KPMG

Impact Report 2026

Delivering on our purpose

A year of action, impact and progress:
FY25 in review

kpmg.lu

Introduction

The data in this report covers the financial year 2025 (FY2025), from 1 October 2024 to 30 September 2025

KPMG Luxembourg is a professional services firm that comprises three operating entities delivering audit, tax and advisory services – along with asset management, alternative investment, banking, insurance and corporate services. Operating from a headquarters in Luxembourg City and flex offices in Windhof and Belval (near the Belgian and French borders, respectively), we have almost 1,800 employees working in Luxembourg.

This Impact Report includes insights from both KPMG International – which operates in 143 countries, with over 235,000 employees globally – and the KPMG Luxembourg Foundation, which focuses on fostering social and environmental initiatives within our community. You can find further details of our offerings at www.kpmg.com/lu. To learn more about our ownership, legal form, organizational scale and board constitution, please see our latest Transparency Report.

We have compiled this report in line with Global Reporting Initiative (GRI) global network standards and according to universal reporting metrics developed by the World Economic Forum in collaboration with KPMG and other Big Four firms. We will adapt our reporting approach as we transition to implementing the Corporate Sustainability Reporting Directive (CSRD), in order to meet its enhanced requirements.

KPMG International defines the priorities for impact reports at a global level and we align these with our local social- and environmental-related activities. These priorities are:

1. Safe and healthy working conditions
2. Climate action
3. Transparency and accountability
4. Education, training and career growth
5. Purpose, culture and values
6. Inclusion, diversity and equity

Introductory words from our Managing Partner

Welcome to our 2026 Impact Report! Each year, we review our commitments across People, Planet, Prosperity and Governance and report transparently on the progress we are making. These priorities are at the core of our role as a professional financial services firm: strengthening trust for clients, supporting our people and contributing positively to society.

People and technology go hand in hand. This year, our report includes a dedicated Technology chapter that reflects how technology, especially artificial intelligence (AI), is transforming our work and the way we serve clients. We follow a humancentric, AIfirst approach, applying AI where it adds value and always pairing it with human judgment and expertise, while giving our teams the skills needed to use AI confidently, securely and responsibly.

We continue to reduce our operational footprint through practical measures. We accelerated electric mobility, with 60% of our fleet cars being electric at the end of FY25, and our travel approach increasingly favors lower emission options and smart alternatives where appropriate.

As ESG expectations accelerate – particularly through CSRD – we are reinforcing how we support clients, including a growing focus on external ESG assurance and the quality processes that underpin trust in ESG information. This year, our ESR label was renewed following an external audit of our ESG practices. Looking ahead, we will conduct a new double materiality analysis to sharpen our priorities and reinforce our transparency obligations as reporting and assurance expectations continue to evolve.

We are also advancing our own decarbonization ambitions, with carbon neutrality by 2030 as our long-term objective and continued alignment with our global network's global net-zero ambition for 2050.

Our people are at the heart of what we do. We continue to invest in an inclusive culture and practical well-being support so colleagues can thrive and do their best work. You will find more details on our inclusion and engagement efforts in the People section.

The world we operate in is complex and fastmoving. But with the passion of our people, the strength of our values, and the clarity of our commitments, we are well-positioned to lead – helping clients and communities navigate change and build a more sustainable future for all.

David Capocci
Managing Partner
KPMG Luxembourg

Introductory words from our Head of Corporate Citizenship

It has been another inspiring year for the Corporate Citizenship team as we continue to support our community through social and environmental initiatives.

Our recurring activities continued to play an important role, notably our digital initiatives that combine access and skills to support inclusion in an increasingly connected world. We support Digital Inclusion asbl – a Luxembourgish association dedicated to bridging the digital divide – through volunteer engagement in their digital classroom, helping beneficiaries with key everyday skills, and have donated over 900 computers that they will provide to enable families in Luxembourg in hardship access essential digital tools.

Building on this, we strengthened our educational focus on future-ready skills, particularly artificial intelligence (AI), to help ensure young people are not left behind in the rapidly evolving digital landscape. This included delivering targeted AI training to "Catalysts" at Life Project 4 Youth (LP4Y), our long-time NGO partner that supports disadvantaged youth into employment, so they in turn can share this knowledge with the organization's beneficiaries.

During the year, the KPMG Luxembourg Foundation celebrated 15 years of empowering community change through corporate giving. Aligned with KPMG's values and our Together for Better purpose, the Foundation prioritizes projects that support the UN Sustainable Development Goals, with particular focus on education, climate action, reducing inequalities and economic growth. Since its creation, we have supported over 85 organizations, with a total contribution of over EUR3.5 million.

This year we organized an extensive program of volunteering activities that engaged colleagues across the firm. Our people continued to generously support these activities with their time, giving more than 750 hours to a wide range of initiatives – from tutoring students and serving meals at a shelter for those experiencing homelessness, to environmental cleanups and joyful moments with the children of a foster home. These hands-on efforts complemented our financial donations, creating lasting value by transferring skills, boosting organizational capacity and improving direct service delivery for beneficiaries. Partner organizations repeatedly told us that the time given by volunteers made a tangible difference, helping them reach more people and deliver better outcomes. A heartfelt thank you to everyone who took part: your commitment reflected our shared purpose and showed how collective action can create a positive local impact.

Further details of these activities are explained in the Community Investment section.

Françoise Renard
Head of Corporate Citizenship
KPMG Luxembourg

Introductory words from our Head of Inclusion, Diversity & Equity

At KPMG, inclusion, diversity and equity shape everyday life at the firm. With colleagues representing around 84 nationalities, our workplace reflects a broad range of cultures, languages and perspectives. This diversity is often visible in simple moments such as sharing food from home, exchanging personal stories or using different languages to support one another.

Our employee networks help give structure to these experiences by encouraging open and honest conversations across the organization. They bring attention to topics that matter to our people and create opportunities to learn from one another. A key moment this year was our annual Diversity Day, which focused on neurodiversity. The discussions helped raise awareness and deepen understanding, and laid out the groundwork for a dedicated network to better support neurodivergent colleagues.

Supporting the development of women also remains a strong priority. The SheLeads program welcomed more participants this year, offering workshops, mentoring and development opportunities designed to support the growth of high-potential female leaders. These initiatives reflect our long-term commitment to gender equity and build on the progress recognized through our Actions Positives certification. Alongside these efforts, we continued to strengthen the practical support available to colleagues in their daily lives. Our mental health first aiders remained a trusted point of contact for those in need of a conversation, while the introduction of the MyCare services room made it easier for employees to access health services such as hearing and vision tests or blood sampling right at the office. Providing access to these services helps colleagues take care of their well-being in a simple and proactive way.

Together, these initiatives help create a work environment where people feel comfortable, valued and encouraged to grow. We will continue to build on this momentum, working side by side to create a workplace where everyone feels they belong and can thrive.

Filip Vukovic
Head of Inclusion, Diversity and Equity
KPMG Luxembourg

Contents

01

Governance

A culture of care

Culture and values

KPMG Luxembourg's achievements demonstrate the commitment and care shown daily by our people. Our teams drive our success and they deserve a culture that supports, protects and motivates them – all 1,762 employees* of 84 nationalities. Our values are designed to cultivate just such a culture. By setting our moral compass and publicly sharing this set of values, we hold ourselves accountable to a high ethical standard. Our strength comes from the diverse perspectives that exist across the business. We need everyone's ideas – and we understand that for employees to contribute freely they need to feel respected and valued within a setting that promotes collaboration. At KPMG Luxembourg, we are here to inspire confidence and empower change. Our people make this happen with their ideas and efforts every day. Positive impact can certainly result from big changes and bold actions, but it frequently happens when individuals consistently and repeatedly do their best.

*This headcount number from the end of the reporting period excludes trainees, subcontractors and other workers who are not directly employed by KPMG Luxembourg.

