

# The future is inclusive

2018 KPMG Global Inclusion & Diversity Report

#futureisinclusive

kpmg.com/inclusionanddiversity

## KPMG's inclusion and diversity outlook

Inclusion and diversity are important priorities for me as a leader and a father. As Global Chairman of KPMG International with two daughters and one son, I know our future demands this of us.

Inclusion and diversity are essential to endearing trust. Today, every action by a leader, be it a CEO, politician or sports person, is scrutinized by public opinion; trust can be built or destroyed overnight.

For KPMG<sup>1</sup>, inclusion and diversity is both a business and moral imperative that builds trust and compels us to stand up for what is right. Diverse teams are more likely to be innovative and commercial, and inclusive work cultures that embrace ethical behavior position themselves for success.

I know, without a shadow of doubt, an inclusive and diverse KPMG is better for our people, our clients and the communities that we work and live in. I also know we have more work to do to deliver on our commitment.

Creating a truly inclusive and diverse culture is an absolute priority for me, and a strategic priority for our organization. It is simply the right thing to do. I will do everything I can to deliver it.



**Bill Thomas** Global Chairman KPMG International

As Global Head of People, what strikes me is the sheer scale and volume of work at KPMG to foster an inclusive and diverse culture. The programs are authentic, aligned with our values, and are what makes KPMG the Clear Choice.

The choices we make now, especially about our people, and the steps we take to grow, retain, nurture and future-proof our talent and business are critical for us. Without the best people, our ambition, growth and reputation in the market will be diminished. We need to build an inclusive environment where our people can be their best authentic selves. Inclusion and diversity underpins every aspect of our collective talent strategy.

It is not enough to pay lip service to the benefits of a diverse workforce. To be a true champion requires a tremendous amount of creative thought, effort and execution by all of us. But the payoff is immense. We know that people perform better for inclusive leaders because they encourage and develop the best in others.

Our multi-generational workforce has new expectations from work. They want to feel they belong. We must continuously listen to enable our extraordinary people to experience, harness and capitalize on the diversity, passion and talent within our firms. We know this is particularly important for our millennial and gen Z cohort, who make up approximately 75 percent of our people.

Today, we have the potential to make decisions and take action that drives positive and inclusive change. An inclusive future is there for the taking.

I challenge everyone to play their unique part in getting us there and take great pleasure in presenting our inaugural *Global Inclusion and Diversity Report.* 



Susan Ferrier Global Head of People KPMG International

Diversity is part of KPMG's history, going back more than 90 years. At that time Sir William Peat (the P in KPMG) and one of our founding leaders played a crucial role in supporting Ethel Watts to become the first woman to qualify as a chartered accountant in England and Wales.

Fast forward to 2018 and as Global Head of Inclusion and Diversity, I am excited to lead an inclusion and diversity strategy driving change across KPMG.

We know an inclusive culture leads to true diversity, and I'm not just talking about race and gender but different skillsets, cultural nuances, ethnicity and perspectives any modern organization needs to succeed.

At KPMG, we know that everyone has an equal right to be themselves, and to be heard.

A recent <u>Stonewall survey</u> found concealing your sexual orientation can impact key drivers of engagement and reduce productivity by up to 30 percent. If we don't create environments that enable people to bring their whole selves to work, we will never achieve our individual and collective potential — and that's not good for anyone.

This is the reason we focus our efforts on driving both inclusion and diversity. As a member of the LGBT+ community, I walk the talk every day and encourage others to do the same.

In our first *Global Inclusion and Diversity Report* we want to share our efforts, learning from others in the spirit of openness and inclusion. We know we have a way to go but we are on the way, and we are determined.



Mary Lou Maher Global Head of Inclusion & Diversity KPMG International

<sup>1</sup> Throughout this document, "we", "KPMG", "us" and "our" refer to the network of independent member firms operating under the KPMG name and affiliated with KPMG International or to one or more of these firms or to KPMG International. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

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## Inclusion and diversity at KPMG

We started with defining what inclusion and diversity means to us and developing a global strategy to guide our journey.

