



UK Pay Gap report 2023

In respect of the year ended **30 September 2023**



Addressing our pay gaps

As a firm we're committed to being transparent about our progress towards building a more inclusive, diverse and equitable business.

Pay gap reporting is a key part of this and we're proud to have led the way. We first published our gender pay gap voluntarily in 2015 and since then have published our ethnicity pay gap (since 2017), sexual orientation pay gap, Black heritage pay gap and disability pay gap (each since Feb 2021). In September 2021, we became one of the first UK businesses to publish our socio-economic background pay gaps and to set targets relating to socio-economic background.

Whilst being transparent about where we are is critical to driving change, we know pay gaps are just one part of the picture. What's important is what we do with that data. That's why we continually monitor our progress to understand what's working and challenge ourselves on where we can go further to focus our efforts and increase representation and inclusivity in our firm.



Foreword

Building a diverse workforce and an inclusive, equitable environment is fundamental to being a sustainable business. As a firm, we've long been committed to making KPMG a place where anyone can thrive. We believe that by harnessing our differences, we're able to deliver better outcomes for our clients, our communities and our people.

Greater insight is key to helping us better understand our workforce and any inequalities that exist, allowing us to be more targeted in our action. We're proud to have led the way in a number of areas with our transparent approach, and built on this further in December 2022, publishing research into the [progression rates of different underrepresented groups within our firm](#).

For the first time this year, we're also expanding our pay gap reporting to include additional ethnicity categories, alongside our existing ethnic minority and Black heritage pay gaps. The additional groups – which have been determined in line with new government-recommended methodology – aim to recognise the nuances of different ethnic groups and the varied experiences they have within our firm.

We are continuing to deliver against our inclusion, diversity and equity strategy and are working towards the long-term targets we set to 2030. At the most senior levels of our firm, we remain focussed on increasing representation and amongst our partners, have 29% female, 13% ethnic minority and 24% identifying as lower socio-economic background.

Our concerted efforts to increase representation more broadly across our business are beginning to drive reductions in our gender pay gap. We've seen good progress across all measures this year, with our median basic pay gap and bonus pay gap reducing by 1.8% points and 2.1% points respectively.

While we still have a way to go to reach gender parity at every grade, the proportion of women we have across our business is positive, with 49% females firmwide and 44% females on both our executive committee and board.

We will need to remain focused to sustain this progress. To help keep us accountable on this journey, we have refreshed our dedicated Gender Equity Plan, which outlines our intended actions for the coming years, with interventions ranging from improving how we support parents and carers, through to new learning offerings and initiatives that empower our colleagues to work in an agile way.



Following a structural change in our legal entity, our 2023 Gender Pay Gap on the Government's Gender Pay Gap reporting service has been submitted under KPMG LLP. All historic gender pay gaps can be seen on the Gender Pay Gap Viewing Service under KPMG UK LIMITED ([Gender pay gap for KPMG UK LIMITED - GOV.UK - GOV.UK \(gender-pay-gap.service.gov.uk\)](https://gender-pay-gap.service.gov.uk)).

Foreword

Continued



Across the other characteristics we report against, there has been a year-on-year reduction in our median pay gaps for disability and sexual orientation. Socio-economic background - in two out of the three areas we compare - has also seen a reduction when comparing colleagues identifying as lower socio-economic background with those identifying as intermediate or professional. However, we have seen increases in our ethnicity pay gap (+1.9% points) and Black heritage pay gap (+5.1% points), which have been driven by an increase in ethnic minority and Black heritage colleagues in our junior grades, where we have hired more people this year. While increasing representation in our junior population is positive, ensuring we're supporting the progression of colleagues through our firm will be key to meeting our targets and driving long-term change.

We know that the nature of our changing business and workforce means that we won't necessarily see a linear or equal reduction in our pay gaps year on year, but we remain focused on our long-term ambition of building an inclusive environment, with accountable leaders and equitable experiences for all.

We are confident that we have strong foundations in place to support this. Robust controls ensure that pay and reward decisions, work allocation and opportunities are based on fairness and consistency. While extensive data and insight is helping us build our understanding of where we need to focus our efforts to help us achieve our goals.

We're committed to delivering our long-term targets and reaching better representation across all levels of our firm, challenging ourselves to go further and faster wherever possible. Over the past year, we've introduced a number of new measures and initiatives to support this. Socio-economic background, disability and sexual orientation have all been added as key checkpoints across our people processes, ensuring we are monitoring these additional characteristics when making decisions within our business. Alongside this, we've enhanced our overall approach to inclusion, diversity and equity analytics with the introduction of new technology, with the ambition of being able to provide more in-depth, real-time data in the future.