Integrity

We do what is right

Has a moral compass that does not waver in any situation, big or small

Does what they say and takes accountability when they don't

Is honest and forthright, even when it's difficult

Is not a bystander, takes action in the moment to do what is right and speak up

Upholds the letter and spirit of our ethical and professional standards, even under pressure

Excellence

We never stop learning and improving

Demonstrates a passion for quality

Pushes individuals and teams to reflect and evolve, learning from both success and failure

Shares knowledge patiently and generously

Advocates for and role models life-long personal, technical and professional growth

Invites feedback and constructive challenge, and promptly acts on it

Courage

We think and act boldly

Thinks big, pursuing innovative ideas and solutions

Openly questions actions inconsistent with our values, even when it isn't popular

Engages in candid conversations, caring personally and challenging directly

Has a bias for action and makes tough decisions

Acknowledges mistakes and limitations; asks for help

Together

We respect each other and find strength in our differences

Treats everyone with respect and dignity, Always

Fosters an environment of inclusion, safety, and belonging

Builds and nurtures meaningful relationships with people of all backgrounds

Embraces our 'One firm' approach, involving those with different backgrounds, experiences, and capabilities

Actively listens and acts with empathy to drive better outcomes

For better

We do what matters

Puts the work we do every day into context

Generously helps out and cares for others

Acts today to strengthen the firm for the future

Does small things everyday that make a difference

Looks beyond themselves to make a broader impact - from the individual, to local communities, to the world at large

Sustainability governance structure

KPMG Luxembourg's ESG Committee develop the firm's sustainability agenda. Its members meet regularly to review, assess and advance sustainability projects across the organization, ensuring environmental, social and governance (ESG) considerations are embedded into our strategic activities.

ESG committee members

- **Julie Castiaux**, Chair – Partner, Sustainability Lead
- **Françoise Renard**, Head of CSR and Audit Partner
- **Sacha Thill**, Partner, Global Mobility Services
- **David Capocci**, Managing Partner

The ESG Committee forwards its strategies and recommendations to the Executive Committee for alignment with organizational goals and implementation.

Transparency, accountability and integrity

Integrity is at the heart of KPMG's work. We strive to act ethically and responsibly in every situation, building trust with clients, colleagues and the wider community through consistent, accountable conduct. Living our values day to day promotes principled behavior across the firm.

Our Global Code of Conduct provides the foundation of our ethical framework, setting out the duties employees owe to one another, to clients and to the public. The Code of Conduct explains how our values inform decisions, is reviewed regularly to maintain its effectiveness and is supported by mandatory training programs, including anti-corruption policies and training material.

We also adhere to the International Code of Ethics for Professional Accountants, which highlights:

- integrity
- objectivity
- professional competence
- confidentiality
- professional behavior

Complementing this, we follow the International Ethics Standards Board for Accountants (IESBA) independence standards to protect impartial judgment and guard against conflicts of interest, particularly in audit and assurance work.

"The trust that sustains long-term relationships and shared value for tomorrow is built on the foundations of ethical governance and accountability."

Donna Lee Bauer,
Head of Ethics and Integrity

> *"Each of us shapes the firm's future by upholding integrity, demonstrating commitment in our actions and decisions and exercising the courage to do what is right."*
>
> **Irena Karanovic,**
> Corporate Ethics Lead

How we CARE

To support our employees in making sound ethical decisions, we implemented the KPMG CARE framework:

1. **Consider**: Evaluate the situation and identify the ethical issues involved.
2. **Assess**: Analyze the potential outcomes and implications of different choices.
3. **Respond**: Make a decision and take appropriate action based on your evaluation.
4. **Evolve**: Reflect on the decision made and learn from the experience to improve future ethical decision-making.

This structured decision-making approach encourages our people to thoughtfully evaluate the implications of their choices and "do the right thing", leading to ethics-oriented decision-making. The CARE framework enables staff to deal confidently with situations despite their complexity or ambiguity, ensuring that decisions align with our values.

Our culture of open communication and idea sharing means we want every employee to feel empowered to express their thoughts on our ethical practices, believing this will enhance our framework and the overall workplace environment. We have a dedicated Speak Up line for more serious concerns. This confidential channel allows employees to report unethical behavior or seek guidance on difficult situations and promises protection against retaliation. We take all reports seriously and ensure they are addressed promptly and thoroughly, reinforcing our commitment to a safe and supportive work environment. More information about our governance structure is available in our 2025 Transparency Report.

Governance certification and recognition

1. Socially Responsible Enterprise

ENTREPRISE SOCIALEMENT RESPONSABLE

In FY2025, KPMG Luxembourg successfully renewed its "Entreprise Socialement Responsable" label, as awarded by Luxembourg's National Institute for Sustainable Development and Corporate Social Responsibility (INDR). This marks the fifth review process for our firm – we have retained this certification since 2012. The INDR evaluates best practices related to strategy, governance, social frameworks and the environment.

2. Actions Positives for gender equality

ACTIONS POSITIVES

The Actions Positives certification in Luxembourg, an initiative of the Ministry of Social Security and the Ministry for Equality between Women and Men, recognizes organizations that actively foster equality, inclusion and diversity in the workplace. This voluntary program helps companies develop and implement best practices that improve well-being, teamwork and sustainable growth while advancing gender equity. KPMG Luxembourg was formally awarded the label in December 2024.

As part of the certification process, a comprehensive analysis evaluated:

- Equality of treatment
- Equality in decision-making
- Equality in work-life balance

Receiving this recognition is not the end of our journey. Armed with the insights gained through the certification, we will continue to pursue internal objectives to strengthen gender equality.

3. Diversity Charter Luxembourg

CHARTE de la DIVERSITE LËTZEBUERG

As a signatory of the Diversity Charter Luxembourg, we commit to promoting awareness, ensuring equal opportunities and combating discrimination in line with the charter's principles. These pledges are reflected in our internal policies, including our dedicated Inclusion, Diversity and Equity Policy.

4. Antigaspi

Anti gaspi

The Antigaspi label acknowledges organizations such as KPMG Luxembourg that take proactive steps to reduce food waste - by minimizing surplus, repurposing edible food, improving storage and handling practices, and raising awareness. The initiative was launched by the Ministry of Agriculture, Viniculture and Rural Development in partnership with the Luxembourg Chamber of Commerce and the Luxembourg Chamber of Trades.

5. SuperDrecksKëscht

The SuperDrecksKëscht (SDK) label for companies certifies that a business has implemented a comprehensive, environmentally responsible waste management plan. In practice, this means KPMG Luxembourg minimizes waste production and prevents unnecessary waste, sorts and collects waste correctly, ensures recycling and proper disposal and educates staff involved to follow these waste management procedures.

KPMG

6. BREEAM certification

Our headquarters building at 39 Avenue John F. Kennedy holds a BREEAM certification. This label certifies a verified commitment to sustainable building practices (from design to operation), as well as reduced environmental footprint in terms of energy use, water, waste, materials, pollution, biodiversity impact and more. A BREEAM-labeled building also offers better conditions for employees in terms of health and comfort.

Actions Positives

Humakina Diversity & Inclusion Champion 2025

02

People

A place to thrive

Global People Survey

At KPMG Luxembourg, our people are at the heart of what we do, and we strive to equip them with the support and skills they need to succeed. One way we keep in touch with what matters to our employees is through the Global People Survey (GPS) – a yearly, confidential feedback tool used across the KPMG network. This survey enables us to gain deeper insight into their experiences and pinpoint opportunities to enhance our workplace.

The GPS is based on the five pillars of our Employee Value Proposition (EVP): Come as you are; Do work that matters; Learn for a lifetime; Make your mark; and Thrive with us.

Once again this year, "Come as you are" emerged as the strongest dimension in our employee satisfaction survey. We continue to prioritize the creation of an inclusive and empowering workplace where all employees feel valued and supported. Some 85 percent of our employees agreed with the statement "I am treated with dignity and respect at work", showing us that our efforts are well received. In FY2025, we further advanced gender equity through targeted initiatives such as SheLeads, our female leadership program for high-performing women, as well as the Finance Works for Women event, hosted by our Talent Attraction team and attended by a representative number of female participants.

A key focus for the year was the further empowerment of our employee resource groups (ERGs), which experienced significant growth in both membership and activity. In addition to our established Pride Network and Women's Network, we launched a Parents' Network and a

Neurodiversity Network in response to employee feedback and emerging topics of importance. Based on their input, we delivered themed events and training sessions and leveraged synergies with existing internal support offerings, including our MyCare services room, which provides access to services such as hairdressing, manicures, acupuncture, massage, blood testing and more. Through these initiatives, we aim to support employees across a range of life circumstances by simplifying daily needs and reducing time and effort needed outside of work.