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## It's about all of us

In 2016, KPMG's Global Board appointed a Head of Global Inclusion and Diversity to overhaul and drive a coherent and coordinated approach to building an inclusive culture and diverse 'fit for purpose' workforce across the KPMG network. We started with defining what inclusion and diversity means to us and developing a global strategy to guide our journey. It gives shape and meaning to our collective efforts to deliver tangible impact for our people and the clients we work with.

## **Global inclusion and diversity strategic framework**



## What inclusion and diversity means to us







is about each of us, about the variety of unique experiences, qualities and characteristics we all possess.

Inclusion demands we see beyond our differences to create a culture which unlocks the power of diversity.

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## Authentic inclusive leaders

Growing inclusive and diverse leaders that pro-actively champion inclusion and build diverse teams.

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## Growing inclusive and diverse leaders that proactively champion inclusion and build diverse teams

Developing inclusive leaders that proactively champion inclusion and build diverse teams who respect and support each other. They are a core component of our strategy, leading by example. Authentic inclusive leaders walk the talk every day. They are role models in our inclusion and diversity journey, inspiring change in our communities.

"As the first female partner in the Isle of Man and first female president of the Isle of Man Chamber of Commerce, I have tried to act as a champion for diversity, particularly gender diversity."

Micky Swindale CEO KPMG Islands Group



## Understanding unconscious bias as a leadership imperative

#### **KPMG** in Canada

Unconscious bias training was developed in Canada in 2014, specifically focused on learning about cultural differences. It has since been tailored for various levels across the organization and rolled out across the KPMG network of member firms. Training is linked with accountability whereby all partners have formal accountability measures that impact partner remuneration.

#### **KPMG** in the US

**KPMG Include** is a virtual learning solution that fosters day-to-day inclusion by helping individuals understand the unconscious biases that can influence the decisions we make every day, as well as how we can mitigate their impact and intentionally engage in behaviors to support and include all talent. More than one thousand partners and people managers have participated and more training is underway. "I am proud that KPMG in Canada is at the forefront of inclusive policies and practices which value unique experiences and perspectives and respects the diversity of all our people."



Elio Luongo Chief Executive Officer, Senior Partner KPMG in Canada

## Getting to know the people we lead

#### KPMG in the UK

A reverse mentoring program that equips senior leadership with a better understanding of the experiences of black heritage colleagues. Senior partners are paired with junior black heritage mentors who discuss their experiences at work and in life, sharing their personal stories about inclusion at work.

"The reverse mentoring program provided a great opportunity to highlight the experience of black employees to senior management at KPMG, particularly through the careers workshop hosted with David. It highlights how, at whatever level, you can really make an impact at KPMG."



Lekan Doyin-Salau Management Consultant Financial Services KPMG in the UK

The positive results and impact contributed to KPMG in the UK winning the <u>BITC Workplace Equality Award for</u> recruitment.

"I have learned a great deal from Lekan. He has reminded me of what it is like to look at the firm as a less experienced colleague and wonder how to navigate all of the opportunities available. Lekan qualified this year. This brought back personal memories for me but most importantly increased my understanding of what it is like to be a BAME colleague and to see the world through different eyes."



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David Sayer Partner KPMG in the UK

#### **KPMG in the US**

The **Reach-In** connection is a simple yet very effective way to let people at KPMG in the US see how much the US firm cares about them. The first ever Reach-In reception was held at KPMG in the US's Annual Partner Conference, matching more than 400 partners to diverse managers and senior managers selected from one of their seven Diversity Networks.

"We all have an important role to play in advancing inclusion and diversity — including elevating the next generation of leaders. It's our responsibility to do our part to help great talent climb higher. Reaching in, offering a hand, and pulling them up... that's how we can help others reach their potential."

