



Our Impact Plan

Indices, explanations and data

January 2021

KPMG International



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Part 1: Introduction

As part of The World Economic Forum's International Business Council (IBC), KPMG has been part of a task force developing universal ESG metrics and disclosures that are to be applied across business sectors and countries. Together, we talked with companies, investors, standard setters, and other key stakeholders. This led to the IBC recommending a set of indicators (Stakeholder Capitalism Metrics) in their whitepaper: *Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation*.

The tables in parts 3 and 4 of this document provide an overview of how we have applied the Stakeholder Capitalism Metrics as well as other reporting frameworks, such as the GRI Standards and the UN Global Compact Principles, to report against our most material issues. You will also find links and references to where you can access associated disclosures and information in Our Impact Plan, or in our other corporate reporting including our International [Transparency Report](#).

As this is the first year we are reporting against the Stakeholder Capitalism Metrics, it has not been feasible for us to report on all the metrics. We have however shared the information that we can, even in cases where we are unable to report on all elements or where data has only been collected from some KPMG firms (as described in the notes below each data table).

We are committed to address gaps in our disclosures. To support our focus on transparency, we have taken the decision to apply the 'disclose or explain' principle for all the Stakeholder Capitalism Metrics. The tables in Part 2 note (in superscript, in the 'Core metrics and disclosures' column) the primary reason for each omission using the following categories:

- Materiality^[M]: our assessment did not identify these as the most material issues for our stakeholders and organization. We have not therefore prioritized capturing data for

them in this first reporting year. In recognition that these are, nonetheless, important issues we are developing processes to collect data for future reporting. We will use this data to inform areas where we need to strengthen our response. This will include land use and water consumption.

- Legal considerations^[L]: these relate to issues for which there are legal prohibitions or restrictions to data collection or publication such as asking people their ethnicity in certain jurisdictions where it is illegal to do so. We are currently considering what disclosures could be made in future years, cognizant of these constraints.
- Data definitions and collection^[D]: we are developing a roadmap to improve the scope and relevance of our reporting. This particularly includes data for several metrics in the Prosperity pillar which we have not previously collected from KPMG firms.
- Methodology not established^[MG]: these are metrics for which there is not a globally accepted methodology. For example, there is not yet a sector-based methodology to estimate the carbon impact of our professional services (i.e. our downstream Scope 3 emissions), but we are committed to continuously improve our consideration of the social, economic and environmental impact of our services.

The reporting period for disclosures is predominantly for the period 1 October 2019 to the 30 September 2020, unless otherwise stated.

We recognize the value of external assurance and some KPMG firms have external assurance on their externally reported data. Globally, we are developing a roadmap towards external assurance in future years.

On the following pages you will find:

Part 2: Indices and explanations (pages 3–11)

Part 3: Data sheets (pages 12–23)

Part 2: Indices and explanations

Planet

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
Climate change	<p>Greenhouse gas (GHG) emissions</p> <p>For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions.</p> <p>Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate. ^[MG]</p>	GRI 305:1-3, TCFD, GHG Protocol	Planet; Reducing our impact on the environment to build a more sustainable and resilient future
	<p>TCFD implementation</p> <p>Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement — to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C — and to achieve net-zero emissions before 2050.</p>	Recommendations of the TCFD; CDSB R01, R02, R03, R04 and R06; SASB 110; Science Based Targets initiative	Planet; Climate risk
Nature loss	<p>Land use and ecological sensitivity^[MI]</p> <p>Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).</p>	GRI 304-1	Planet; Nature and biodiversity
Freshwater availability	<p>Water consumption and withdrawal in water-stressed areas^[MI]</p> <p>Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool.</p> <p>Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.</p>	SASB CG-HP- 140a.1, WRI Aqueduct water risk atlas tool	Planet; Nature and biodiversity

People

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
<p>Dignity and equality</p>	<p>Diversity and inclusion (%) Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity^(L)).</p>	<p>GRI 405-1b</p>	<p><u>People; Inclusion & diversity</u></p>
	<p>Pay equality^(D) (%) Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.</p>	<p>Adapted from GRI 405-2</p>	
	<p>Wage level^(D) (%) Ratios of standard entry level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.</p>	<p>GRI 202-1, Adapted from Dodd- Frank Act, US SEC Regulations</p>	
	<p>Risk for incidents of child, forced or compulsory labour An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to:</p> <ul style="list-style-type: none"> a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk. 	<p>GRI 408-1b, GRI 409-1</p>	<p><u>People; Human rights</u></p>

