



UK Partner Diversity Report 2024

In respect of the year ended 30 September 2024



Introduction

Our inclusion, diversity and equity (IDE) plan, “Our KPMG: A fairer future for all” is designed to create an inclusive environment, equitable experiences and accountable leaders and sets out long-term workforce diversity targets through to 2030. We’re committed to delivering against these long-term targets and reaching better representation across all levels of our firm, challenging ourselves to go further and faster wherever possible.

Our approach is led by insights and data, and we believe transparency is key to holding ourselves to account. By deepening our understanding of our workforce and any barriers our people are facing, we can be more targeted in our action. We are proud to have been one of the first to publish research into the rates at which historically under-represented groups progress within our firm. Last year, we also expanded our pay gap reporting to include additional ethnicity categories, recognising the experiences different ethnic groups may have within the firm.

Our dedication to IDE is underpinned by the external benchmarks and charters we participate in. They help us to measure our own practices against other employers and contribute to raising the bar across society. We are proud to be the only employer to be ranked in the top 5 of the Social Mobility Employer’s Index since its inception in 2017 and in 2024 won ‘Organisation of the Year’ at the Social Mobility Awards. We have been recognised as a Times Top 50 Employer for Gender Equality for 14 consecutive years, consistently placed in the Top 100 of Stonewall’s Workplace Equality Index and have been recognised as a Disability Confident Leader since 2016. In 2023 we won

‘Outstanding Employer’ at the Investing in Ethnicity awards and ‘Large Company of the Year’ at the Black Talent Awards.

We’ve introduced a number of measures and initiatives to support our plan.

This year we launched two new IDE development programmes, Inspire and Elevate, which bring together the very best of our previous award-winning programmes into a new and refreshed offering. These programmes are available to colleagues from historically under-represented groups from assistant manager to director. We consistently measure for fairness across our people processes, looking at all historically under-represented groups. This is alongside enhancements to our internal reporting tools allowing for more regular, granular and intersectional analysis.

To achieve our ambitions, it requires a wider focus on culture and behaviours and so in 2024 we refreshed our mandatory IDE learning ‘Enhancing our Vision’. All colleagues are required to complete this training, alongside our new sexual harassment learning. The modules encourage our colleagues to reflect on how they can contribute to creating an inclusive environment.



▶ We’re committed to creating an inclusive environment where all colleagues thrive and reach their full potential, whatever their identity or background. This is fundamental to our success as a business.

We're committed to fairer representation across our leadership

Our 2030 targets represent our commitment to improving the representation of historically under-represented groups amongst the Partner population at our firm. We know that the nature of our changing business and workforce means that we won't always see year-on-year increases in our Partner representation of historically under-represented groups, and despite progress being slower than we would like, we are proud of our holistic approach to inclusion, diversity and equity. Amidst an uncertain and changing environment, we continue to focus on our pipeline of talent, work with our people and be guided by our values to take steps that keep pushing us forward.

Our commitment to integrity drives us to be transparent, accountable and lead with the highest ethical standards. This is why we are committed to having our Partner diversity data independently assured each year, to lead by example and affirm the importance of our societal commitments within our ESG reporting.

This table shows how we're tracking against our targets.

	1 October 2024	1 October 2023	2030 target
% Female	29%	29%	40:40:20 ¹
% Ethnic minority	13%	13%	20%
% Disabled	9%	8%	15%
% Lesbian, Gay & Bi	2%	3%	6%
% Black heritage	1%	1%	5%
% Lower socio-economic background	24%	24%	29%
Number of partners ²	874	833	

More detail on all reporting methodology can be found in the appendix.

Further information on our inclusion, diversity and equity plan and progress can be found [here](#).



% Female is identified by the Sex at Birth passport data; we therefore have 100% declaration for this calculation. Undeclared and prefer not to say responses are included in ethnicity (including Black heritage), disability and LGB representation calculation and therefore is a % of total number of partners. For socio-economic background data undeclared and prefer not to say responses are removed from representation calculation so % low SEB is based on partners that have declared their socio-economic background only. Disclosure rates for Partners across these categories are:

	1 October 2024	1 October 2023
Ethnicity (including Black heritage)	93.4%	93.4%
Disability	92.9%	92.8%
Lesbian, Gay & Bi	92.9%	92.9%
Socio-economic background	79.2%	77.4%

1 This target requires us to have a minimum of 40% women and 40% men in the relevant population. 20% is flexible and recognises the moving nature of our firm, while setting parameters for us to meet and stay within.