Our second-strongest dimension was "Learn for a lifetime", highlighting the strength of our learning culture and our continued investment in professional development opportunities. The highest-rated statement within this dimension – "I have opportunities to improve my skills and develop new ones" – achieved a strong satisfaction score of 80 percent. In addition to our comprehensive portfolio of training and development programs, we introduced the Pluralsight learning platform in FY2025, providing access to more than 10,000 courses, skill assessments and hands-on learning experiences.

Positive results in Work Environment and Enablement underscored our continued focus on providing the tools, technologies and resources employees need to perform at their best. In particular, the integration of artificial intelligence is supporting greater efficiency and productivity across the organization.

	FY2024	FY2025
Come as you are Your unique experiences and perspectives belong here. Both individually and as a team, you will understand and value the differences that lead to stronger insights and innovation	80%	79%
Do work that matters Every day, in ways big and small, you make a meaningful and positive difference for clients, people and the communities we serve. You help create opportunity in a world of increasing complexity	67%	64%
Learn for a lifetime Grow your own way in an environment where learning is continuous. Feed your curiosity, work with the best on emerging practices and technologies, and gain an advantage for life.	75%	73%
Make your mark Your aspirations and initiatives make KPMG better. Wherever you work, be recognized for the impact you make, the leadership you show and the success you create with others.	71%	67%
Thrive with us Build relationships with colleagues who take care of each other. You will have the KPMG community at your side, providing the support you need to be at your best and create opportunities for yourself and others.	68%	65%

We listened and we acted on it

The FY2024 GPS results highlighted Recognition & Rewards and Communication as key areas for improvement. In response, we implemented a range of targeted measures across both these areas and have continued to prioritize them as core focus areas throughout the year. After last year's feedback, we also enhanced employee benefits by increasing the lunch voucher allowance to EUR15 per day in FY2025, with no change to employee contributions. In parallel, we continued to strengthen internal communication and engagement through established initiatives designed to foster connection and transparency, including the #TeamBlueNews newsletter, the P&C and You atrium sessions offering informal access to People & Culture (P&C) experts and the popular Pasta con David initiative, which provides employees with recurring opportunities to connect informally with our Managing Partner. Listening to our people remains a priority and we are committed to acting on their feedback.

Career growth was a key focus area during the year and recorded a solid satisfaction score of 78 percent following the implementation of measures to establish a more transparent and efficient performance assessment cycle. We streamlined processes to reduce the time between evaluations, outcome communication and compensation decisions, while strengthening our feedback culture and people leadership capabilities through a dedicated performance manager learning journey that incorporates targeted soft-skills training and performance-related development topics.

Overall, we observed a 1 percent increase in employees' intention to stay with the firm for more than five years. The most frequently cited reasons for remaining were flexible and hybrid working arrangements, as well as – most notably – the strength of relationships with colleagues and across the workplace.

Investment in training

Average training hours per employee (FY2025)

Function	Women	Men	All staff
Advisory	40	36	37
Audit	133	154	145
Business Services	31	22	27
Tax	46	50	48
Overall	**76**	**85**	**81**

Grade	Women	Men	All staff
Junior	118	130	125
Senior	58	78	68
Assistant Manager	45	53	49
Manager	84	82	83
Senior Manager	67	62	64
Director	52	53	52
Partner	72	66	67
Overall	**76**	**85**	**81**

Today's rapidly changing world demands agile, up-to-date training and a culture of continuous learning.
Our blended learning philosophy supports a lifelong learning approach that equips our teams with the technical know-how and necessary business and leadership skills to give our clients high-quality service. We have adopted new, firm-wide learning formats and are empowering our employees to embrace entrepreneurial and growth mindsets.
The employee's learning journey begins at the start of their career with us and continues as they take on more responsibilities, keeping them future-ready. Besides compulsory trainings, employees have the opportunity to access additional, flexible resources through Degreed, LinkedIn Learning, Pluralsight and our internal learning platforms.

Our trainings focus on technical knowledge, people skills and well-being and include the following:

- Training plans designed to deepen technical skills according to specialization
- Courses offered through our well-being initiative, in collaboration with the Occupational Health Association for the Tertiary and Financial Sectors (Association pour la Santé au travail des secteurs Tertiaire et Financier, ASTF)
- Compulsory educational courses:
  - IT security and digital risk
  - Inclusion, diversity and equity
  - Ethics, integrity and market abuse
  - Anti-money laundering
- Language courses, primarily in French, German, Luxembourgish and English

The induction week for new employees consists of a five-day program focused on both technical and soft-skills training. The last such week took place in Brussels, giving new KPMG recruits the chance to connect across all functions.

Alongside the technical trainings, we focus on leadership trainings that empower and equip our employees to better collaborate with one another and our clients.

Staff who earn promotions to any position between senior level and director level participate in the annual Career Milestones program to develop business and leadership skills for their new roles. In some cases, attendance is also offered to employees who have not received a promotion but either joined KPMG recently or still want to benefit from this learning opportunity as part of their professional development. In 2025, roughly 360 colleagues participated in Career Milestones, covering a wide range of topics such as building self-awareness, developing a growth mindset, providing feedback and coaching team members. In 2025, all Milestones participants were also equipped with digital skills focused on artificial intelligence.

For nominated employees at senior manager and director levels, Development Centers – intensive dedicated leadership programs – are offered. These are structured programs based on the KPMG leadership framework (Everyone a Leader) that aim at deepening leadership identity and developing the competencies of future-ready leaders. The programs incorporate psychometric tools, as well as exercises such as role-playing, interviews,

KPMG

simulations and more. As an outcome, each participant creates a personalized development action plan outlining their own strengths and areas where improvement is needed, which serves as a basis for upskilling and further development.

In 2025, a series of face-to-face leadership trainings (on coaching, feedback and presenting with impact) were offered firm-wide – and comprehensive learning journeys were launched for multiple grade levels, accessible to anyone at any time, creating transparency and promoting lifelong learning.

Artificial intelligence became a staple across courses for every level and function during the year. Partnering with the Digital Accelerator team, a range of dynamic training initiatives were launched – from hands-on AI challenges that spark creative problem-solving to lively AI-prompt help breakfasts that combine practical tips with casual networking.

These programs are designed to make AI accessible, actionable and immediately useful for participants across the firm.

Assessment

Percentage of employees assessed for performance in FY2025*

Function	Women	Men	All staff
Advisory	80%	88%	85%
Leaders	88%	100%	100%
Management	74%	86%	82%
Staff	81%	83%	82%
Audit	100%	99%	99%
Leaders	100%	100%	100%
Management	100%	99%	100%
Staff	99%	99%	99%
Central Services	90%	98%	94%
Leaders	100%	100%	100%
Management	86%	93%	90%
Staff	89%	99%	93%

Function	Women	Men	All staff
Tax	98%	100%	99%
Leaders	100%	100%	100%
Management	100%	100%	100%
Staff	91%	96%	94%
All business areas	**94%**	**97%**	**95%**

*Assessment was carried out in August 2025. Due to turnover and new hires, we assessed more people than were present in some categories on 30 September 2025 when the headcount for FY2025 was calculated. Therefore, a percentage may exceed 100 percent. Eligibility criteria: presence of at least five months during the fiscal year, including over the assessment period.

Inclusion, diversity & equity

Inclusion, diversity and equity (IDE) are embedded throughout our organization and inform how we operate, make decisions and engage with our people. As a signatory to the Diversity Charter Luxembourg, and with KPMG International as a network being a signatory of the UN Global Compact on human rights, we recognize our responsibility to foster a respectful and safe working environment and to actively oppose any form of harassment or discrimination.