People

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
<p>Health and well-being</p>	<p>Health and safety^[D] (%)</p> <p>The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.</p> <p>An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.</p>	<p>GRI:2018 403-9a&b, GRI:2018 403-6a</p>	<p><u>People; Health & well-being</u></p>
<p>Skills for the future</p>	<p>Training provided (#, \$)</p> <p>Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender^[D] and employee category^[D] (total number of hours of training provided to employees divided by the number of employees).</p> <p>Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).</p>	<p>GRI 404-1, SASB HC 101-15</p>	<p><u>People; Continuous learning</u></p>

Prosperity

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
Employment and wealth generation	<p>Absolute number and rate of employment</p> <ol style="list-style-type: none"> Total number and rate of new employee hires during the reporting period, by age group^[D], gender, other indicators of diversity^[L] and region. Total number and rate of employee turnover during the reporting period, by age group^[D], gender, other indicators of diversity^[L] and region. 	Adapted, to include other indicators of diversity, from GRI 401-1a&b	Please refer to section 3: Data sheets, pages 17–20.
	<p>Economic contribution</p> <ol style="list-style-type: none"> Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: <ul style="list-style-type: none"> — Revenues — Operating costs^[D] — Employee wages and benefits^[D] — Payments to providers of capital^[D] — Payments to government^[D] — Community investment Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period. ^[D] 	GRI 201-1 GRI 201-4	Please refer to section 3: Data sheets, pages 17–20. <u>Prosperity; Education and communities</u>
	<p>Financial investment contribution^[D]</p> <ol style="list-style-type: none"> Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders. 	As referenced in IAS 7 and US GAAP ASC 230	

Prosperity

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
Innovation of better products and services	Total R&D expenses^[D] (\$) Total costs related to research and development.	US GAAP ASC 730	
Community and social vitality	Total tax paid^[D] The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Adapted from GRI 201-1	Prosperity; Purposeful business

Governance

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
Governing purpose	<p>Setting purpose</p> <p>The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p>	The British Academy and Colin Mayer, GRI 102-26, Embankment Project for Inclusive Capitalism (EPIC) and others	<u>Governance; Living our Values to ensure we always act lawfully, ethically and in the public interest</u>
Quality of governing body	<p>Governance body composition</p> <p>Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.</p>	GRI 102-22, GRI 405-1a, IR 4B	<u>Governance; A highly experienced governance body</u>
Stakeholder engagement	<p>Material issues impacting stakeholders</p> <p>A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.</p>	GRI 102-21, GRI 102-43, GRI 102-47	<u>Governance; Understanding the material issues relevant to our business and our stakeholders</u>
Ethical behaviour	<p>Anti-corruption</p> <ol style="list-style-type: none"> Total percentage of governance body members, employees^[D] and business partners^[D] who have received training on the organization's anti-corruption policies and procedures, broken down by region. <ol style="list-style-type: none"> Total number and nature of incidents of corruption confirmed during the current year, but related to previous years^[D]; and Total number and nature of incidents of corruption confirmed during the current year, related to this year^[D]. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. 	GRI 205-2, GRI 205-3	<u>Governance; Setting the highest standards of ethical conduct</u>

Governance

Theme	Core metrics and disclosures	Corresponding metrics	Location and notes
<p>Ethical behaviour</p>	<p>Protected ethics advice and reporting mechanisms</p> <p>A description of internal and external mechanisms for:</p> <ol style="list-style-type: none"> 1. Seeking advice about ethical and lawful behaviour and organizational integrity; and 2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity. 	<p>GRI 102-17</p>	<p><u>Governance; Speaking up, safely</u></p>
<p>Risk and opportunity oversight</p>	<p>Integrating risk and opportunity into business process</p> <p>Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.</p>	<p>EPIC, GRI 102-15, World Economic Forum Integrated Corporate Governance, IR 4D</p>	<p><u>Governance; Understanding the material issues relevant to our business and our stakeholders</u></p>

Additional GRI indicators

	GRI indicator	Location and notes
Name of organization	102-1	KPMG; About us
A description of the organization's activities	102-2	KPMG; About us
Location of the organization's headquarters	102-3	KPMG; About us
Location of operations/markets serves (list of KPMG firms)	102-4 and 102-6	KPMG; About us
Ownership and legal form	102-5	Governance; A highly experienced governance body
Scale of organization	102-7	KPMG; About us ; Corporate reporting
Statement from senior decision maker	102-14	Chair's introduction
Reporting period for the information provided	102-50	Unless otherwise stated, the FY20 information, reflects KPMG's financial year between 1 October 2019 and 30 September 2020.
Contact point for questions regarding the report	102-53	Please contact citizenship@kpmg.com
Index for standards used	102-55	Please refer to section 2: Indices and explanations, pages 3–11.