In response to our research into progression rates, which highlighted that those from lower socio-economic backgrounds were impacted more so than other historically under-represented groups, we have also launched a targeted promotion readiness programme 'Reach', to support this particular group of colleagues to develop and progress at a comparable rate to their peers.

Our pay gap analysis and wider inclusion, diversity and equity data are vital in driving change, but they are just one part of the picture. What's most important is how these insights go on to improve the lived experience of our colleagues.

Declaration

I confirm that KPMG UK Ltd's pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Jon Holt

Jon Holt

Jon Holt, Chief Executive and Senior Partner, KPMG in the UK



How we calculate our pay gaps

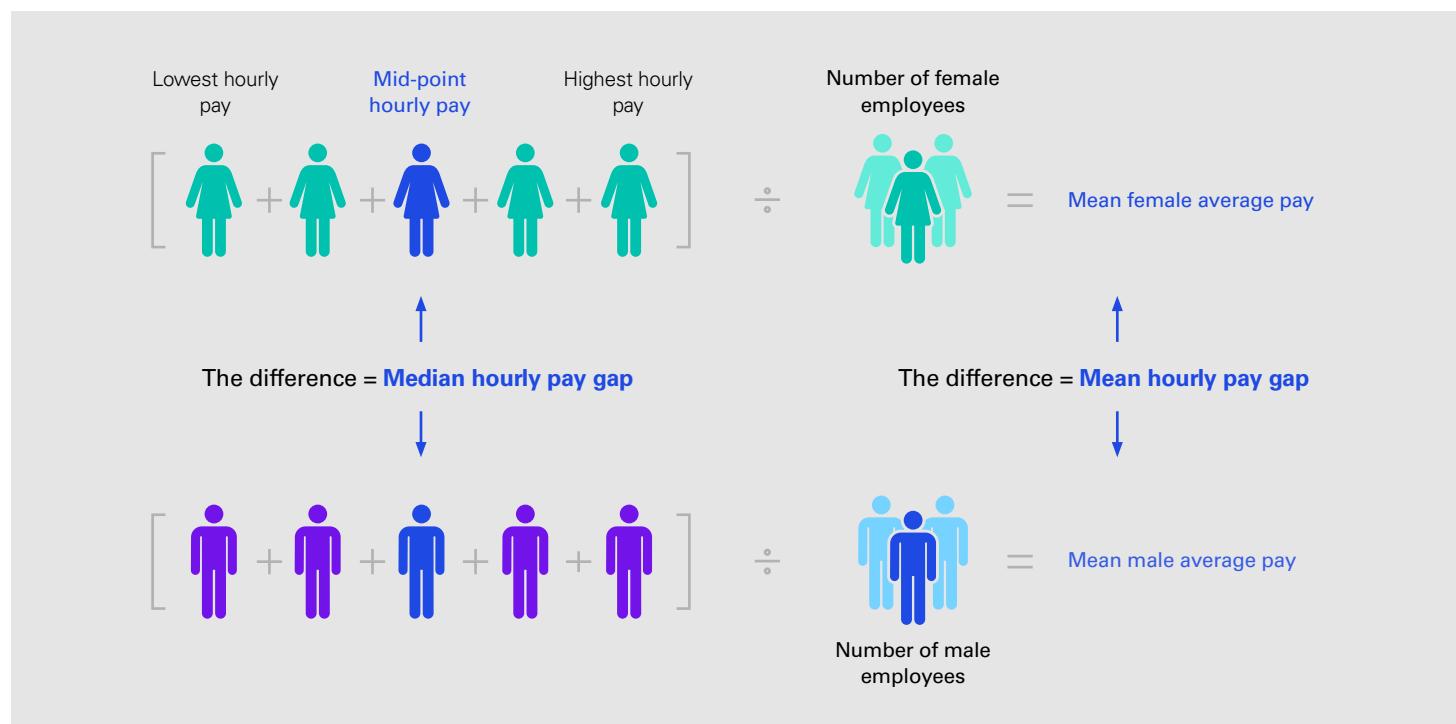
What's the difference between median and mean?

The mean gender pay gap is calculated by adding up all of the pay of KPMG employees and dividing it by the number of employees.

The median gender pay gap is calculated by lining up all of KPMG's employees' pay and finding the mid-point for both men and women. The difference between those two mid-points is the median gender pay gap.

What's the difference between the pay gap and equal pay?