Clear standards of conduct are set out in our Global Code of Conduct and IDE-related policies, which apply to all employees and define the behaviors and principles expected across the organization. Our firm maintains a comprehensive framework of people-focused policies, including the Anti-Harassment Policy, the Inclusion, Diversity and Equity Policy, and our Speak Up Policy for reporting concerns, alongside a range of supporting internal guidelines. Together, these policies are designed to ensure that all employees and prospective employees are treated fairly, with dignity and respect, and are free from discrimination, harassment or any other form of unwanted behavior. They reinforce our commitment to creating an inclusive workplace where everyone at KPMG has an equal opportunity to contribute, develop and achieve their full potential. Supported by these frameworks, our IDE team continues to take a proactive role in advancing fairness and equal treatment, ensuring that nondiscrimination and equity remain integral to our policies and practices.

In recognition of these efforts, our initiatives were awarded with the Actions Positives certification by Luxembourg's Ministry of Equality, validating the strength and consistency of our action plan to promote equal opportunities for all employees.

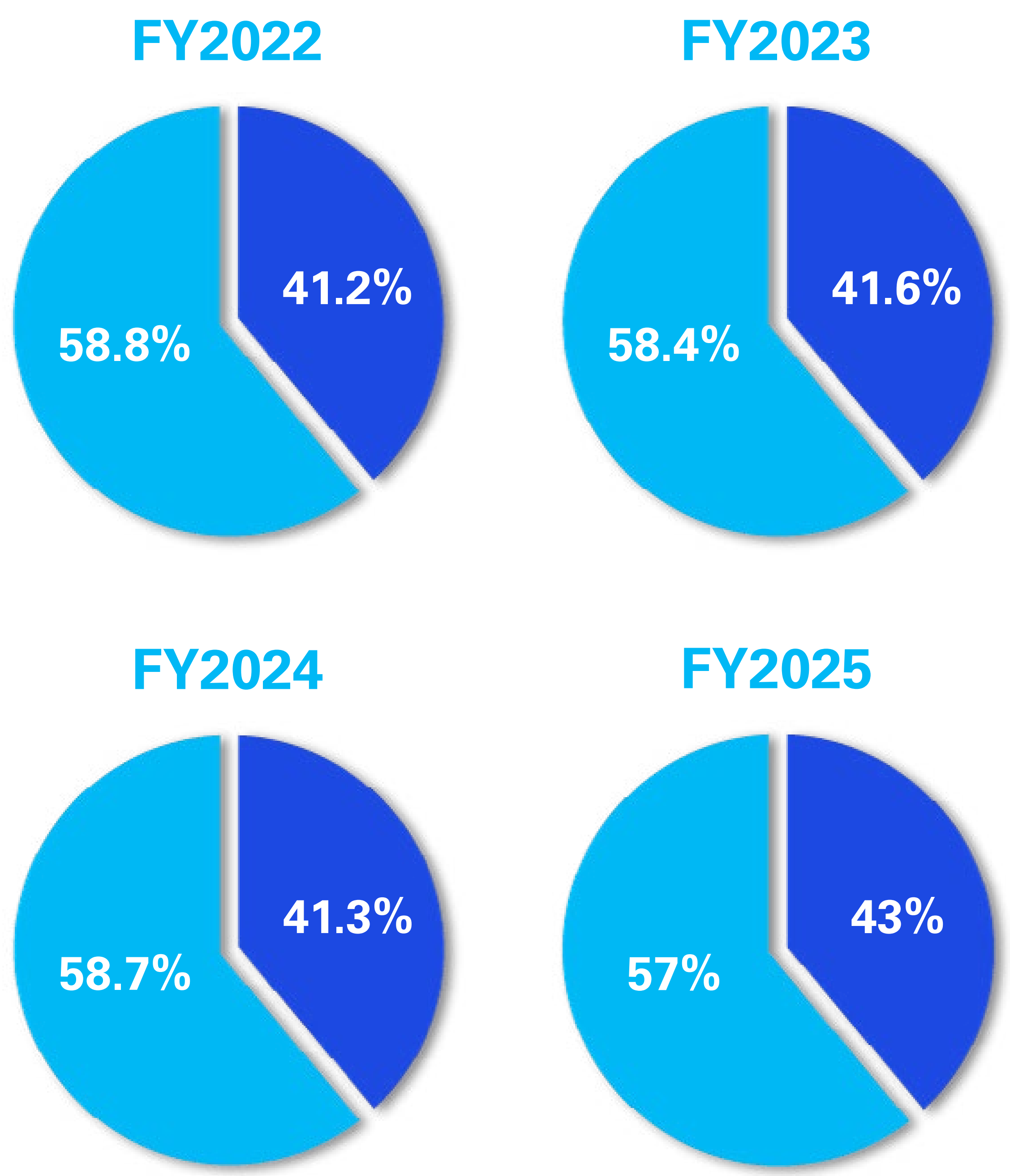
Our workforce reflects a broad range of nationalities, genders and age groups, mirroring the diversity of the community in which we operate. With colleagues representing 84 countries, our offices benefit from a dynamic and multicultural environment. Women account for around 43 percent of our total workforce and we remain focused on identifying and addressing structural barriers to further strengthen gender balance.

As younger generations, including Gen Z, continue to grow in representation across the firm, we are actively embracing the new perspectives, skills and expectations they bring to the workplace. This generational diversity enhances our ability to adapt, evolve and remain relevant in a rapidly changing environment.

In FY2025, we expanded our diversity focus to better reflect the full range of individual experiences across our workforce, strengthening understanding of personal circumstances and reinforcing a sense of belonging. Parenthood and neurodiversity were identified as priority themes for the year, guiding targeted awareness initiatives and support measures designed to better equip our teams and provide meaningful assistance to those who need it. We view diversity as a key driver of organizational resilience and long-term success – supporting our ability to attract talent, remain competitive and foster innovation. Accordingly, we will continue to invest in and advance initiatives that translate our inclusion, diversity and equity commitments into tangible impact.

Gender equality

Gender split



* Identification categories were male, female and other; nobody identified as other in FY2025

Gender numbers by function and grade as of 30 September 2025

Grade	Women	Men	All Staff
Junior	185	262	447
Senior	247	244	491
Assistant Manager	93	100	193
Manager	97	129	226
Senior Manager	68	98	166
Director	33	75	108
Partner	34	97	131
All grade	**757**	**1,005**	**1,762**

Function	Women	Men	All staff
Advisory	134	249	383
Audit	298	414	712
Central Services	179	157	336
Tax	146	185	331
All Business areas	**757**	**1,005**	**1,762**

Gender pay gap

In 2025, we analyzed the anonymized salaries of over 2,300 current and recent employees* to assess wage disparities. The overall gender wage gap between male and female employees was found to be 0.75 percent in favor of men, representing a decrease from 1.58 percent in FY2024. To close this gap further, we will continue to re-examine our career development practices, research proven approaches and benchmark pay by experience, education, role, responsibilities and specialist qualifications. We are dedicated to achieving full wage parity and will monitor our progress closely.

*The analysis of 2,349 salaries analyzed base salaries excluding any discretionary bonus.

01 Principles of Governance
02 People
03 Planet
04 Prosperity
05 Community Investment
06 Technology

SheLeads – cultivating women leaders

This year marked an important milestone for SheLeads, our leadership development initiative for female leaders that was created as part of our Actions Positives plan. After launching the program in 2023, its second edition began in September 2024, building directly on the foundations laid during the first edition. With 19 participants, an increase from 15 in the inaugural cohort, the program continued to grow in visibility and impact across the firm. For the third edition, in 2026, we will double the impact and have 30 female leaders go through the program.

SheLeads contributes directly to our ambition of reaching a balanced representation of women in management and leadership, aligned with our goal of achieving 40 percent female representation at these levels. By supporting women at key stages of their progression, the program helps prepare a pipeline of stronger and more confident women for future leadership opportunities.

SheLeads is a journey. It starts with building self-awareness around participants' own strengths, which can be used to better engage teams, further focusing on overcoming limiting beliefs and structural barriers by using the power of networks and building alliances. The core of the journey is a three-day training program that is then built upon with the help of mentoring and support from the community of fellow female leaders.

What set this year apart was a strengthened connection to our leadership and a more integrated learning experience, which was co-designed with the service provider:

- **Sessions were co-facilitated by KPMG partners,** bringing real leadership experience and practical insights into the sessions.
- **Mentoring was fully embedded throughout the program,** enabling participants to apply insights immediately and receive consistent guidance and feedback.
- **Curriculum refinements based on feedback** from the first cohort made the experience even more relevant and actionable.