Lynne Doughtie Chairman and CEO KPMG in the US

## Growing our women in leadership

#### **KPMG** Australia

#### The Bird-Walton leadership development and

**sponsorship program** is designed to empower highpotential women to increase their organizational impact with the confidence to take action when career opportunities arise. The program's design recognizes that one of the greatest impediments to the advancement of women is their lack of access to senior sponsors. Over a 6-month period, the program challenges male partners to step outside their comfort zones and experience the workplace through the eyes of the women they sponsor. Similarly, the women are exposed to the dynamics of senior leadership and inspired with practical tools, knowledge and nuanced capabilities critical to becoming an effective leader with impact.

The program is named after Nancy Bird-Walton, (1915–2009), a pioneering aviator, and the founder and patron of the Australian Women Pilots' Association. "Our Bird-Walton program is having considerable success. It's not only pulling more women into senior leadership and creating an inclusive environment but also equipping senior male partners with better understanding of industry best practices on gender thereby developing their capabilities as sponsors to high-potential women."



Gary Wingrove CEO KPMG Australia

#### **KPMG in Germany**

KPMG in Germany's **Power Mentoring program** prepares senior high-performing female managers for partnership. Participants receive resources and learning opportunities accompanied by active mentoring from experienced

"Power Mentoring was a highlight for me. I received positive feedback from my mentees for sharing with them my long-lasting KPMG experiences. Being a mentor gave me deep insight about what is important for our people to be successful within KPMG and at the same time to achieve balance with their private expectations."



**Professor Martin Zieger** Audit Partner and Mentor KPMG in Germany partners. These partners have intensive training to develop inclusive leadership competencies. The Power Mentoring program is part of a series of initiatives to increase the number of female partners.

"The intensive and challenging discussions with my mentor were such a helpful support for my personal development and in preparation for partnership. Being a mentee allowed me to raise my leadership skills and extend my personal network."



Suzanne Völker Audit Partner former Senior Manager and Mentee KPMG in Germany

#### **KPMG** in India

The CEO of KPMG Global Services (KGS) Sameer Chadha, who is based in India, was awarded the `Inclusion Leadership Award — 2018' at the Beyond Diversity (BD) Foundation's annual Inclusive Leadership Conference. The <u>BD Foundation</u> has been recognized for the past few years as one of the top 10 diversity consultants globally by two reputable business magazines. "I think while diversity can also be driven by creating a culture of inclusion, which takes significant and sustained efforts, inclusive thinking has to come from the heart."



Sameer Chadha CEO of KPMG Global Services (KGS), based in India



## Fresh and innovative identity

We believe we have an opportunity and responsibility to be an authentic and memorable voice on inclusion and diversity for all of our stakeholders.

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# Fresh and innovative identity

Strengthen an authentic, fresh and innovative external and internal identity that celebrates KPMG's inclusive culture and diverse workforce, and is memorable and inspiring to our people, our clients and the communities we serve.

We believe we have an opportunity and responsibility to be an authentic and memorable voice on inclusion and diversity for all of our stakeholders; to combine, align and magnify the many voices of inclusion and diversity.

## Women's Voices

A social media video campaign at and around the World Economic Forum's Annual Meeting in Davos showcased women from business, the arts, the media and academia sharing their views on three main themes.



"KPMG created a platform whereby everyone in Davos is watching my video... my mailbox is full with investors and clients ready to procure and assist with expansion."

#### **Tebogo Masito** CEO and Founder Ditsogo Projects South Africa



## Watch the videos and share.



## **KPMG in Germany**

#### **Diversity Day**

On 5 June this year, KPMG in Germany celebrated Diversity Day together with over 600 other German organizations with a week of virtual campaigns on topics of unconscious bias and inclusive decision-making.

The week of activities coincided with the relaunch of their inclusion and diversity website featuring selfie-videos. Internally, a playful series of quizzes challenging stereotypical ways of thinking culminated in a <u>Diversity Day video</u> with KPMG in Germany personnel.

#### Watch the video.



Follow the social media campaign #mybiasmoment.

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## **Press for Progress**

International Women's Day is a day of celebration and an opportunity to galvanize and include all our people.

This year's IWD theme, Press for Progress, called for collective action and a shared responsibility to drive change and build a more inclusive future for all. Our people were encouraged to submit their personal pledges on how they would drive change and encouraged to share their pledge on social media.