We have an aggregate gender pay gap, but this is not the same as paying a man and a woman differently for doing identical work. Equal pay is a legal requirement in the UK. We have robust processes and monitoring in place to ensure that our people are treated and paid fairly, meeting both our legal and moral obligations.



Gender

What is the data showing?

We have made good progress against all gender pay gap measures this year, but remain focused on improving the rate at which we're reducing this gap. The main driver behind our gender pay gap is the higher representation of women compared to men in our lower grades, which impacts where the median falls. For instance, when establishing the median pay gap point for gender, the median woman is a lower grade (Assistant Manager) than the median man (Manager) due to higher female representation in our most junior roles. This results in a higher median pay gap, as we're comparing employees at different pay grades.

Action we're taking to close the gap

In addition to our Gender Equity Plan, we have a number of initiatives dedicated to attracting and progressing women across the firm. This is a long-term strategy and will take time, but we have a strong pipeline of talent that we are committed to supporting. Positively, we are starting to see the impact of our work. Our [progression analysis](#) shows a closing of a historical progression gap for women through targeted initiatives – such as GROW – which have been specifically designed to support the development of women at Manager and Senior Manager levels. We're also working to ensure colleagues within the business feel they understand our pay gaps and the key drivers behind them. Last year we took the time to host a session with our gender equity network 'KNOW', to explore the gender pay gap in more depth and talk through some of the interventions and actions we're taking to address it. You can find out more about the action we're taking [here](#).

Pay gap (inc. Equity Partners)

Median gender pay gap as of 5 April 2023, including equity partners

19.2%

▼ Reduced by 1.7% points from 2022 (20.9%)

Mean gender pay gap as of 5 April 2023, including equity partners

29.3%

▼ Reduced by 2.9% points from 2022 (32.1%)

Progress against our 2030 targets

Partner representation



Firmwide representation



● Female representation as at 1 Oct 2023 ● 2030 target

The gender pay gap is the measure of the difference in average pay between all men and all women across an organisation, regardless of their role, level, length of service or location and any other differentiating factors. Although not required by statute, these figures relate to all KPMG staff and partners. The April 2023 dataset contains a total employee and contractor population of 17,743 with a Male/Female Split of 9,157/8,586. The 2022 pay gap figures used as our year-on-year comparison reflect colleague pay at 5 April 2022, taking into account an in-year pay increase. The increase was paid in May 2022 but backdated to 1 April 2022 and provides a more accurate indicator of progress as it better represents what our colleagues were paid at that time. However, you can find a comparison to both sets of 2022 data – both including and not including the in-year pay increase – [here](#).

Gender

Continued

Basic pay (exc. Equity Partners)

This is the difference in average pay between men and women, excluding equity partners.

Median basic pay gap as of 5 April 2023, including equity partners

15.2%

▼ Reduced by 1.8% points from 2022 (17.0%)

Mean basic pay gap as of 5 April 2023, including equity partners

18.0%

▼ Reduced by 2.5% points from 2022 (20.5%)

Bonus (exc. Equity Partners)

This is the difference in average bonus paid between men and women who received a bonus, excluding equity partners.

The April 2023 bonus dataset contains a total employee and contractor population of 11,966 with a Male/Female split of 6,016/5,950.

Median bonus pay gap as of 5 April 2023, including equity partners

35.6%

▼ Reduced by 2.1% points from 2022 (37.7%)

66.3% – % of females to receive a bonus

64.5% – % of males to receive a bonus

Mean bonus pay gap as of 5 April 2023, including equity partners

37.7%

▼ Reduced by 2.8% points from 2022 (40.5%)

66.3% – % of females to receive a bonus

64.5% – % of males to receive a bonus

Pay quartiles

Pay quartiles are calculated by splitting all employees into four even groups according to their level of pay. Looking at the proportion of males and females in each quartile gives an indication of representation at different levels of the organisation. The quartiles below set out the gender distribution across KPMG.

Q1 lower



Lowest paid



Q2 lower middle



▲

Q3 upper middle



▼

Q4 upper



Highest paid

● Female ● Male

Gender

Continued

Getting to 'KNOW' KPMG's Network of Women

KPMG's Network of Women (KNOW) was created to provide support to colleagues across the firm, helping to celebrate and promote gender balance and provide opportunities for colleagues to share experiences and gain guidance on professional development.

As the network has evolved and grown, the impact they're able to have has too. Sarah Dal Pozzo, co-chair of the network explains "KNOW plays a really important part in driving progress within the business. We work closely with our Inclusion, Diversity and Equity team and our leadership to help shape how we address gender related barriers".

