

Report on the Public Interest Committee's activities during the year

For the year ended 30 September 2024

Areas of oversight

The Public Interest Committee has overseen the impact of the firm's activities on its public interest responsibilities through consideration of:

- The firm's strategy, including proposals and updates in relation to the merger of the UK and Switzerland member firms as well as key business developments such as the use of artificial intelligence and the creation of One Advisory (bringing our Consulting and Deal Advisory businesses together as one team).
- The firm's risk management and internal controls framework and compliance with regulations, including its implementation of the International Standard of Quality Management (ISQM1).
- The monitoring of financial performance of the business and budgets. This included firm-wide and cross-business operations and the firm's compliance with the FRC's Principles for Operational Separation.
- The firm's people policies and the impact of initiatives and procedures for training, IDE and remuneration. This included oversight of the partner balanced scorecard.
- The firm's culture, including overseeing initiatives taken by the firm and progress against key performance indicators to ensure that the appropriate culture exists throughout the organisation.
- Compliance with the firm's [Code of Conduct](#). This included regular private updates from the Head of Ethics and Independence, including the number of cases reported to the firm's independently run Speak Up whistleblowing hotline and ensuring appropriate ethical standards and behaviour.
- Any matters relevant to the public interest with respect to the multi-disciplinary services provided by the firm or others within the professional service industry, including updates on audit quality, the lessons learned and any actions taken from regulatory investigations and tribunals.
- The impact of wider network issues beyond the UK firm, which included updates from the Global CEO, the Global Head of Audit and the Global Head of Risk and Regulatory.
- The firm's engagement with its stakeholders, including investors, audit committee chairs and regulators.

In numbers

- During the reporting period, the Public Interest Committee held three formal meetings.



Looking ahead to FY25

- Continue to engage with the Audit Non-Executives and their oversight of the Audit practice.
- Monitor the progress made in relation to the merger of KPMG UK and KPMG Switzerland, and the impact on governance arrangements.
- Monitor the firm's progress in relation to commitments made to regulators, as well as any developments from UK and overseas regulators.
- Oversee the execution of the firm's Culture Ambition and Ethical Health Plan.
- Monitor how the firm manages operational and financial resilience.
- Engage with the global network and continue to inform the UK firm's consideration of network risk.
- Monitor the firm's use of AI and the impact of developments in technology.
- Monitor the firm's responses to the Audit and Corporate Governance reforms.

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