



# Media Announcement

## **KPMG voluntarily elects to cease performing non-audit related services to its JSE listed audit clients**

**15 February 2021:** KPMG South Africa today announced that it will cease all future non-audit-related services to its listed audit clients with effect from 31 March 2021. This announcement is as a result of an intensive review process that seeks to improve the perception of auditor independence and protecting the interests of the public.

The provision of non-audit-related services to our audit clients, while technically permissible under current laws, regulations and International Federation of Accountants (IFAC) principles, understandably creates challenges in the public perception of auditor independence. As a business that has reimagined the future of what good corporate governance for an audit firm should be, KPMG is the first firm in the country to take this voluntary step forward.

"While this is an area that is typically already very well managed by audit committees, (particularly those of listed audit clients), the objective of such a move is to help restore trust in the profession, as it removes any perception of conflicts of interest with our audit work for listed entities," states Ignatius Sehoole, CEO, KPMG SA.

"KPMG SA has worked closely with the Independent Regulatory Board of Auditors (IRBA) in building our robust audit quality plan and this policy decision further demonstrates our ambition and commitment to be the most trusted and trustworthy professional services firm in the country."

"The roots of our profession lie in a fundamental need for trust, assurance and confidence and we are determined to take the right course of action to embed it. After the significant and market leading governance and leadership changes the firm made in the last three years, we are committed to continuing to lead the rebuilding of trust in the firm and the profession. We look forward to witnessing a positive industry shift that will result from this enhanced independence model," concludes Sehoole.

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