'Learn from an expert' virtual classrooms were hosted by leading inclusion and diversity professionals sharing practical advice on how we can drive change.

## International Women's Day

Every year, KPMG personnel come together on International Women's Day on March 8 to champion equality for all women. From local events, to our people from around the world pledging on how they'll personally drive change, the response from our network is overwhelming. The commitment our people demonstrate is a sign of the ever-increasing need to create an inclusive future for all.

For the first time ever this year, we enabled our people to share their pledges on social media. Since International Women's Day, we've been holding sessions throughout the year where experts in the Inclusion & Diversity field discuss practical ways to put each of the pledges into action.

of our people pledged how they'll drive change

member firms participated in the campaign

I'll ensure that my son always considers women in exactly the same light as men.

#### Victoria Gillen Jenison KPMG in Spain



I'll try to ensure everyone gets equal opportunities in developing their careers at KPMG in Japan.

Seiya Takahashi Partner KPMG in Japan



I will drive a culture aimed at achieving gender equality and the empowerment of women.

**Geoffrey MacDonald** Partner **KPMG** in Canada



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### **Global Female Leaders Outlook** – a platform for diverse perspectives

"Many KPMG clients recognize diversified teams are a means of success in these disruptive and challenging times. One way we can reinforce the need for better gender balance in leadership is to highlight the different opinions and views that greater gender diversity brings."

Susan Ferrier Global Head of People KPMG International



#### Key findings from the survey



are satisfied with the growth outlook for their companies



think innovation processes and the implementation of innovations must be expanded in the next 3 years to enable further growth



say organic growth is at the top of their strategic agenda for the next 3 years

#### For further information, please visit the 2018 Global Female Leaders Outlook.

### KPMG's Global Women in Alternative Investments Report — The call to act

This year's *Women in Alternative Investments Report* (WAI Report) is about action. We explore how firms, investors and individuals are seeking to bridge gaps in perception and coming together to create impactful solutions.

Learn more: <u>www.kpmg.com/us/women-in-ai-report-2018</u>.

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# Growing by knowing

The self-assessment tool is administered within a member firm by a cross-functional team including HR/inclusion and diversity practitioners and representatives of the business.

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## KPMG global inclusion and diversity maturity model

The KPMG global inclusion and diversity maturity model proposes five stages of maturity that organizations go through on their inclusion and diversity journey: initiated, compliant, committed, performing and excelling/disrupting. As the level of maturity progresses, the cultural and marketplace value generated should increase.

The self-assessment tool is administered within a member firm by a cross-functional team including HR/inclusion and diversity practitioners and representatives of the business. Senior stakeholder support and involvement is crucial, particularly at the start and end of the process.

Users remain in charge of the process throughout, and the aim is not just to conduct an evaluation for the sake of it, rather users are encouraged to create an inclusion and diversity action plan using insights gained from the selfassessment to focus on priority areas for the next period.

#### The model aims to:

- Provide a simple and effective framework to identify a member firm's functions or team's current stage of inclusion and diversity maturity.
- Provide a means for member firms to measure progress and manage their own inclusion and diversity initiatives.
- Align member firms on definition and dimensions of inclusion and diversity at KPMG and what good looks like.
- Drive consistency of messaging and understanding of KPMG's global inclusion and diversity strategic framework across member firms.
- Act as a blueprint for the roll-out of other global inclusion and diversity initiatives.



A method to kick-start inclusion and diversity actions plans everywhere it is used

KPMG member firms that took part in the initial launch have reported valuable impacts, including greater clarity around what inclusion and diversity means in different parts of the organization, the opportunity to discuss and agree on priorities for developing inclusion and diversity maturity levels, and increased support from senior stakeholders to achieve measurable change.

KPMG China conducted a self-assessment and created its first ever inclusion and diversity action plan as a result. They are now busy implementing the plan. "The insights that KPMG in Germany gained about how inclusion and diversity is perceived by different people in the organization was definitely the most enriching for us."

