



UK Community Impact Report 2023

In respect of the year ended 30 September 2023



Social mobility in the community

In June 2023, we were proud to launch our new community commitment to social mobility, *Opening Doors to Opportunities*, which pledges to provide one million young people with the opportunity to develop their skills by 2030. Low social mobility in the UK remains a persistent issue and young people are disproportionately impacted. Working with industry and education experts, with a focus on places in greatest need, our aim is to give young people, no matter their background or circumstances, the skills, insight and support they need to thrive in the world of work.

Aligned to the UN Sustainable Development Goal 4 of ensuring inclusive education and lifelong learning opportunities for all, our work supports our wider KPMG global ambition to economically empower 10 million young people by 2030. This year we were proud to support over 170,000 young people through a range of activities including in-office visits, school workshops, and campaign activities through strategic partnerships with National Numeracy and the National Literacy Trust.

In support of our 2030 commitment, we're inviting schools into our offices across the UK to complete two-hour 'world of work visits.' We know that when young people have meaningful encounters with workplaces, they are more likely to progress into fulfilling careers that they might not have felt were within their reach. Our schools targeting tool, developed by The Bridge Group, allows us to ensure that our interventions reach the schools in the areas that need it most.

Supported by our people, students will gain insight into our business and take on some of the challenges facing our clients today, helping them develop their essential skills. The programme features the best of what KPMG has to offer, from technology to green skills – offering young people a window into the changing world of work. We'll also be working closely with young people to shape what these visits look like and capturing how they feel about their future careers.

Low social mobility remains a significant issue in the UK and underserved communities are paying the price.

No matter your background or where you were born, everyone should have access to the opportunities to help them thrive in life. As a business, we have an important role to play in creating better outcomes and steering change for a fairer society.

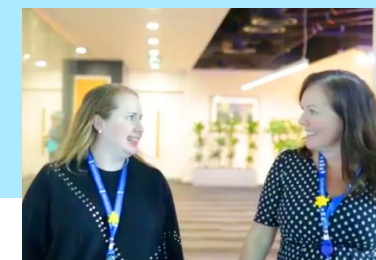
We are committed to driving meaningful impact in our communities by sharing our skills, resources and expertise.

Rachel Hopcroft
Head of Corporate Affairs



Since setting our refreshed Corporate Responsibility strategy six years ago, we are proud of the impact and contributions we have made supporting our local communities. Our hope is to drive change in the longer-term through our work. Social mobility requires collective action and we would like to thank our community partners and colleagues who have shared their talents, experience and time, for better."

Roisin Murphy and Roisin Sharkey
Co-Heads of Corporate Responsibility, KPMG in the UK



Our key areas of focus



Exposure to the workplace through office visits to give even more young people insight into the world of work



The basic skills; numeracy and literacy, as well as early years language development – the building blocks of social mobility



Future skills including technology and sustainability, to help young people to navigate the changing world of work



The essential skills such as teamwork, resilience, creativity, problem solving, to support young people to develop the adaptability and resilience to move into – and between – jobs



Foundational skills

This year marked the sixth National Numeracy Day, the UK's only numeracy awareness day, which we co-founded with independent charity National Numeracy in 2018. The campaign was bigger than ever, inspiring 831,050 actions to be taken to improve numeracy skills and over 9,000 schools and organisations getting involved across the UK.

Through our collaboration with the National Literacy Trust, with whom we founded the Vision for Literacy Business Pledge in 2015, 97 leading businesses have now publicly committed to help close the nation's literacy gap and help boost social mobility.

Essential skills

KPMG UK have been a proud supporter of Skills Builder since 2017. In March this year we supported the publication of the Essential Skills Tracker, a new piece of research which found that a lack of essential skills, such as teamwork, resilience, creativity and problem-solving cost the UK economy £22 billion last year.

Skills Builder aims to support the development of essential skills people need to thrive in work and life. Their robust framework identifies eight essential skills that are embedded across KPMG's programmes to support young people to transition from education to the workplace.

Future skills

Technology and the transition to the Net Zero economy is going to bring about an unprecedented demand for new skills. Ensuring that this jobs transition is fair and inclusive is important to us. We continue to work with schools in areas of low social mobility to build students' sustainability and technology mindsets to help prepare and excite them for the changing world of work.

We worked with the Economist Educational Foundation to support students to develop critical thinking, literacy and numeracy skills around key topics including climate change.