2 This represents the total Partner headcount as at 1 October. This includes Partners that have undeclared responses, and those who have chosen to respond with "prefer not to say". We now include Associate Partners in our Partner diversity reporting. Note October 2023 data and 2030 targets have not been restated due to the immaterial impact from the change. Including Associate Partners in our data set has made <1% difference to the percentages disclosed. A restatement standard has been included for future reporting. More detail can be found in the reporting methodology section in the Appendix.

Grant Thornton Independent Limited Assurance Report to KPMG LLP



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 Partner Diversity Report (“the Report”) as at 1 October 2024 listed in the table at the end of 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 Reporting method statement included in the appendix to 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.

Our work performed included agreeing a selection of individual (but anonymised) Diversity data taken from the aggregated summary in the Report to the KPMG HR system to check it was consistent. For a small selection of that data, we sought to further check the information via direct confirmations with the individual partners (again, based at this stage on anonymised data). Due to confidentiality restrictions, we were only permitted to seek corroboration where individual partners had consented to being contacted. Where that consent was not given, we extended our selection until we obtained our original planned number of items for testing. Where consent was not given, we were not able to directly corroborate the information included within the HR system.

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.

Grant Thornton Independent Limited Assurance Report to KPMG LLP

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;
- 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
London

23 January 2025

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.

Grant Thornton Independent Limited Assurance Report to KPMG LLP

Continued



Underlying Subject Matter	Units	Subject Matter Information 1 October 2024
Female	%	29
Ethnic minority	%	13
Disabled	%	9
Lesbian, Gay and Bi	%	2
Black heritage	%	1
Lower socio-economic background	%	24

Appendix: Reporting method statement

Partner diversity overview

We report Partner diversity data covering the following indicators:

- % Female
- % Ethnic minority
- % Disabled
- % Lesbian, Gay & Bi
- % Black heritage
- % Lower socio-economic background

Data sources

Our primary data sources for Partner diversity data are:

- Our HR monitoring system: SuccessFactors – Employee Central (SF-EC) module
- Right to work documentation (passports) to determine % Female, using Sex At Birth data
- Self-declaration diversity profiles

With the exception of % Female, calculations for all other categories rely on voluntary completion of a self-declaration diversity profile. This means that some responses are undeclared. Partners and colleagues have the option to respond with “prefer not to say” and “I don’t know” too.

Reporting period

Data is reported annually, as at 1 October. Our data therefore reflects Partner promotions that take effect on this date.

Standards and guidance

Our methodology for the reporting of our firmwide diversity data, including Partner representation, is based on external standards and guidance (see further information in the ‘Reporting methodology’ section below). As external standards and guidance evolves, where this results in a change in recommended reporting methodology, we adapt our reporting approach to align with these changes. The change is applied in the year the external standard or guidance is applied. We do not restate prior year comparatives using new methodology; however we do seek to ensure differences between prior year and current year reporting methodology are explained. In FY24 we agreed that moving forward, where internal changes to methodology are agreed, we will restate historic data where the agreed methodology change results in a >1% point change on an individual KPI.

Reporting methodology

Number of Partners

The total headcount of Partners is derived from our HR monitoring system.

Applicable Partners include:

- Those on a partnership work contract (Equity Partners and Salaried Partners)
- Associate Partners
- Internal and client-facing groupings
- Those who do not have a Terminated status.

In consultation with the business, we agreed that from 1 October 2024 we will group Associate Partners with Salaried and Equity Partners for the purpose of reporting against partner diversity targets only. We have not amended our 2030 targets as this change has had minimal impact on the representation of our partner group due to small number of Associate Partners and closer alignment in terms of diversity mix with Equity and Salaried Partners. Our 2030 partner diversity targets represent our commitment to achieving fairer representation across our leadership. It was recognised that Associate Partners are senior leaders in their respective teams and therefore should be captured in our Partner targets, to ensure we achieve greater diversity amongst this collective population. Historically, Associate Partners were grouped with Directors for all diversity reporting.