HR Team KPMG in Germany

# Diverse people at the forefront

To keep pace with change we brought a global focus on the diversity of our clients and our teams, marrying the two together to truly reflect our diversity.



## Harnessing the full diversity of our extraordinary people to serve our clients in a changing world

We all live in a rapidly changing world, where the old ways of thinking and doing are challenged and superseded every day. To keep pace with change we brought a global focus on the diversity of our clients and our teams, marrying the two together to truly reflect our diversity.

Fully engaged teams are both inclusive and diverse where everyone is free to contribute equally.

We need to demonstrate our inclusion and diversity to be credible and authentic with internal and external stakeholders, including clients, media, regulators and civil society.

#### To do this we need to:

- Build teams that are balanced and well-rounded, reflecting all aspects of diversity: thought, skills, appearance and background. Challenge ourselves when this doesn't happen.
- Lead and support the business and moral imperative for inclusion and diversity by collaborating with likeminded diverse and purpose-led stakeholders.
- Work collaboratively with clients and other stakeholders to improve the inclusiveness of our workplaces and theirs.

## **Collaborating with our clients**

Our vision is for our clients and communities to see themselves reflected in our teams.

Our clients tell us how much value there is in working together on inclusion and diversity. These opportunities enrich the diversity of our client-facing teams, increase our own understanding of diverse markets and create new opportunities with our clients, whereby we can assist and educate their C-level executives on their basic inclusion and diversity knowledge.

"In the last year, KPMG has been working closely with clients in a range of sectors to strengthen our joint efforts to promote inclusion and diversity in our organizations and in the wider world. This has been an enriching experience for all. For example, KPMG and a global client joined Open for Business at the same time at Davos this year, allowing us to work together to support LGBT+ inclusion globally. By joining our efforts, we can make a greater impact in the community and achieve real change."

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## The KPMG Global Life Sciences JAM

In January this year, almost 1,000 people joined the KPMG Global Life Sciences JAM, a 72-hour online conversation. Its aim was to determine the causes of attrition among healthcare professionals and identify practical interventions to overcome these.

"The reality of diversity is here, within our own workforce, the workforce of our clients and our clients' customer base. One of our reasons for continuing to push is to show the wider KPMG network and other organizations in the industry that it is possible to make change."



Chris Stirling former KPMG Global Head of Life Sciences KPMG International

### The JAM highlighted five key findings:



For our people, the JAM was testament to the sector's commitment to inclusion and diversity.

The sector now integrates the JAM results and actions into all of its global conferences and meetings. A workshop-in-a-box provides teams with an A-Z guide on how to run a local inclusion and diversity JAM workshop.

After the JAM, KPMG formed a Life Sciences Advisory Board so insights and actions are multiplied across organizations. Senior leaders from the Healthcare Business Women's Association (HBA), GlaxoSmithKline, Astra Zeneca and Johnson & Johnson joined the initiative.

The <u>Healthcare Businesswomen's Association</u> awarded KPMG the 2018 ACE Award recognizing exemplary workplace initiatives helping to advance women in the business of healthcare. "Thank you for inviting me to the advisory board. It was really remarkable, and enormously interesting. We all felt a real sense of momentum and shared purpose. I don't often get the chance to have conversations like that, and I came away feeling genuinely inspired."



Professor Abigail Williams St. Peter's College, Oxford

## Tackling stigma and bullying around HIV/AIDS

KPMG in the UK's LGBT+ network, Breathe, in cooperation with life sciences clients and expertise from Terrence Higgins Trust, came together to educate personnel at KPMG in the UK on confronting stigma and bullying in the workplace. We discussed how the stigma associated with HIV/AIDS has evolved over time and how the lessons learned can be used to tackle bullying and prejudice more widely, exploring ways to:

- build stigma-free communities
- foster workplaces that are inclusive and free of bullying and prejudice.