KPMG's IT's Her Future Juniors Programme aims to encourage girls to explore a career in technology. By engaging teachers and parents, it also helps educate the influencers about the opportunities for girls in technology, which helps to build a pipeline of diverse talent. We also supported the Cyber First programme in the North West, an initiative which begins with female secondary school students being encouraged to consider GCSE subjects that can lead to technology related careers.

Strategic philanthropy

Community Outreach – sharing our time, talents and experiences

Our community outreach data shows that, a record breaking 49.7% of colleagues, have either volunteered or fundraised to support causes important to them. That means 8,592 colleagues have contributed 105,142 volunteering hours (up from 6,149 volunteers contributing 76,780 hours last year). We provide everyone at KPMG with six days (42 hours) per year to volunteer.

Volunteering spotlight

We recognise that there are lots of societal causes that are personally important to our people where they can share their skills and experiences to make a positive difference. For example, this financial year colleagues volunteered more than 16,000 hours of their time to undertake board level opportunities such as Charity Trustee, School Governor and Enterprise Adviser roles supporting our local communities.

For the past six years, colleagues in Consulting have also been working with the Key4Life charity to run employability and mentoring schemes in prisons across the UK. As part of this, the New Futures Programme was launched and in 2023 we welcomed several prison leavers, with the programme designed to teach essential and transferable workplace skills, in line with the firm's wider social mobility agenda.

Sadly, this financial year, devastating natural disasters have impacted countries including Pakistan, Libya, Morocco, Turkey and Syria. We are thankful to our colleagues for their continued support in generously donating to firm-wide emergency appeals.

Our National Charity Partner, Marie Curie

In November 2021 our people voted and chose Marie Curie to be our National Charity Partner. We set a target to provide £1m of support for Marie Curie by the end of September 2023, with the shared aim that regardless of a patient's background, everyone should have the same level of care, support, and guidance when facing a terminal illness.

Together, our people have walked thousands of miles through participating in our KPMG Big Walks, abseiled, shaken buckets at train stations, taken over Marie Curie's charity shops, baked and donated the first hour of their salaries at the beginning of each year.

Colleagues have also supported Marie Curie through pro bono. For example, the 'Transforming palliative and end of life care' engagement created a toolkit to support palliative and end of life care pathways for a range of conditions and for patients from underrepresented groups.

With thanks to the engagement and support of KPMG UK colleagues we have achieved the £1m goal.



Our community impact data

	FY23	FY22	FY21	FY20	FY19
Community benefits					
Individuals directly supported (comprising of the below)	173,500	64,837	231,973	45,034	30,395
Delivery method A – Direct engagement with KPMG	57,516	34,730	29,795	*	*
Delivery method B – Direct engagement with a KPMG facilitated programme	115,984	30,107	202,178	*	*
Organisations supported	1,665	1,295	903	1,057	1,988
Funds raised (through fundraising and payroll giving)	£799,099	£463,859	#	#	#
Value of support provided to Marie Curie (our National Charity Partner)	£1,155,865	£484,653	#	#	#
Community investment					
Community contribution (cash, in-kind, time and management costs)	£12.7m	£11.3m	£7.6m	£7.1m	£6.6m
Number of volunteers during working hours	8,592	6,149	4,797	3,162	4,398
Time spent volunteering during working hours	105,142	76,780	45,995	46,221	62,102
Full-time equivalent staff volunteering during working hours	49.7%	40.5%	33%	20%	27%

Please refer to the reporting method statement for full definitions and methodologies

* FY21 was the first year that we split the reporting of the individuals that we directly supported into delivery methods.

FY22 was the first year that we have reported on funds raised and the value of support provided to Marie Curie (our National Charity Partner).

Our community impact reporting method statement

Community investment overview

We report Community Investment data covering the following indicators:

- Number of individuals directly supported
- Number of organisations supported
- Funds raised (through fundraising and payroll giving)
- Value of support provided to Marie Curie (our National Charity Partner)
- Total Community Contribution (£)
- Number of volunteers during working hours
- Number of hours spent volunteering during working hours
- Full-time equivalent staff volunteering during working hours (% of total employee number)

Standards and guidance – B4SI

Our methodology for the reporting of community investment data has been developed using the Business for Societal Impact (B4SI) framework and guidelines.