"Most recently, we helped push for a formal Menopause Policy and better support to be provided for those affected by menopause, which came into place in 2023. We've already had over 160 colleagues use our dedicated menopause support service, alongside some really successful initiatives including a menopause café series and the launch of dedicated Menopause Ambassadors, including our first male ambassador" adds Sarah.

A key part of the network's strategy is to educate and engage, whether that be leadership, allies, or colleagues more broadly across the business. Sarah explains "We recognise the huge role intersectionality plays in people's individual experiences, so more and more we're working with the other employee networks across KPMG to tackle issues and have conversations that are tailored to different minority characteristics. For instance, partnering with our African and Caribbean network during Black History Month for an event specifically designed for Black heritage women."

With targets in place to reach gender parity by 2030 and a dedicated Gender Equity Plan, KPMG are ensuring gender equity remains high on the agenda. "It's great that we have ambitious targets and that the business recognises that there is still more we need to do" says Sarah. "As a network, we're always listening and learning to ensure we're focusing our effort in the right areas. For instance, hormone related support in the workplace is becoming more prominent and is something we're exploring. We're also keen to get more allies on board – for us this about gender equity, not just women".



Ethnicity

What is the data showing?

We have seen an increase in our ethnicity pay gaps between April 2022 and April 2023. This has been driven by an increase in ethnic minority new joiners within our junior grades.

Action we're taking to close the gap

We have a number of initiatives dedicated to attracting and progressing ethnic minorities across the firm, including our allyship programmes. On top of our successful Black Heritage Allyship Programme, our Cross Company Allyship Programme, which launched in September 2021, opens up opportunities for KPMG and client mentors and mentees of Black and/or ethnic minority heritage to gain experiences and access networks from outside of their own organisations. To help accelerate our broader inclusion efforts, we also launched a new inclusion, diversity and equity mandatory learning module, which included a specific focus on racial equity. You can find out more about the action we're taking [here](#).

Pay gap (inc. Equity Partners)

Median ethnicity pay gap as of 5 April 2023, including equity partners

19.6%

▲ Increased by 1.9% points from 2022 (17.7%)

Mean ethnicity pay gap as of 5 April 2023, including equity partners

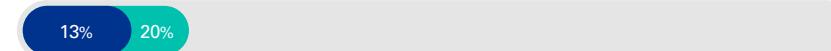
33.4%

▲ Increased by 0.8% points from 2022 (32.6%)

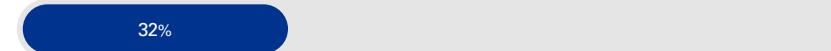
The ethnicity pay gap is the measure of the difference in average pay between colleagues that have declared themselves as ethnic minority vs white, regardless of their role, level, length of service or location and any other differentiating factors. Although not required by statute, these figures relate to all KPMG staff and partners. Our ethnicity data is based on those individuals who have chosen to declare their ethnicity, which is 77% of the total in-scope population. The 2022 pay gap figures used as our year-on-year comparison reflect colleague pay at 5 April 2022, taking into account an in-year pay increase. The increase was paid in May 2022 but backdated to 1 April 2022 and provides a more accurate indicator of progress as it better represents what our colleagues were paid at that time. However, you can find a comparison to both sets of 2022 data – both including and not including the in-year pay increase – [here](#).

Progress against our 2030 targets

Partner representation



Firmwide representation



● Ethnic minority representation as at 1 Oct 2023

● 2030 target

Ethnicity

Continued

Allies across industries

The Black Lives Matter movement in 2020 prompted us as a firm to stop and reflect on the experience of our Black heritage colleagues, and where we could make improvements or provide additional support to level the playing field. In response, we launched our Black Heritage Allyship Programme, which paired Black heritage colleagues with mentors across the business to help support their development and provide a platform for them to share their own experiences and perspectives with senior allies. In 2021 we built on this success with the launch of our Cross Company Allyship Programme (CCAP), working with like-minded businesses to pair mentors with Black heritage or ethnic minority mentees across companies.

By joining forces with other businesses, participants are able to gain valuable experiences across industries, broaden their networks outside of their own organisations and develop skills aimed at supporting career progression. The programme also provides training as well as learning sessions throughout the year-long partnership to ensure both mentors and mentees get as much as possible from the experience.

There have now been three cohorts of CCAP, with over 1000 people across 40 organisations taking part in our latest programme, including colleagues from KPMG Netherlands and Canada and spanning sectors including everything from government to retail and energy. From the second cohort alone, 39% of colleagues were promoted or moved laterally into a new opportunity and 98% of participants would recommend it to others. And the programme has even been instrumental in winning work through strengthening connections with clients.