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## Supporting women on boards

#### WomenCorporateDirectors Foundation

KPMG's commitment to increasing boardroom diversity is evidenced by our long-standing investment in the WomenCorporateDirectors Foundation. The <u>WomenCorporateDirectors Foundation</u> (WCD) is the world's largest membership community of women corporate board directors serving on more than

"There has never been a time in WCD's history quite like this, where the opportunity to take a bold step forward can result in significant advancement for women everywhere. As a global organization, our collective voice can move the needle on board diversity."

Susan C. Keating CEO Women Corporate Directors Foundation

8,500 public and private boards around the world. KPMG also supports the foundation at a local level; there are 80 WCD Chapters worldwide that draw on support from senior female partners taking on the role of WCD Chapter Co-Chair also providing operational support from local KPMG professionals.

"I am pleased to be personally involved with a dynamic global organization that provides outstanding governance programming to its members. KPMG partners are volunteering their time to serve as chapter co-chairs around the world. This dedication comes from our belief in WCD's mission and from our relationship as the Global Lead Sponsor of the WCD Foundation."



Nancy Calderon WCD Board Member Partner KPMG in the US Global Lead Partner for IBM

#### **Hampton Alexander Review**

KPMG in the UK has been proud sponsors of the Hampton Alexander Review (the Review) since 2016. The Review is an independent business-led initiative, supported by the UK Government and builds on the excellent work of its predecessor, the Davies Review. It set five key recommendations aimed at increasing the number of women on FTSE 350 Boards and in senior leadership positions, to a minimum of 33 percent by 2020. Led by Sir Philip Hampton, Chair of GlaxoSmithKline plc, and formerly the late Dame Helen Alexander, the Review tracks progress of women in 23,000 leadership roles across FTSE 350 boardrooms and leadership teams and shares best practice on gender balance in British business. This year's findings show encouraging progress with the number of women on FTSE 100 Boards exceeding 30 percent and women in leadership teams now at 27 percent. However, for FTSE 350 companies to meet the voluntary 33 percent target by 2020, there is still more work to do.

Read highlights from the 2018 Hampton Alexander Review.

"In our society at large there is not equality of opportunity. And in turn, our businesses are (often unintentionally) not as meritocratic as we would like to think. If we are committed to rebuilding society's trust in corporate Britain, we must change the fact that where you were born, who your parents were, your ethnicity, your sexual orientation, your disability and indeed your gender can still demonstrably influence the chance of you fulfilling your potential."



Melanie Richards Deputy Chair KPMG in the UK

## **Developing women leaders**

Since 2014, KPMG in the US has served as title sponsor of the KPMG Women's PGA Championship, a collaboration between the PGA of America, LPGA and KPMG in the US, which focuses on the development, advancement and empowerment of women on and off the golf course.

The KPMG Women's PGA Championship — broadcast in conjunction with NBC and Golf Channel — includes a women's leadership summit (KPMG Women's Leadership Summit) and an ongoing charitable initiative (KPMG Future Leaders Program) designed to inspire and develop new generations of women leaders. The KPMG Women's Leadership Summit's objective is to help move more women into the C-suite. At this year's Summit, 66<sup>th</sup> US Secretary of State Condoleezza Rice, KPMG in the US Chairman & CEO Lynne Doughtie and retired 4-star US Navy Admiral Michelle Howard shared strategies, insights and lessons learned from their personal journeys with the next generation of women leaders nominated by their CEOs to attend, which included representation from more than 80 of the world's leading brands.

## **KPMG** in Japan

#### **Cultivating future female CFOs**

KPMG in Japan runs a pro-bono program where client CFOs are invited to nominate women finance personnel to participate in a series of training programs to encourage women to climb the corporate ladder providing them with networking opportunities and building relationships with clients.

### **KPMG** in Ireland

#### 20x20 women in sport initiative

KPMG in Ireland is a supporter of 20x20, a national movement to champion girls and women in sport. 20x20 is the first initiative of its kind in Ireland:

The tagline *"If she can't see it, she can't be it"*, aims to create a measurable cultural shift in society increasing by 20 percent the participation, media coverage and attendance for women's sport by 2020.