Our efforts are strengthened by the fact that similar initiatives exist across the KPMG network. For example, KPMG Belgium runs its own leadership development program for women, reinforcing a common commitment to building more inclusive leadership pathways. This shared focus across borders helps broaden the collective impact of our work and demonstrates that the pursuit of gender equity is a priority at both local and network levels.

Beyond the formal program structure, SheLeads has helped cultivate a growing community of women who continue to support one another long after the sessions conclude. Their ongoing connection, together with the dedication of mentors and facilitators, has become a defining feature of the initiative and an important source of inspiration for future cohorts.

Women in leadership roles

	FY2023	FY2024	FY2025
Leadership	26.8%	27.9%	28.0%
Management	40.8%	41.0%	44.1%
All management and leadership	**36.9%**	**37.2%**	**39.4%**

*Leadership = Grades Partner, Managing Director and Director

Management = Grades Assistant Manager, Manager and Senior Manager

Since the launch of the SheLeads program, we have seen good progress in our proportions of female managers and leaders. Apart from the overall positive trend, at management level we have seen an improvement of over 3 percentage points in the last two years.

SheLeads group at the KPMG Plage for lunch

Living gender diversity in our everyday

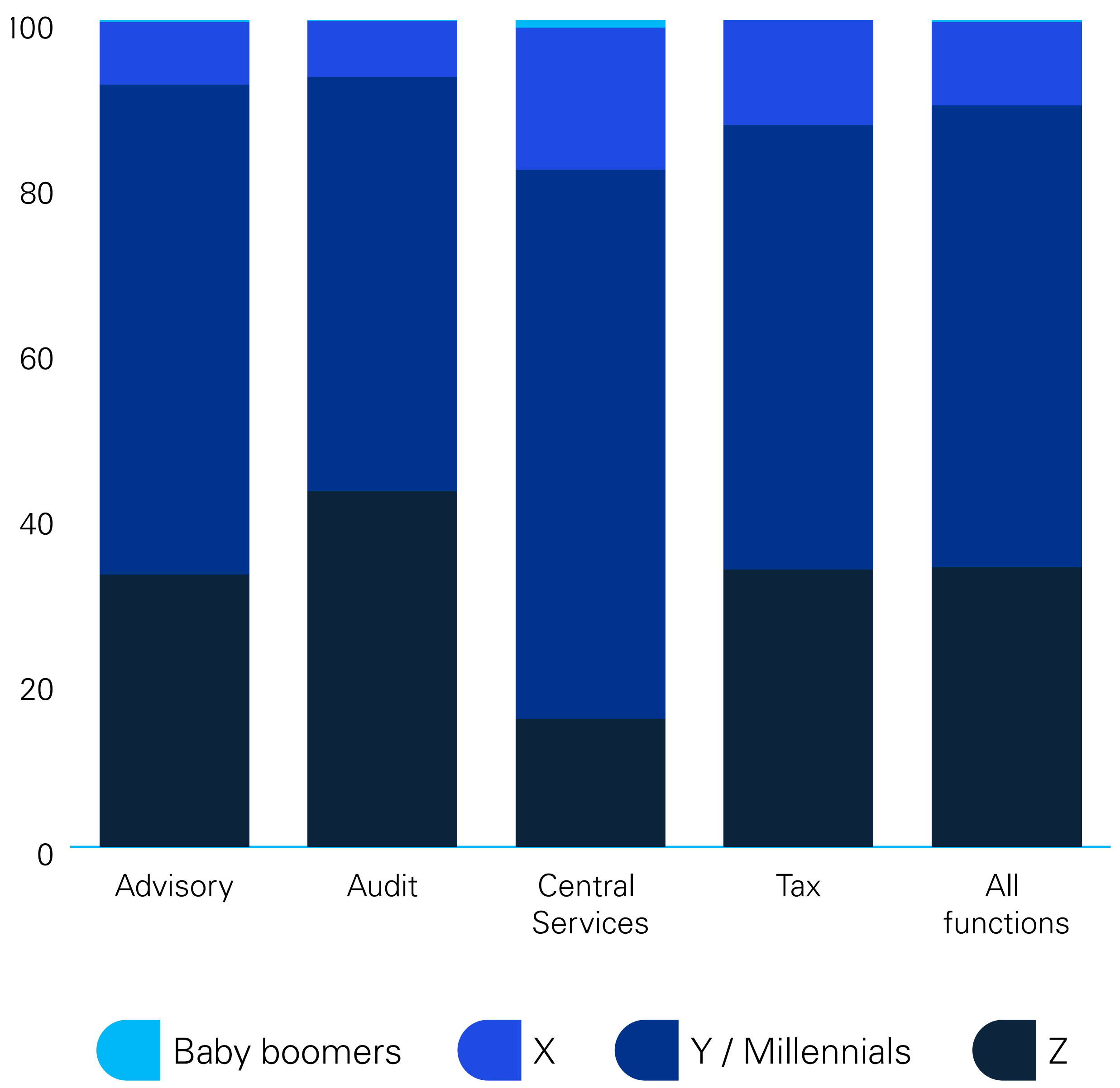
Purpose-led initiatives such as our recruitment event Finance Works for Women are designed to highlight female role models and diverse career paths, offering candidates a clearer view of professional opportunities within the firm. In FY2025, our Talent Attraction team delivered a one-day immersive experience for a group of interested participants, focused on gender diversity and inclusion. The program featured presentations and interactive workshops led by senior female leaders who shared their perspectives and professional experiences. The event also provided valuable networking opportunities and facilitated meaningful engagement with emerging talent, resulting in employment offers being extended to (and accepted by) six participants.

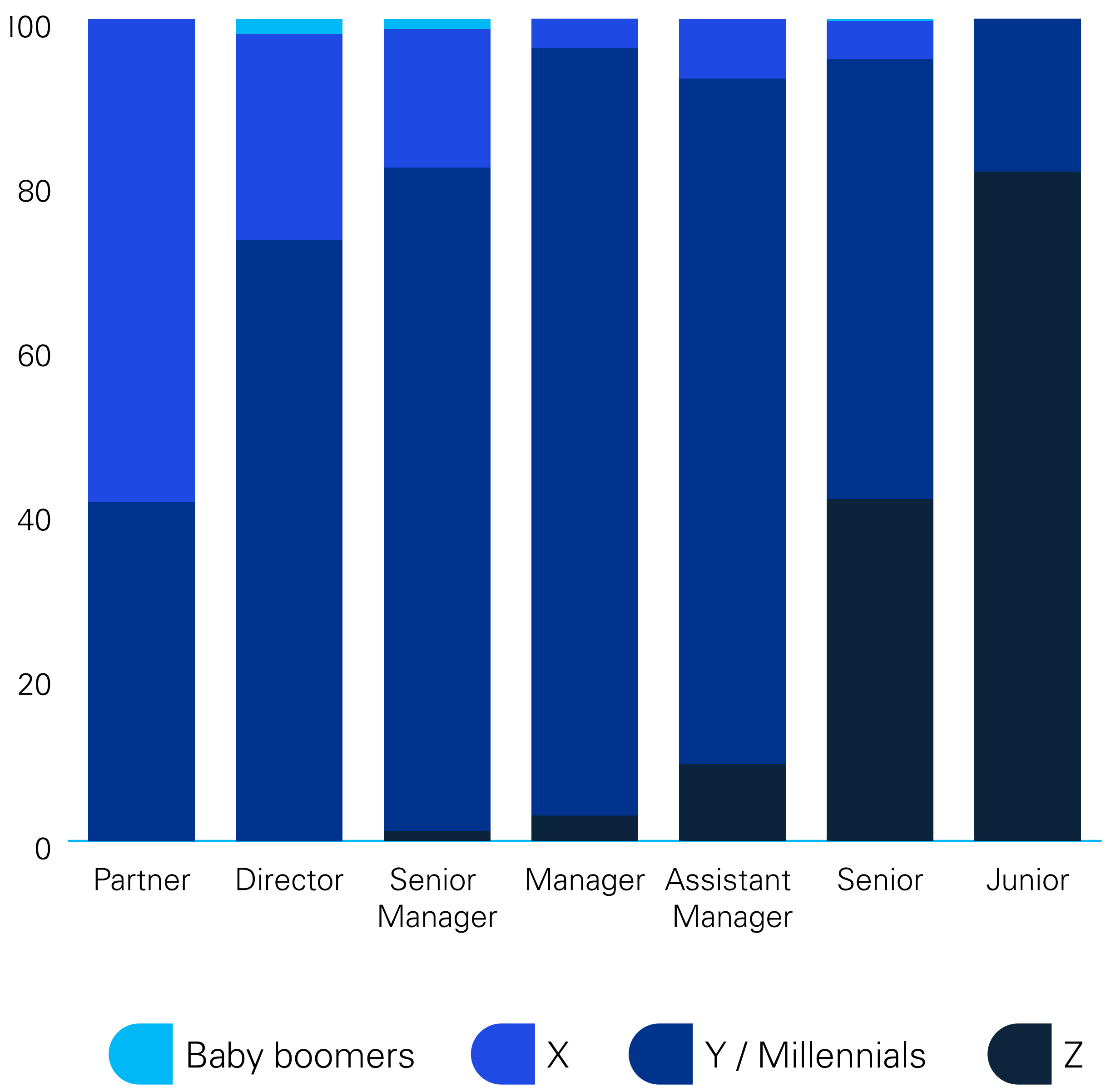
For our KPMG Women's Day in March, we organized an internal communication campaign acknowledging the social, economic, cultural and political achievements of women and the importance of equal opportunities for all. In honor of this day, we shared the inspiring insights of three participants in our SheLeads management program with all our staff. Additionally, we organized a panel discussion, moderated by our Head of Inclusion, Diversity and Equity, with some external female leaders and entrepreneurs who shared insights and experiences from their careers and discussed the role organizations play in fostering professional growth. The event also included a Q&A session and networking drinks, all taking place in a relaxed atmosphere. Shortly after our Women's Day, we announced another meaningful gesture: our women's bathrooms are now supplied with free period products.

