Executive Committee, have primary responsibility for communication with Partners in the UK. They use different channels to do this, including face-to-face meetings and roundtables, emails as required on internal, external and operational matters, and calls/webinars. The Chair also writes formally twice a year to Partners to update them on the focus of the Board and its Committees (Audit, People and Risk).

There are bi-monthly calls held with the firm's Partners, ensuring a timely briefing on key issues and providing the opportunity for two-way feedback. Where there is an immediate need to communicate matters, an all-partner email is used or, exceptionally, conference calls are convened.

In addition, all members are invited to an annual Partner conference and annual Partner meeting to discuss a range of topics including the firm's results and business planning. There is also a Partner intranet portal containing resources and communications.



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