UN Global Compact

Principle	Location and notes
<p>Human Rights</p> <ol style="list-style-type: none"> 1. Businesses should support and respect the protection of internationally proclaimed human rights; 2. and make sure that they are not complicit in human rights abuses. 	<p><u>People; Human rights</u></p>
<p>Labour</p> <ol style="list-style-type: none"> 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; 4. the elimination of all forms of forced and compulsory labour; 5. the effective abolition of child labour; 6. and the elimination of discrimination in respect of employment and occupation. 	<p><u>People; Human rights</u></p> <p>KPMG International and KPMG member firms support freedom of association and, where applicable, recognize the right to collective bargaining.</p> <p><u>People</u></p>
<p>Environment</p> <ol style="list-style-type: none"> 7. Businesses should support a precautionary approach to environment challenges; 8. undertake initiatives to promote greater environmental responsibility; 9. and encourage the development and diffusion of environmentally friendly technologies. 	<p><u>Planet</u></p>
<p>Anti-corruption</p> <ol style="list-style-type: none"> 10. Businesses should work against corruption in all its forms, including extortion and bribery. 	<p><u>Governance</u></p> <p><u>Transparency Report 2020</u></p>

Part 3: Data

Planet: Climate change performance

Total greenhouse gas emissions in thousands (gross) (kt CO2E)

	2016	2017	2018	2019
Americas	272	271	310	325
Asia Pacific	107	107	116	125
EMA (Europe, Middle East and Africa, including India)	299	295	304	272
Total	678	673	730	722

Total greenhouse gas emissions in thousands (net) (kt CO2E)

	2016	2017	2018	2019
Americas	251	242	277	285
Asia Pacific	79	75	80	76
EMA (Europe, Middle East and Africa, including India)	234	233	241	209
Total	564	550	598	570

Planet: Climate change performance

Net greenhouse gas emissions per FTE (tCO₂e/FTE)

	2016	2017	2018	2019
Total	2.99	2.79	2.89	2.6

Renewable electricity (percentage)

	2016	2017	2018	2019
Total	37	42	46	57

Greenhouse gas emissions

By GHG protocol scope (kt CO₂e)

	2019
Scope 1 emissions (gross)	48
Scope 2 emissions (location-based) (gross)	138
Scope 3 emissions (gross)	536
Total (gross)	722

Planet: Climate change performance

Greenhouse gas emissions by source (kt CO₂E)

	2019
Buildings — electricity	123
Buildings — other	43
Business travel — air travel	483
Business travel — other	73
Total	722

Energy usage (GWh)

Purchased electricity	300
Renewable electricity	170

All climate change performance data represents the reporting period 1 January 2019–31 December 2019.

This reflects the data of 41 KPMG firms which has been used to estimate total emissions on a global basis.

People: Inclusion and diversity

Gender % by level	% Female	% Male
Leadership	25.7%	74.3%
Management	42.5%	57.5%
Team members	52.8%	47.2%
Total people	47.9%	52.1%

Age % by level	<25	25–34	35–44	45–54	55+
Leadership	0%	3%	40%	42%	15%
Management	0%	41%	39%	14%	6%
Team members	23%	61%	10%	4%	2%
Total people	15%	51%	20%	10%	4%

All percentages based on KPMG people employed as at 30 September 2020. Excludes internships and contingent labour. Leadership includes partners and other senior directors.

People: Partner promotion diversity

2020 Partner promotions — gender %	No. of Partner promotions	% Female	% Male
Global Total	384	30.2%	69.8%

Based on the partners promoted internally in 2020 within the largest ten firms by number of KPMG people, inclusive of data for KPMG Global Services, includes the FY21 new partner class.

People: Continuous learning

FY20 training provided	
Annual training hours per individual	45 hours
Average training costs per individual (US\$)	1,062

Average training costs and hours provided for KPMG's largest ten firms by number of KPMG people, inclusive of data for KPMG Global Services. Excludes professional designation training, such as training to become a certified public or chartered accountant.