At KPMG Luxembourg, employee resource groups are key to our feeling of belonging and to forming meaningful connections between those who share similar interests or even challenges. Acting on the feedback we received from our SheLeads program participants, we saw the need to create more opportunities for our women to network and exchange experience and knowledge. As a result, our existing Women's Network underwent a major restart close to the end of FY2025. Many new members have signed up to be part of the group, to share their input and to help organize initiatives that matter. For the beginning of calendar year 2026, a collaboration with an external women's organization was organized, to include a networking event with both employees and external visitors. More activities for this network are on the roadmap for FY2026.

Women's Day panel

Generational diversity





At KPMG Luxembourg, we believe generational diversity strengthens our work and fuels innovation. In FY2025 we observed a notable rise in Gen Z professionals advancing to higher levels within the organization, bringing fresh ideas and a forward-thinking mindset while continuing to learn from the experience and institutional knowledge of earlier cohorts. This trend is especially pronounced in Audit, where the number of Gen Z colleagues is rapidly approaching that of millennials, giving the Audit teams renewed dynamism and energy.

Over the past year, Gen Z began to reach Assistant Manager level; while initially a small share, they now represent almost 10 percent of our Assistant Managers, with early moves also visible at Manager and Senior Manager levels. At the same time, baby boomers are increasingly retiring and now account for less than 1 percent of our workforce. Today's leadership is largely composed of Generation X and millennials, providing a strong foundation for mentoring and cross-generational collaboration.

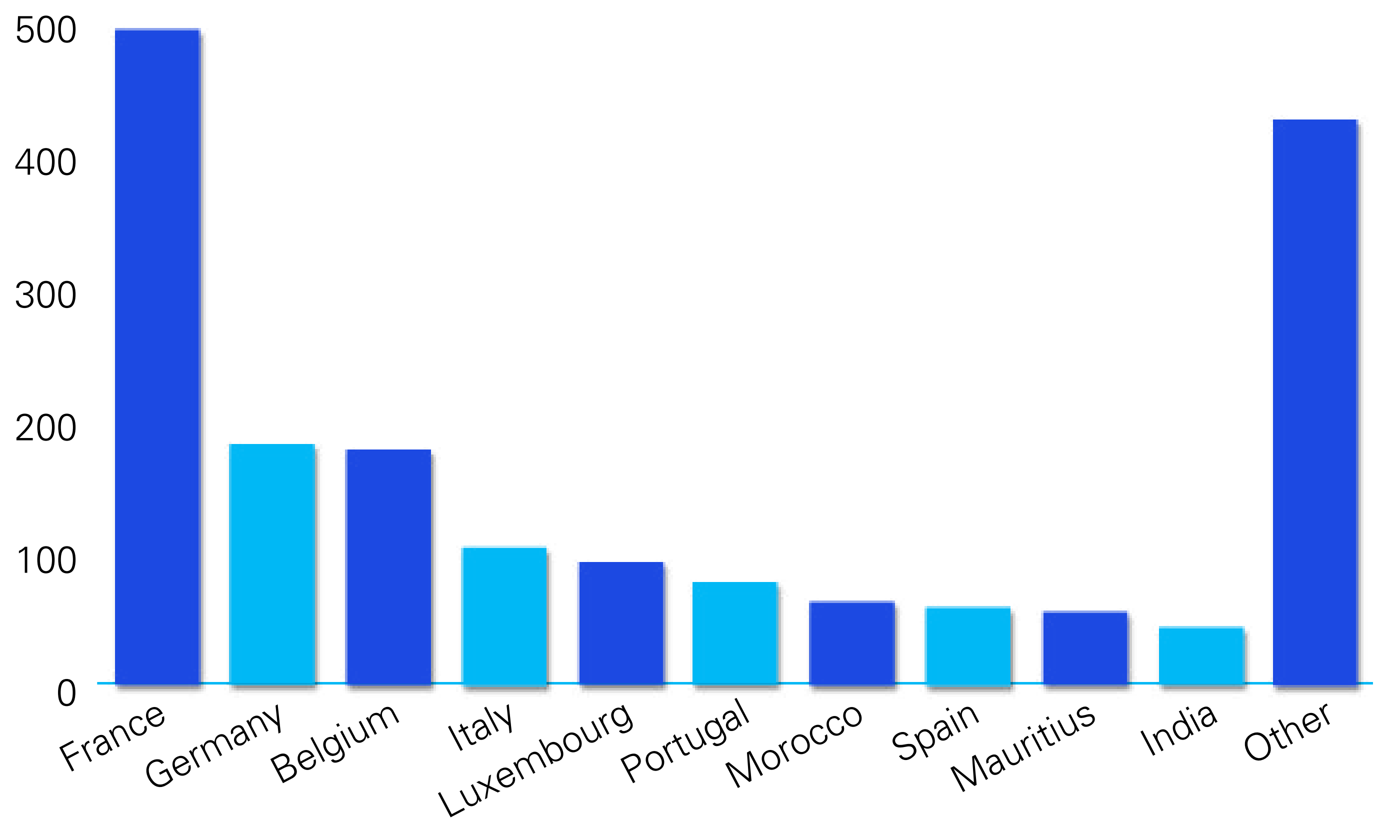
To further foster collaboration across generations, during KPMG Values Week 2025 we organized "Generations at Work – Evolving Together", hosted by our Head of People & Culture, Géraldine Hassler. The event examined the dynamics of multigenerational teams – highlighting strengths, challenges and future opportunities – and featured an interactive panel session with representatives from different generations who shared diverse perspectives and practical insights.

Intergenerational diversity strengthens our business by combining the energy and digital fluency of younger colleagues with the deep experience and strategic judgment of more senior team members. This mix enhances problem-solving, accelerates innovation and improves client service by offering a broad range of perspectives and solutions. It also supports talent development and succession planning through ongoing collaboration and knowledge sharing, with junior staff building experience and organizational insight, and senior colleagues benefiting from fresh perspectives and new ways of working – ultimately driving resilience, competitive advantage and long-term growth.