The following groups are excluded from our calculations:

- KPMG International personnel, based in the UK (International Headquarters and personnel classified as Exceptional Items)
- KPMG Global Services personnel
- KPMG Resource Centre personnel
- MBS Malta legal entity personnel
- Inbound or Outbound assignees without pay
- Contractors and temporary personnel

The percentage calculated for Ethnic minority, Disabled, Lesbian, Gay & Bi and Black heritage is based on the total Partner headcount, which means it includes Partners with undeclared responses, and those who have responded with “prefer not to say” too. When only displaying the percentage calculated for the ‘minority group’ it assumes that undeclared and prefer not to say responses are from the ‘majority group’.

In line with guidance from social mobility experts, the Bridge Group, the percentage calculated for lower socio-economic background is based on the total Partner headcount, excluding Partners with undeclared responses, and those who have responded with “I don’t know”, “prefer not to say” and the historic option of “Never worked or long-term unemployed”.

Appendix: Reporting method statement

Continued



% Female

% Female is identified by the binary Sex at Birth passport data. We therefore have 100% declaration for this calculation. The percentage of females is calculated as the number of females out of the total Partner population.

All colleagues are able to also share their gender identity with us on their IDE profiles held on our HR monitoring system.

% Ethnic minority

This is a grouping for all colleagues who have declared as having the below ethnicities:

- Arab ethnicity
- Asian/Asian British: Bangladeshi
- Asian/Asian British: Chinese
- Asian/Asian British: Indian
- Asian/Asian British: Pakistani
- Asian/Asian British: Other Asian
- Black/African/Caribbean/Black British: African
- Black/African/Caribbean/Black British: Caribbean
- Black/African/Caribbean/Black British: Other Black
- Jewish Ethnicity
- Mixed/multiple ethnic groups: White & Asian
- Mixed/multiple ethnic groups: White & Black African

- Mixed/multiple ethnic groups: White & Black Caribbean
- Mixed/multiple ethnic groups: Other Mixed
- Other ethnic group

Ethnic minority self-declaration response options and groupings align with [Government guidance](#) used in census reporting. The exception to this is we also include the option of 'Jewish Ethnicity', based on consultation with, and feedback from, our Jewish society employee network.

% Disabled

Disability self-identification is provided in response to the question "Do you consider yourself to have a disability or long-term condition? In accordance with the Equality Act 2010, this covers a range of conditions, both visible and non-visible including physical health, mental health and neurodiverse conditions."

% Lesbian, Gay & Bi

We report on colleagues who have declared as Lesbian, Gay or Bi collectively. Lesbian, Gay & Bi response options and groupings align with [Government guidance](#) used in census reporting. The exception to this is we use the term 'Bi', and provide a supporting definition, rather than 'Bisexual', based on guidance from LGBT+ rights charity Stonewall and in consultation with our LGBT+ network, Breathe.

% Black Heritage

This is a grouping for all colleagues who have declared as having the below ethnicities:

- Black/African/Caribbean/Black British: African
- Black/African/Caribbean/Black British: Caribbean
- Black/African/Caribbean/Black British: Other Black
- Mixed/multiple ethnic groups: White & Black African
- Mixed/multiple ethnic groups: White & Black Caribbean

Black heritage self-declaration response options and groupings align with [Government guidance](#) used in census reporting.

% Lower socio-economic background

Our reporting descriptions and methodology is based on guidance from social equality experts, the Bridge Group. We use parental occupation as our measure of socio-economic background. This is based on [The National Statistics Socio-Economic classification](#), which identifies the occupation of the highest earner in your household at age 14 as the most robust indicator of socio-economic background. Low socio-economic backgrounds are defined as [NS-SEC 5, 6 and 7 occupations](#). Examples include receptionists, electricians, plumbers, butchers and van drivers.



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