Their **Going for Growth** initiative supports women entrepreneurs with achieving their growth ambitions. KPMG Ireland teams run facilitated workshops focused on tax, financial performance and funding, growth, and understanding legal and data protection issues.

### **KPMG in France**

KPMG in France has been an official supporter of the EVE Program since 2010 with Danone, Crédit Agricole S.A., L'Oréal, SNCF, Orange and Caisse des Dépôts group, aiming to build strong and inspiring female leaders who will drive change within their companies.

## **KPMG in Luxembourg**

#### #nowomennopanel initiative and Female Pioneers

KPMG in Luxembourg was one of the first to support the '<u>no women no panel</u>' initiative. The initiative supports diversity on panels to foster gender balance, striving to build a more diverse, inclusive and multicultural professional world.

## **KPMG in Brazil**

#### Leading on transgender inclusion

KPMG in Brazil is supporting the drive for equal rights and inclusion for transgender people in the workplace. In collaboration with law firm Trench Rossi Watanabe, KPMG in Brazil organized Market in TRANSformation, an event that focuses on increasing understanding of transgender legal rights and inclusion for transgender people in the workplace.

## "Building trust in the marketplace by mirroring the diversity of our clients and their customers"

There has been a measurable shift in the way inclusion and diversity is perceived by client-facing teams, inclusion and diversity is now recognized as a business imperative and leaders realize that the diversity of the teams they field to clients is as important as the skill sets within them.

"I have proactively intervened on all significant business pitches, group discussions and insight center sessions to make sure KPMG presents a diverse outlook. This has meant moving away from hierarchy and actively looking for diverse opinions. I try to lead from the front, by saying I want to encourage flexible working — I work 4 days a week, am a single (widowed) parent and a full-time career to 3 young children.

On the Shell Leadership team we work on a principle of delegated leadership allowing people to lead and feel supported. I want to hear the voice of everyone so we encourage listening and correct "ego" led behavior. All of this contributes to why we have attracted a more diverse and significantly more female senior team to work on the account than a year ago.

We also challenge KPMG member firms working on the account to explain their next generation talent pipeline, particularly around gender. We still have a long way to go, but it's important we listen and adopt consistent principles and continue to push."

Anthony Lobo Partner KPMG in the UK and Global Lead Partner for Shell 66

The KPMG Women's Leadership Summit aims to advance and empower women, across multiple industries, by connecting today's luminaries with the next generation of talent. Through this initiative and many others, KPMG in the US remains deeply committed to helping close the women's leadership gap.

### Lynne Doughtie

Chairman and CEO KPMG in the US



# Stronger together

KPMG has three global Inclusion and Diversity networks acting as virtual networks in places where there are no such networks within the local member firm.

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# Stronger together

## **KPMG** global networks

By developing and participating in Global Inclusion and Diversity networks of professionals inside and outside of KPMG, we help to create a global community of trust by:

- Sharing learnings, insights and strategies with each other.
- Developing a better understanding of the challenges that we, our colleagues and clients face in the workplace, the marketplace and the community.
- Combining resources and opportunities to amplify our reach and impact.
- Fostering spaces where diverse voices can be heard and where we can demonstrate and practice inclusion of people from all backgrounds and points of view, particularly in places where they struggle to be heard or are subject to social, cultural or legal barriers.

KPMG has three global Inclusion and Diversity networks acting as virtual networks in places where there are no such networks within the local member firm.

- 1. Global Pride at KPMG GP@K (LGBT)
- 2. KPMG Global Disability Network
- 3. Global KNOW (KPMG Network of Women).

In addition, KPMG joined <u>Open For Business</u> at Davos back in January and are a member of <u>Stonewall's Global</u> <u>Programme</u>. Both initiatives harness the power of businesses to support LGBT inclusion around the world.

#### **Global Pride at KPMG**

The first of our global networks to be launched in late 2017 to support our LGBT+ people and allies.

"Inclusion is a key part of our corporate culture and a key element of our eXcite strategy. As Chairman of KPMG in Vietnam and Cambodia, I am immensely proud to launch our first ever official inclusion video. It is one of the first corporate videos of its kind in both Vietnam and Cambodia. This short video highlights exactly what we mean by inclusion at KPMG."