Generations at Work panel discussion

Intercultural awareness

Countries of origin (all staff) FY2025



Intercultural awareness is central to our "Come as you are" employee value proposition. With colleagues from 84 nationalities, we draw on a wide range of perspectives and life experiences that fuel creativity and strengthen teamwork.

Our annual Diversity Day is one of the central moments in KPMG Luxembourg's year, offering a program of activities that celebrate our multicultural community. Events such as the International Food Market let colleagues share authentic dishes from their homelands, creating informal opportunities to learn about one another's cultures. Beyond this, our cultural calendar is active throughout the year, explaining the meaning of different cultural celebrations and suggesting appropriate greetings – small acts that make a big difference for those living away from home and help everyone feel included.

Informal customs also play a role: employees frequently bring national specialty treats to the office to share, sparking conversation and building camaraderie across teams.
As our international diversity comes with a multitude of different languages, in FY2025 we launched an internal communication campaign to reinforce a core message: inclusivity in everyday communication. Branded "Speaking the language of inclusion", the campaign established a clear expectation that conversations should default to our shared office language of English whenever a colleague may not fully understand the discussion. This simple, respectful practice helps ensure everyone can participate, contributes to clearer collaboration and underpins an inclusive workplace culture. We reinforced this message during our unconscious bias training given in the afternoon of our Diversity Day.
This training was a valuable opportunity for self-reflection to discover our own biases and how we can avoid acting based on them.

Anchored in our values of Integrity, Excellence, Courage, Together and For Better, these practices ensure that respect and belonging are woven into everyday life at KPMG Luxembourg. Diversity here is not merely celebrated – it is integral to how we work and succeed.

International Food Market, Diversity Day

Neurodiversity: fostering understanding and belonging

Awareness of neurodiversity has grown significantly across society, prompting organizations to recognize the value of different cognitive styles and the importance of creating environments where everyone can thrive. At KPMG Luxembourg, understanding how colleagues think, learn and communicate is central to our ethos of working "together" – it helps us build stronger relationships, adapt our approaches and unlock the full potential of every team member.

For businesses, embracing neurodiversity strengthens teams and ways of working: it improves team cohesion by valuing complementary strengths; boosts productivity through diverse problem-solving approaches and creative thinking; and enhances employee well-being and retention by providing tailored support and reasonable adjustments. Additionally, neuroinclusive practices strengthen client service through broader perspectives, help colleagues remain engaged and supported over time and enhance our brand as an employer and ability to attract talent in a competitive market. Our new Neurodiversity Network will serve as a hub for awareness, peer support, practical guidance and workplace accommodations, ensuring that inclusion translates into tangible everyday improvements for colleagues and for the organization as a whole.

The Neurodiversity Network launched with a dedicated awareness training led by Kelly Lynn Redden, a certified consultant specializing in autism, ADHD and dyslexia. The session – attended by more than 300 colleagues both

Neurodiversity awareness workshop, Diversity Day

in person and via Microsoft Teams – offered practical guidance on fostering effective collaboration in neurodiverse teams. Kelly explained the fundamentals of neurodiversity, introduced concepts such as executive functioning and sensory processing, and shared concrete steps to create empathetic, inclusive environments where neurodiverse colleagues feel supported and able to perform at their best. Neurodiversity was the central theme of our Diversity Day 2025, and our community came together to support the cause. Proceeds from the fundraising food market were donated to Fondation Autisme Luxembourg. And when one of our colleagues separately raised funds for the same charity in acknowledgment of achieving his PhD, the KPMG Foundation's Make It Happen fund agreed to match his contribution, demonstrating how collective action can translate awareness into meaningful impact.

Pride at KPMG Luxembourg

The KPMG Pride Network is a cornerstone of our commitment to creating an atmosphere where LGBTQIA+ colleagues feel safe, respected and free to show their true selves. By promoting visibility, allyship and open dialogue the network helps to cultivate a workplace in which everyone can contribute at their best. Being able to bring your whole self to work is essential for well-being, creativity and performance: when people feel accepted and supported, they are more engaged, collaborative and innovative. The Pride Network therefore not only champions individual dignity and belonging, but also strengthens our collective culture and business outcomes by ensuring that diverse perspectives are heard and valued.

This year, we focused on strengthening the Pride Network by making it easier for colleagues to engage in ways that felt meaningful to them. As a result, participation widened across the firm. To encourage involvement and visibility, KPMG covered registration fees for 50 colleagues to take part in the Pride Run, enabling involvement across teams and levels and reinforcing physical and symbolic solidarity with the LGBTQIA+ community. We also joined the Pride march and parade in Esch-sur-Alzette with a group of staff who represented the firm and used the occasion to engage with local communities and other organizations.

Internally, we invested in learning and dialogue: we organized a highly attended training session with Uchenna Jonas on inclusive communication and leadership across diverse identities. Uchenna combined practical tools and policy-aware advice with his personal experience as a member of the pride community. Approximately 60 colleagues participated in person in the conference room, while more than 300 joined remotely via Microsoft Teams, demonstrating strong interest throughout our firm. Complementing the training, a panel discussion convened in the conference room to explore the importance of psychological safety and the right to disclose one's identity at work – the session brought together external speakers, leaders and network members to share perspectives, good practices and commitments for inclusive day-to-day behaviors.

Taken together, these activities increased the network's profile internally and externally, fostered peer support and practical learning, and built momentum for further engagement. The achievements were particularly striking compared with previous years: FY2025 saw the network become much more active, and we will continue to invest in events, training and community-building to maintain and grow this positive trend.

Inclusive communication and leadership training

Equality march in Esch-sur-Alzette

Pride panel discussion

Pride run in Luxembourg City

Pride run in Luxembourg City

Parenting at KPMG

Supporting working parents is a priority for us. To better understand their needs, we started by conducting a firm-wide survey in FY2024, followed by focus groups to delve deeper into the feedback received. Becoming a parent is a transformative experience – exciting, rewarding, challenging and full of unforgettable moments. At KPMG Luxembourg, we are here to support working parents every step of their way. The actions we have implemented so far bring together multiple needs of parents. We have designed a dedicated Parents' Page on our intranet, providing essential information about parental benefits and workplace flexibility, comprehensive guidance on parenting-related absences such as maternity and parental leave and the related administration involved, access to key contacts for questions, and opportunities to join our newly created Parents Network where parents can connect, share experiences and find support. Updates on initiatives designed to help balance work and family life are provided frequently via these channels as well.

For parents with small children, we have established a new collaboration with a nearby day care center, where KPMG parents get priority admission as well as a corporate discount.

Our seasonal family programs continued to be very well received. Both the St Nicholas celebration during the Christmas period and our Family Day held as part of the KPMG Plage summer event provided opportunities for colleagues to bring partners and children to our headquarters, see where we work and enjoy quality time together. These gatherings reinforce community bonds and offer a welcoming, family-friendly glimpse into life at KPMG. Looking ahead to FY2026, we have several initiatives planned: the KPMG International Cyber Day will help parents of older children teach safe internet habits using child-friendly language and practical examples, and we will host a Parents Day for expectant and new parents featuring the People & Culture team, a midwife and an expert in acupuncture and Chinese medicine to cover pregnancy and birth from A to Z.

We remain dedicated to implementing additional suggestions from our colleagues so that working parents receive the support they need to thrive both at work and at home.

Vitaly Kononovich,
Equality Delegate

In our work as the Staff Delegation, and in my role as Equality Delegate, we focus on shaping a workplace where inclusion is part of everyday experience.
Over the past year, our employee communities have continued to grow, supported by active engagement in Pride networking, panel discussions bringing together employees and external speakers, as well as a range of diversity-focused fairs and events. These moments of exchange and visibility play an important role in strengthening understanding and connection across the firm. Through ongoing dialogue with our people, close collaboration with the Inclusion, Diversity & Equity team and constructive engagement with management, we help translate shared values into practical progress. Our commitment is to listen, to support and to contribute to an environment where every individual feels recognized, valued and able to thrive. We remain available and ready to assist whenever questions or concerns arise.

Diversity case study –
The leadership story of Bobbi Jean Breboneria

Bobbi Jean joined KPMG Luxembourg in 2008, relocating from the Philippines for her first international role. Truth be told, due to significant salary differences many university graduates simply have to continue their career abroad to support their families. But for her, the move was much more than a monetary benefit. It accelerated her ability to work across cultures and adapt quickly.