Prosperity: Wealth creation & employment

Revenues

Revenues by region	US\$ billions
Americas	11.22
Asia Pacific	5.26
EMA (Europe, Middle East and Africa, including India)	12.74
Total revenues	29.22

Based on gross revenues, including travel and other client reimbursable expenses.

New hires

FY20 new hires gender % by level	No. of new hires	Female	Male
Leadership	847	26.2%	73.8%
Management	4,498	37.4%	62.6%
Team members	37,009	50.3%	49.7%
Total new hires	42,354	48.5%	51.5%

FY20 rate of new hires by level	No. of new hires	Female	Male	Total
Leadership	847	4.3%	4.1%	4.2%
Management	4,498	7.5%	9.2%	8.5%
Team members	37,009	23.6%	26.1%	24.8%
Total new hire rate	42,354	19.2%	18.8%	19.0%

FY20 new hires gender % by region	No. of new hires	Female	Male
Americas	8,429	48.6%	51.4%
Asia Pacific	10,043	53.7%	46.3%
EMA (Europe, Middle East and Africa, including India)	23,882	46.2%	53.8%
Total new hires	42,354	48.5%	51.5%

FY20 rate of new hires by region	No. of new hires	Female	Male	Total
Americas	8,429	15.3%	14.5%	14.9%
Asia Pacific	10,043	22.0%	20.8%	21.5%
EMA (Europe, Middle East and Africa, including India)	23,882	20.0%	20.0%	20.0%
Total new hire rate	42,354	19.2%	18.8%	19.0%

All new hire and leaver data excludes internships and contingent labor. Leadership includes partners and other senior directors.

Leavers

FY20 leavers gender % by level	No. of leavers	Female	Male
Leadership	1,736	25.2%	74.8%
Management	8,627	38.9%	61.1%
Team members	33,790	50.5%	49.5%
Total leavers	44,153	47.2%	52.8%

FY20 turnover by gender by level	No. of leavers	Female	Male	Total
Leadership	1,736	8.4%	8.6%	8.6%
Management	8,627	14.9%	17.2%	16.2%
Team members	33,790	21.6%	23.7%	22.6%
Total turnover rate	44,153	19.6%	20.0%	19.8%

FY20 leavers gender % by region	No. of leavers	Female	Male
Americas	9,883	44.7%	55.3%
Asia Pacific	10,108	52.3%	47.7%
EMA (Europe, Middle East and Africa, including India)	24,162	46.2%	53.8%
Total leavers	44,153	47.2%	52.8%

FY20 turnover by gender by region	No. of leavers	Female	Male	Total
Americas	9,883	16.4%	18.4%	17.4%
Asia Pacific	10,108	21.6%	21.6%	21.6%
EMA (Europe, Middle East and Africa, including India)	24,162	20.2%	20.3%	20.2%
Total turnover rate	44,153	19.6%	20.0%	19.8%

All new hire and leaver data excludes internships and contingent labor. Leadership includes partners and other senior directors.

Prosperity: Community investment

	US\$ millions
Cash contributions from KPMG firms, partners and people	79
Pro bono engagements	12
Volunteering activities	17
Other (including management costs)	16
Total community investment value	124

	No. of hours '000s
Pro bono engagements	81
Volunteering activities	395
Total community investment hours	476

Community investment data based on information received from KPMG member firms with annual revenues over US\$100 million.

Values reflect the activity supported, including for pro-bono engagements, which are valued at a higher rate than other volunteering activities.

Governance: Anti-corruption

Percentage of Global Board members who have completed training on KPMG's Code of Conduct and anti-corruption policies and procedures: 100%

Notes:

- (i) The financial information set forth represents combined information of the independent KPMG member firms, affiliated with KPMG International Limited, that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International Limited performs no services for clients nor, concomitantly, generates any client revenue.
- (ii) Unless otherwise stated, the FY20 information reflects KPMG's financial year between 1 October 2019 and 30 September 2020.
- (iii) KPMG operates in 146 countries and territories. All metrics are for the full network unless otherwise stated.

Contacts

Serena Brown

Global Head of Corporate Citizenship

KPMG International

E: serena.brown@kpmg.co.uk

Simon Appleby

Senior Manager, Corporate Citizenship

KPMG International

E: simon.appleby@kpmg.co.uk

home.kpmg/socialmedia



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