Warrick Cleine Chairman and CEO KPMG in Vietnam & Cambodia

#### Anas Qartoumeh's story

Anas Qartoumeh — a Syrian LGBT refugee — walked through the doors of KPMG's office in Kelowna, Canada in mid-2018 and was finally able to bring his whole self to work.

"In Syria I had to prove I was masculine. I was dreaming that I had a moustache. I was trying to speak with a tough voice... I was meeting expectations. I was never being me. I was acting."

One month after arriving in Canada, Anas got a job as a senior accountant at KPMG in Canada. They not only evaluated his work, and placed him in a position on par with what he left in Syria, they went out of their way to support him and his coming out. Anas was even made Kelowna's March Marshal at Pride this year. Read Anas's story <u>here</u>.

**KPMG in Vietnam and Cambodia** launched their first inclusion video at the September Pride Rally in Hanoi. The video features the stories of four courageous KPMG employees, who share their stories of being LGBT and what it means to them to work for an inclusive employer. You can view the video on this <u>link</u>.



#### The KPMG Disability Network

KPMG's Global Disability Network was launched in September 2018. KPMG is also a member of the Global Taskforce of the <u>Business Disability Forum.</u>

#### Global KNOW (KPMG Network of Women)

The Global KNOW was launched in late 2018. Crucially, we recognize the critical role men play in fostering gender inclusion, and we invite all our male colleagues to participate in the activities of the global KNOW. KPMG Australia was a founding member of <u>Male Champions of Change</u>.

## Ambitious and accountable

Our extraordinary, diverse people are our most important asset.

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Our extraordinary, diverse people are our most important asset. As such, we are on a journey to develop and report on a set of inclusion and diversity metrics to provide a clear picture of inclusion and diversity across our global network.

#### We aim to:

- develop data-driven metrics and analytics to track progress and inform future strategies
- improve visibility and transparency of KPMG's diversity metrics and people engagement scores
- accelerate inclusion and diversity by shining a light on areas for improvement and progress
- celebrate KPMG's commitment to lead on inclusion and diversity.

## **Workforce demographics**

While we recognize we have a way to go to achieve our global inclusion and diversity ambition across the network of firms, the metrics in this report represent where we are today. More importantly, they represent a starting point from which we can build.

Across the KPMG network we have seen the following improvements:

- for the largest 10 firms within the KPMG network, 141 of new partners promoted internally were female — up from 126 in FY17.
- across our leadership ranks, the percentage of women partners and directors have risen to 24 percent — up from 22 percent in FY17.
- for the first time we are sharing our global age breakdown.



### **Partner diversity**

### Partner promotion diversity



Q4 FY18 Q4 FY17

## KPMG diversity by region and function



32 | The future is inclusive

## Diversity by job level



Q4 FY17

### New hires by job level



### New hire diversity



34 | The future is inclusive

## **Highlights from our Global People Survey**

Our Global People Survey (GPS) includes several questions that relate to how inclusive our people feel KPMG is. We carefully map the questions that are drivers of employee engagement to understand the areas where we are doing well or making progress, and the areas where we need to focus attention to drive greater engagement through inclusion.

Our 2018 GPS results for inclusion and diversity show that Inclusion & Diversity is one of KPMG's strengths; it was rated second "most favorable" out of 15 categories. Highlights were:

- 77 percent of KPMG's employees perceive I&D favorably. This figure has risen by 2 percent since 2016 and stands 8 percent above the industry norm.
- 65 percent of KPMG employees agree that everyone at KPMG has an equal opportunity to advance, regardless of differences.
- 85 percent of KPMG employees agreed to "I am treated with dignity and respect at work". This stands at 14 percent above the industry norm.
- 91 percent of KPMG partners said they support diversity in the workplace and 78 percent of non-partners agreed with this

"Watch carefully, the magic that occurs, when you give a person just enough comfort to be themselves."

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Atticus Finch from *To Kill a Mockingbird* by **Harper Lee** 

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