"I have thoroughly enjoyed being part of the Cross Company Allyship Programme and the opportunity to have a mentor outside of the firm. I'm grateful to have built a trusted and open relationship with my mentor to navigate some difficult discussions on heritage, cultural differences and microaggressions in the workplace. It's been valuable to get the advice and guidance of my mentor to support my growth in the workplace. Over the course of the year, we had the opportunity to engage in monthly sessions and discuss these topics in depth. Thanks to KPMG for setting up this brilliant initiative and to my mentor who is now a lifelong friend."

Shriya Madlani, KPMG participant in the Cross Company Allyship Programme

"I am so grateful that I was selected to be a mentor for this fantastic initiative from KPMG. I have had some fantastic virtual and face time face meetings with my mentee over the last 12 months and have loved every one of them. I have developed my own Cultural Intelligence significantly through my mentee's openness and honesty which I will always be extremely grateful for. Best of all, I got to meet an amazing person who I now consider to be a friend!"

Nick White, CCEP participant in the Cross Company Allyship Programme

Ethnicity

Continued

Basic pay (exc. Equity Partners)

This is the difference in average pay between ethnic minority and White colleagues, excluding equity partners.

Median basic pay gap as of 5 April 2023, excluding equity partners

13.6%

▲ Increased by 2.2% points from 2022 (11.4%)

Mean basic pay gap as of 5 April 2023, excluding equity partners

17.2%

▲ Increased by 1.8% points from 2022 (15.4%)

Bonus (exc. Equity Partners)

This is the difference in average bonus paid between White and ethnic minority colleagues who received a bonus, excluding equity partners.

Median bonus pay gap as of 5 April 2023, excluding equity partners

22.7%

▼ Reduced by 12.5% points from 2022 (35.2%)

60.1% - % of ethnic minority individuals to receive a bonus

75.2% - % of White individuals to receive a bonus

Mean bonus pay gap as of 5 April 2023, excluding equity partners

28.7%

▼ Reduced by 5.7% points from 2022 (34.4%)

60.1% - % of ethnic minority individuals to receive a bonus

75.2% - % of White individuals to receive a bonus

Pay quartiles

Pay quartiles are calculated by splitting all employees into four even groups according to their level of pay. Looking at the proportion of ethnic minority and white colleagues in each quartile gives an indication of representation at different levels of the organisation. The quartiles below set out the ethnicity distribution across KPMG.

Q1 lower



Lowest paid



Q2 lower middle



▲

Q3 upper middle



Higher paid

Q4 upper



▼

● Ethnic minority ● White

Ethnicity - Black heritage

What is the data showing?

We have seen an increase in our Black heritage pay gap between April 2022 and April 2023. This has been driven by an increase in our Black heritage population, predominantly in our junior grades. However, we are seeing representation of Black heritage colleagues increase more broadly across the business too. In 2020 we committed to at least doubling our Black heritage partner and director population by 2022, which we have exceeded.

Action we're taking to close the gap

In 2020, we launched our Black Lives Action Plan focused on five areas, which aimed to amplify the voices and experiences of Black heritage colleagues in our workplace and drive real change. We committed to doing more to engage and retain our Black heritage colleagues and ensure they join and progress through our organisation equitably. As part of our Black Lives Action Plan, we launched our Black Heritage Allyship Programme.

Since its launch in 2020, we've had over 1000 registrations and are now on our third cohort. From the first and second cohorts alone, 32% of the Black heritage colleagues have gone onto gain a promotion within 12 months of completing the programme. Other key activities include launching a tailored Black Lives Matter learning module – which over 800 people have already accessed – as well as capability specific Black heritage talent programmes. You can find out more about the action we're taking [here](#).

Pay gap (inc. Equity Partners)

Median Black heritage pay gap as of 5 April 2023, including equity partners

19.9%

▲ Increased by 5.1% points from 2022 (14.8%)

Mean Black heritage pay gap as of 5 April 2023, including equity partners

35.4%

▲ Increased by 0.4% points from 2022 (35.0%)

We report our Black heritage pay gap on a voluntary basis. The Black heritage pay gap is the difference between colleagues that have declared as being of Black heritage (including Black African, Black Caribbean or Any Other Black background, Mixed White and Black Caribbean and Mixed White and Black African) vs non-Black heritage colleagues, regardless of their role, level, length of service or location and any other differentiating factors. This equates to 77% of the total in-scope population. The 2022 pay gap figures used as our year-on-year comparison reflects colleague pay at 5 April 2022, taking into account an in-year pay increase. The increase was paid in May 2022 but backdated to 1 April 2022 and provides a more accurate indicator of progress as it better represents what our colleagues were paid at that time. However, you can find a comparison to both sets of 2022 data – both including and not including the in-year pay increase – [here](#).