Data collection and verification

Our primary data sources are internal management information, such as timesheet data and financial accounts, and information from community partners such as charities and schools.

This data is collected, analysed and tested monthly, and is used to inform strategy.

Ahead of publishing this information externally, three levels of review are applied to our community data. First, KPMG's Corporate Responsibility team collects, analyses, samples and verifies the data. Next, KPMG's client-facing ESG Assurance team perform Agreed Upon Procedures on the data. Finally, independent limited assurance is sought on the data.

Employees volunteering and hours contributed

Internal management information, specifically hours charged in timesheets, is used to determine the number of employees that have volunteered and the number of hours contributed to our communities. This data is reconciled against records showing the volunteering opportunities that colleagues have registered to do and have had approved. Additional data is obtained from internal surveys and correspondence conducted with employees to identify volunteering activity and hours not centrally recorded through registrations and timesheets.

This information is consolidated and manually checked so that as far as reasonably possible, volunteering activities and hours are unique and contributions are not double counted.

Our internal process aims to reduce the possibility of double counting volunteering activity or hours as far as is reasonably practical, through reconciling unique heads and hours across all timesheet reports and survey responses, as well as confirming that hours have not been back-dated in subsequent timesheets.

Percentage of full-time equivalent staff volunteering during working hours

This is determined using the recorded number of volunteers in the reporting period divided by the overall full-time equivalent (FTE) number of colleagues in the firm.

Overall FTE only includes UK staff and does not include contractors working for external organisations or the Gibraltar and Malta entities staff.

Total community contribution

This is the combined total of cash, in-kind, time and management contributions towards supporting the community.

Cash

These are cash donations from KPMG to support community activity and that of approved charity partners.

These donations are recorded centrally and supported by documented evidence.

In-kind

These are in-kind donations of tangible assets (including IT equipment, furniture, space) to support charitable partners and schools. These donations are also recorded centrally and supported by documented evidence.

Time

A value of time dedicated to community impact is determined by multiplying the number of hours dedicated to supporting community programmes multiplied by an average hourly rate (by employee grade) for volunteering, pro bono and secondments to charitable organisations.

Management costs

This includes salary costs and expenses related to employees directly responsible for the delivery of our community impact programme. It also includes consultancy and research fees for the development and improvement of our programmes.

Our community impact reporting method statement

Continued

Number of organisations supported

This is the number of organisations that have received cash, time or in-kind support through community activity. These are recorded through a combination of direct correspondence with the organisation, time charged to volunteering, evidence of cash donations, or confirmation via a third-party broker or charity partner. Records of organisations supported is collated and stored centrally.

Individuals directly supported

This overall number of individuals that we support through our community activity can be defined as those who participate directly in the project and that directly benefit from the project.

We have transformed our community programmes to allow flexibility for individuals and educators to use the programmes to best suit their needs and ways of working.

As a result, we have been able to reach more people. For full transparency, we have reported how many individuals were supported through each delivery method:

- Delivery method A: the number of individuals that have direct engagement with KPMG through community activity.
- Delivery method B: the number of individuals that have directly engaged with a specific programme that has been funded, developed or facilitated by KPMG and where the programme would not have existed without KPMG's involvement.

The above definitions refer to the number of individuals supported, recorded through internal and third-party records for each activity and maintained centrally.

We work with our community partners to collect, reconcile and validate this data on a monthly basis and have implemented processes and definitions to ensure that unique beneficiaries are captured where possible. For some virtual programmes, and where there are data protection requirements, there are occasions in which individual beneficiaries cannot be individually identified. In instances where we cannot be certain that a beneficiary is unique, we have taken the decision to remove them from the total to avoid overstating.

We also recognise that as part of our community activity and engagement, there will be a knock-on benefit to those influenced by the programme but that do not have direct involvement with the programme. Due to the intangible nature of this benefit, we will not be reporting on indirect beneficiaries.

Funds raised

This represents the amount raised for charitable organisations, including Marie Curie (our National Charity Partner), through fundraising campaigns and payroll giving that has been facilitated by KPMG. It does not include donations made by KPMG. Funds raised come through:

- Colleague and Partner payroll giving
- Fundraising

Value of support provided to Marie Curie (our National Charity Partner)

Marie Curie are our colleague-chosen national charity for the period November 2021 - October 2024. The value of support provided to Marie Curie is calculated through:

- Colleague and Partner payroll giving
- Fundraising
- KPMG cash donations
- KPMG in kind donations
- Value of pro bono work

Independent limited assurance report



Grant Thornton UK LLP ("Grant Thornton" or "we") were engaged by KPMG LLP ("KPMG") to provide limited assurance over the Subject Matter Information described below.