Progress against our 2030 targets

Partner representation

1% 5%

Firmwide representation

7%

● Black heritage representation as at 1 October 2023 ● 2030 target

Ethnicity – Additional categories

For the first time this year, we've expanded our pay gap reporting to include additional ethnicity categories, alongside our existing ethnic minority and Black heritage pay gaps. The additional groups – which have been determined in line with new government-recommended methodology – aim to recognise the nuances of different ethnic groups and the varied experiences they have within our firm.

Pay gap (inc. Equity Partners) – White vs Asian

Median pay gap as of 5 April 2023, including equity partners

18.3%

Mean pay gap as of 5 April 2023, including equity partners

32.1%

Pay gap (inc. Equity Partners) – White vs Black

Median pay gap as of 5 April 2023, including equity partners

25.4%

Mean pay gap as of 5 April 2023, including equity partners

42.4%

Pay gap (inc. Equity Partners) – White vs Mixed

Median pay gap as of 5 April 2023, including equity partners

16.9%

Mean pay gap as of 5 April 2023, including equity partners

28.6%

Pay gap (inc. Equity Partners) – White vs Other

Median pay gap as of 5 April 2023, including equity partners

10.5%

Mean pay gap as of 5 April 2023, including equity partners

24.5%

We voluntarily report against additional ethnic minority pay gaps. These pay gaps are the difference in average pay between those who have declared themselves as one of the ethnic minority categories outlined above and colleagues that declare as white, regardless of their role, level, length of service or location and any other differentiating factors.

Ethnicity – Additional categories

Continued

What is the difference between the different ethnic minority pay gaps we report against?

We have published our ethnicity pay gap – which compares colleagues that declare as an ethnic minority with non-ethnic minority colleagues - since 2017. In 2021, we began reporting our Black heritage pay gap, recognising that there was a particular representation and inclusion challenge surrounding this particular group. By increasing our reporting and being more transparent with our data, we're able to better identify areas of focus and take more targeted action.

We will continue to report on our existing ethnic minority and Black heritage pay gaps alongside the additional categories we have added this year, as they provide a helpful year on year comparison.

There is also a difference between our Black heritage pay gap and the Black pay gap that's reported as part of our additional categories. Our Black heritage pay gap includes colleagues that identify as mixed white and Black Caribbean/mixed white and Black African, as opposed to just Black African, Black Caribbean or any other Black background.

You can find a full breakdown of the groups we include in each category opposite.

Ethnicity breakdown	Ethnic minorities (EM)	Black Heritage (BH)	ONSS
Arab ethnicity	EM	Non BH	Other
Asian/Asian British: Bangladeshi	EM	Non BH	Asian
Asian/Asian British: Chinese	EM	Non BH	Asian
Asian/Asian British: Indian	EM	Non BH	Asian
Asian/Asian British: Other Asian	EM	Non BH	Asian
Asian/Asian British: Pakistani	EM	Non BH	Asian
Black/African/Caribbean/Black British: African	EM	BH	Black
Black/African/Caribbean/Black British: Caribbean	EM	BH	Black
Black/African/Caribbean/Black British: Other Black	EM	BH	Black
Jewish ethnicity	EM	Non BH	Other
Mixed/multiple ethnic groups: Other Mixed	EM	Non BH	Mixed
Mixed/multiple ethnic groups: White & Black African	EM	BH	Mixed
Mixed/multiple ethnic groups: White & Black Caribbean	EM	BH	Mixed
Mixed/multiple ethnic groups: White & Asian	EM	Non BH	Mixed
Other ethnic group	EM	Non BH	Other
Other ethnic group: Any other ethnic group	EM	Non BH	Other
Other ethnic group: Arab	EM	Non BH	Other
White: English/Welsh/Scottish/N. Irish/British	Non EM	Non BH	White
White: Gypsy or Irish Traveller	Non EM	Non BH	White
White: Irish	Non EM	Non BH	White
White: Other White	Non EM	Non BH	White
Prefer not to say	Prefer not to say	Prefer not to say	Prefer not to say
No Declaration Made	No Declaration Made	No Declaration Made	No Declaration Made
Undeclared	Undeclared	Undeclared	Undeclared

Sexual orientation

What is the data showing?

Our latest sexual orientation pay gap for April 2022 to April 2023 shows a reduction, year on year. This increase has largely been driven by an uplift in our lesbian, gay and bisexual (LGB) population, particularly amongst new joiners. Our overall LGB headcount has increased by 24% points in the past year, with a particular increase at Senior Manager level, which is driving the reduction we've seen in the pay gap.

Action we're taking to close the gap

We have several initiatives dedicated to supporting LGBTQ+ talent in our firm, for example, our LGBT+ network Breathe run a reverse mentoring programme to support our LGBTQ+ colleagues. We're also working to attract more diverse talent into our firm, with programmes such as AuthentiCity – our annual recruitment event for LGB students – encouraging greater representation within our Apprenticeship and Graduate programmes. Sexual orientation has also now been added as a key checkpoint across our people processes, ensuring we are monitoring this additional characteristic when making decisions within our business. You can find out more about the action we're taking [here](#).

Pay gap (inc. Equity Partners)

Median sexual orientation pay gap as of 5 April 2023, including equity partners

10.3%

▼ Reduced by 1.6% points from 2022 (11.8%)

Mean sexual orientation pay gap as of 5 April 2023, including equity partners

10.0%

▼ Reduced by 0.3% points from 2022 (10.4%)

We report our sexual orientation pay gap on a voluntary basis. The sexual orientation pay gap is the difference in average pay between those who have declared themselves heterosexual and those who have declared themselves as Lesbian, Gay & Bisexual, regardless of their role, level, length of service or location and any other differentiating factors. This equates to 75% of the total in-scope population. The 2022 pay gap figures used as our year-on-year comparison reflect colleague pay at 5 April 2022, taking into account an in-year pay increase. The increase was paid in May 2022 but backdated to 1 April 2022 and provides a more accurate indicator of progress as it better represents what our colleagues were paid at that time. However, you can find a comparison to both sets of 2022 data – both including and not including the in-year pay increase – [here](#).

Progress against our 2030 targets

Partner representation



Firmwide representation



● Lesbian, Gay and Bi representation as at 1 Oct 2023 ● 2030 target

Disability

What is the data showing?

We have seen a reduction in our disability pay gap between April 2022 – April 2023, driven by an increase in the number of disabled colleagues within our senior manager and director grades.

Action we're taking to close the gap

We have a number of initiatives dedicated to attracting and supporting disabled colleagues in our firm, including our student recruitment programme, Thrive. Thrive was designed to connect with students with disabilities and long-term health conditions and create an authentic space to discuss how we support people to come as they are in the workplace. In recognition of this work, we were awarded the Inclusive Recruitment Programme of the Year award at the Disability Smart Awards in 2023. Disability has also now been added as a key checkpoint across our people processes, ensuring we are monitoring this additional characteristic when making decisions within our business. You can find out more about the action we're taking [here](#).

Pay gap (inc. Equity Partners)

Median disability pay gap as of 5 April 2023, including equity partners

8.1%

▼ Reduced by 1.6% points from 2022 (9.7%)

Mean disability pay gap as of 5 April 2023, including equity partners

4.6%

▼ Reduced by 8.8% points from 2022 (13.5%)

We report our disability pay gap on a voluntary basis. The disability pay gap is the difference in average pay between employees who have declared themselves as having a disability and those who have declared that they do not have a disability, regardless of their role, level, length of service or location and any other differentiating factors. This equates to 76% of the total in-scope population. The 2022 pay gap figures used as our year-on-year comparison reflect colleague pay at 5 April 2022, taking into account an in-year pay increase. The increase was paid in May 2022 but backdated to 1 April 2022 and provides a more accurate indicator of progress as it better represents what our colleagues were paid at that time. However, you can find a comparison to both sets of 2022 data – both including and not including the in-year pay increase – [here](#).

Progress against our 2030 targets

Partner representation



Firmwide representation



● Disability representation as at 1 Oct 2023 ● 2030 target



Socio-economic background

What is the data showing?

In our third year of reporting, we have seen a reduction in two out of the three areas we compare, when comparing colleagues identifying as lower socio-economic background with those identifying as intermediate or professional. For the low and professional populations, there have been a number of changes in the grade distribution, as well as an overall increase in headcount, which has driven reductions in the pay gap.

Action we're taking to close the gap

Given our pay gaps relating to socio-economic are relatively low, we are focused on ensuring we maintain this progress and continue to improve them overtime. In response to our research into progression rates, which highlighted that those from lower socio-economic backgrounds were impacted more so than other underrepresented groups, we have implemented a new promotion readiness programme, which sits alongside our wider suite of learning opportunities.