Limited assurance conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of this report.

Subject Matter Information

The scope of our work was limited to assurance over selected aspects of the KPMG UK Community Impact Report ("the Report") for the year ended 30 September 2023 listed in Appendix I to our report ("the Subject Matter Information").

Our assurance does not extend to any other information that may be included in the Report for the current year or for previous periods unless otherwise indicated.

Reporting Criteria

The Reporting Criteria used for the measurement or evaluation of the Subject Matter Information and to form our judgements are KPMG's Our Communities impact reporting method statement included in the Report (the "Reporting Criteria").

Inherent limitations

The absence of a significant body of established practice on which to draw to measure or evaluate the Subject Matter Information allows for different, but acceptable, measurement or evaluation techniques and can affect comparability between entities and over time. In particular we draw attention to the methodologies and assumptions based limitations KPMG have disclosed in the Reporting Criteria.

Members' responsibilities

The Members of KPMG are responsible for:

- the design, implementation and maintenance of internal control relevant to the preparation and presentation of Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or establishing suitable Reporting Criteria;
- measuring or evaluating and presenting the Subject Matter Information in accordance with the Reporting Criteria; and
- the preparation of the Report and the Reporting Criteria and their contents.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information has been prepared in accordance with the Reporting Criteria;
- forming an independent limited assurance conclusion, based on the work we have performed and the evidence we have obtained; and
- reporting our limited assurance conclusion to KPMG.

Our independence, professional standards and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly we maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent limited assurance report

Continued



Assurance standards and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits and Reviews of Historical Financial Information" ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks which vary in nature from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not report a reasonable assurance conclusion.

Work performed

Considering the circumstances of the engagement our work included, but was not restricted to:

- assessing the suitability of the Reporting Criteria as the basis of preparation for the Subject Matter Information;
- assessing the risk of material misstatement of the Subject Matter Information, whether due to fraud or error, and responding to the assessed risk as necessary in the circumstances;
- conducting interviews with relevant KPMG management and examining selected documents to obtain an understanding of the processes, systems and controls in use for measuring or evaluating, recording, managing, collating and reporting the Subject Matter Information;
- evaluating the competence and independence of the KPMG internal audit team who performed their own selected limited substantive testing on the Subject Matter Information, including agreeing a selection of the Subject Matter Information to corresponding supporting information;
- reperformance of a selection of the KPMG internal audit team's limited substantive testing;
- performing selected limited substantive testing including agreeing a selection of the Subject Matter Information to corresponding supporting information;
- evaluating the overall presentation of the Subject Matter Information; and
- reading the Report and narrative accompanying the Subject Matter Information in the Report with regard to the Reporting Criteria, and for consistency with our findings.

Intended use of this report

This limited assurance report, including our conclusion, is made solely to KPMG in accordance with the terms of the agreement between us. Our work has been undertaken so that we might state to KPMG those matters we are required to state to them in an independent limited assurance report and for no other purpose. We have not considered the interest of any other party in the Subject Matter Information.

To the fullest extent permitted by law, we do not accept or assume responsibility and deny any liability to any party other than KPMG for our work or this report, including our conclusion.

Grant Thornton UK LLP

Grant Thornton UK LLP
Chartered Accountants
Cambridge

Date: 26 January 2024

The maintenance and integrity of KPMG's website is the responsibility of the Members; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information, the Report or the Reporting Criteria presented on KPMG's website since the date of our limited assurance report.

Independent limited assurance report

Continued



Appendix 1

Underlying Subject Matter	Units	Subject Matter Information
Individuals directly supported	number	173,500
Organisations supported	number	1,665
Funds raised (through fundraising and payroll giving)	£	799,099
Value of support provided to Marie Curie (our National Charity Partner)	£	1,155,865
Community contribution (cash, time, in-kind and management costs)	£	12,731,858
Number of volunteers during working hours	number	8,592
Time spent volunteering during working hours	hours	105,142
FTE staff volunteering during work hours	%	49.7



kpmg.com/uk

© 2024 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation.

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

Designed by **CREATE** | CRT150794 | November 2023