The programme focuses on helping our colleagues develop a progression mindset and prepare for promotion interviews. We also have a number of initiatives dedicated to attracting and supporting colleagues from diverse backgrounds to our firm, including our Employability Award and Social Mobility Talent Insight Programme. Socio-economic background has also been added as a key checkpoint across our people processes, ensuring we are monitoring this additional characteristic when making decisions within our business. You can find out more about the action we're taking [here](#).

Pay gap (inc. Equity Partners)

Professional vs lower socio-economic background

Median socio-economic pay gap as of April 2023, including equity partners

6.7%

▼ Reduced by 0.6% points from 2022 (7.3%)

Mean socio-economic pay gap as of April 2023, including equity partners

-4.3%

▼ Reduced by 1.1% points from 2022 (-3.2%)

Professional vs intermediate

Median socio-economic pay gap as of April 2023, including equity partners

8.0%

▲ Increased by 2.2% points from 2022 (5.7%)

Mean socio-economic pay gap as of April 2023, including equity partners

4.0%

▲ Increased by 2.6% points from 2022 (1.4%)

Intermediate vs lower socio-economic background

Median socio-economic pay gap as of April 2023, including equity partners

1.4%

▼ Reduced by 3.1% points from 2022 (1.7%)

Mean socio-economic pay gap as of April 2023, including equity partners

-8.7%

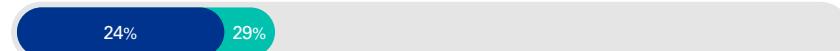
▼ Reduced by 4.0% points from 2022 (4.7%)

Socio-economic background

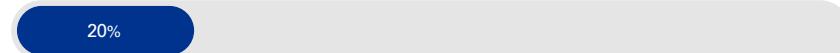
Continued

Progress against our 2030 targets

Partner representation



Firmwide representation



● Lower socio-economic background representation as at 1 Oct 2023 ● 2030 target

We report our socio-economic background pay gap on a voluntary basis. Our reporting descriptions and methodology are based on guidance from social equality experts, the Bridge Group, which uses parental occupation as the 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 routine/manual occupations such as receptionists, electricians, plumbers, butchers and van drivers. The socio-economic background pay gap is the difference in average pay between those who have declared themselves as having parents in a professional, intermediate or routine/manual occupation, regardless of their role, level, length of service or location and any other differentiating factors. This equates to 64% of the in-scope population. The 2022 pay gap figures used as our year-on-year comparison reflect colleague pay at 5 April 2022, taking into account an in-year pay increase. The increase was paid in May 2022 but backdated to 1 April 2022 and provides a more accurate indicator of progress as it better represents what our colleagues were paid at that time. However, you can find a comparison to both sets of 2022 data – both including and not including the in-year pay increase – [here](#).



Responding to our progression research findings

We're committed to making KPMG a business that's open to all, whoever you are and whatever your background. To make that a reality we need to better understand the barriers being faced by historically underrepresented groups. In December 2022, we published [leading research into the progression rates](#) of people within our firm, examining 16,500 colleagues over a 5-year period – the most in-depth study of its kind undertaken by a single organisation.

Our research found that social class is the biggest barrier to career progression, compared to any other diversity characteristic. And when that's combined with some other minority characteristics, career advancement is impacted even further.

Jon Holt, Chief Executive and Senior Partner, KPMG in the UK, says "By its very nature, socio-economic background is complex and emotive – it requires us to confront how our upbringing shapes the opportunities we have access to later in life. But as challenging as that might be, we must lean into the discomfort if we are to ensure no one is overlooked or left behind. Career advancement should be about realising potential: it is not about background or polish."

Recognising the need for more targeted action, we launched a promotion readiness programme 'Reach', aimed at supporting colleagues from low and intermediate socio-economic backgrounds, taking into consideration the impact of other minority characteristics where appropriate.

Jade, a participant of the programme said "The sessions that I attended as part of the programme provided practical guidance and useful tips for the interview process and gave an opportunity for a helpful and open discussion on confidence and mindset for the new role."

Zeena, a fellow programme participant added "It was a chance to not only think about my achievements, but to also see the promotion in the wider context of KPMG rather than just my area of the business. Reach helped me grow my network and converse with people in a similar position to me with the same excitements and fears."

In its initial pilot, the programme targeted colleagues at manager level during our October promotions and of the 76 colleagues that took part, 79% were promoted.

Following the success of the pilot, the programme is due to be expanded to target both managers and senior managers during our bi-annual promotion rounds.



[kpmg.com/uk](https://www.kpmg.com/uk)

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