*"**I experienced a full-blown cultural immersion** when I moved to Luxembourg. Not just the faces, the languages, but the way things were done. Firstly, a work culture that was different. Coming from an Asian work environment ... let's just say there were adjustments. Back in the Philippines I have seen very long hours, overnight shifts. Living in the office was quite standard. Here was a different rhythm and approach. It took me some time to recalibrate myself. Secondly, international exposure – that was the real education for me. Suddenly, I was dealing with everyone, from everywhere. It forced me to become agile."*

Although she originally trained in accounting and once thought her career would be in banking or IT, she has "significantly exceeded [her] own expectations" by advancing to her audit leadership role through her determination and a strong work ethic.

On balance, she says, "work–life balance is not a luxury; it's the foundation of success", and she protects evenings and weekends to recharge and enjoy quality time, relying on the support of her husband as they both manage career and home life together.

As an immigrant woman leader, Bobbi Jean's story brings together multiple dimensions of diversity and shows how international exposure, visible role models and programs such as SheLeads help people progress. *"**Women are unstoppable** when they set their minds to something, but additional support for these efforts can be incredibly beneficial. That is why it's so important and valuable that KPMG actively promotes women leadership and recognizes the importance of building a robust support and mentorship system."*

For Bobbi Jean, the most empowering aspect of being a leader is the opportunity to help shape people's careers, and, at times, their future lives. But still, being a leader doesn't mean having no insecurities.

*"**I'm no stranger to imposter syndrome.** Being a leader doesn't mean you're always 100 percent confident in everything you do. Sometimes, you must overcome limits that exist only in your head. It's the daily grind that truly counts, and you should never stop working on yourself. Have I achieved everything I could have dreamed of? Probably yes. Do I want to achieve more? No doubt about it."*

Well-being

At KPMG, we aspire to empower our people to bring their whole self to work and achieve their optimal level of health, well-being and performance in and outside of the workplace. This is why our well-being program was built to better equip and support our people.

Because we are convinced that our people's needs are different and evolve constantly, we have opted for a multi-dimensional approach covering five types of well-being: physical, workplace, social, societal and emotional.

Physical well-being

Taking care of employees' physical well-being is essential for a healthy, productive workforce and workplace: it reduces illness and injury and fosters resilience. By promoting movement, safe work practices and accessible health resources we help people stay energetic and engaged in their roles. This focus reflects our commitment to people's quality of life, while also contributing to a sustainable and healthy workplace.

Team sports and group activities foster strong social bonds and a sense of belonging, which in turn support employees' mental health. The psychological advantages of regular activity complement the physical gains, helping colleagues build more balanced, adaptable well-being.

To make participation easy, our headquarters include a gym and studio space for group classes, while the sports committee coordinates a wide calendar of weekly activities – from runs and fitness sessions to padel, tennis, football, basketball, badminton, chess, cycling, eSports, golf, ski trips and squash. Since FY2024 we have partnered with Barbarian Tribes to offer outdoor boot camps, and colleagues can borrow swimming passes for the Coque aquatic center; KPMG staff also enjoy extended opening hours there. During KPMG Plage we further offer foosball and pool tournaments, as well as yoga sessions.

We also run the Sports4Good Fair several times a year to welcome newcomers and colleagues who haven't yet tried our programs. The fair highlights the variety of activities available, explains how physical activity supports wider health and serves as a lively forum for people to explore new sports and find something they love.

As well as sports, we also host flu vaccination and blood donation sessions at our premises.

Workplace well-being

Workplace well-being at KPMG means adopting working practices that meet both individual needs and organizational objectives, supporting sustainable work–life harmony and providing appropriate resources and facilities in the work environment. It encompasses the team atmosphere as well as the physical spaces and services the firm provides to employees.

We respect the right to disconnect and we reinforce this through company-wide disconnection days when the office is closed to everyone. These measures help protect recovery time, reduce burnout risk and signal that rest and downtime are valued across the organization.

Investing in our workplace environment remains a priority. In FY2025 we delivered several enhancements to support relaxation, the ability to focus and flexible working:

- Recreation and relaxation
  - A pool billiards room and an arcade-style game box on the third floor offer informal spaces for colleagues to recharge and build social connections.
  - Two serenity corners are fitted with massage chairs and guided meditation devices, including immersive lighting and sound experiences. These may be used without booking for 10 or 20 minute sessions, to restore energy and focus.
- Food and communal space
  - Our brasserie has been refurbished to create a brighter, more adaptable dining area that is open daily to all colleagues.
- Flexible seating and hybrid work support
  - To reflect different ways of working – at the office, at client sites, from home or in flex offices – we introduced "work and fly" areas in our offices at 39 and 33 Avenue John F. Kennedy. These non-bookable, easily accessible seats let colleagues use the office for shorter visits without the need for advance reservation.

Together, these initiatives strengthen well-being by creating welcoming, restorative and practical workplace environments that align with KPMG's commitment to supporting colleagues' physical and mental health while enabling productive, flexible ways of working.

Social well-being

Social well-being is a vital pillar of overall health: people who feel included and who maintain meaningful relationships are generally happier and more resilient, resulting in positive effects on both emotional and physical well-being. At KPMG we recognize that colleagues seek to connect beyond their immediate roles – they want an experience of work–life balance and chances to expand their interests. To meet these needs, our social committee works to continually expand a varied offering of events and leisure activities designed to bring people together and foster belonging.

Monthly happy hours, each organized around a distinct theme, create relaxed opportunities for colleagues to mingle and build rapport. Signature moments such as the Halloween movie night, the staff party and the summer tradition of the KPMG Plage deliver shared experiences that strengthen community ties, while family focused events like St Nicholas Day and Plage for Kids invite employees to celebrate with loved ones. The year is rounded off with the festive season countdown traditions, offering a celebratory finale for the whole firm. Collectively, these activities create welcoming occasions where people feel valued and connected.

In FY2025, the social committee launched the Arts & Culture initiative, expanding our social offering with curated access to Luxembourg's cultural scene – from music and theatre to museum exhibitions and family events. The program also includes on-site activities such as guitar and singing lessons, jam sessions for instrumentalists, a board games club and a knitting group. Participants benefit from complimentary museum passes and from the very recently started KPMG Language Café and language buddy program, run in collaboration with the Inclusion, Diversity & Equity team, which pairs colleagues who wish to learn each another's languages. These additions harness our diverse talents and interests to build stronger social bonds and enrich life at work.

Societal well-being

Societal well-being refers to being aware of the positive impact we can have on our community, the environment and other people's lives, as well as contributing to a better world. Having a positive societal impact may help us finding meaning in what we do and increase our personal well-being. This can be achieved by participating in volunteering and other activities for good causes, as described in more detail in our Community investment chapter.

Emotional well-being

Emotional well-being at KPMG means creating an environment where colleagues feel supported, safe and able to seek help when they need it. Our programs combine training, partnerships, policies and flexible working arrangements to prevent harm, respond to distress and promote psychological resilience across the firm.

In addition to providing regular first aid training, we have further developed our existing network of mental health first aiders, with 18 individuals certified by the end of FY2025 and plans to expand this group. These trained colleagues can recognize signs of psychological distress such as anxiety, burnout or addiction, and are available when assistance is needed, to guide peers to appropriate, confidential support.

Our Talent Business Partner team works closely with the ASTF to provide comprehensive support for work-related health issues. The ASTF delivers free medical consultations, recovery support and tailored programs for employees affected by conditions such as burnout or disability, and also runs training, activities and information initiatives to promote well-being.

We offer a range of flexible working and leave options to help colleagues balance professional and personal commitments, including additional holiday allowances, the opportunity to purchase extra days off and the option to work from abroad to stay close to family when required.

Our internal policies protect colleagues against discrimination, moral or sexual harassment and other unacceptable behaviors, helping to maintain a safe, inclusive and respectful workplace for everyone. Recent training during Pride Month included a focused module on nonviolent communication, equipping participants with practical skills to manage difficult conversations and strengthen empathetic interactions across teams.

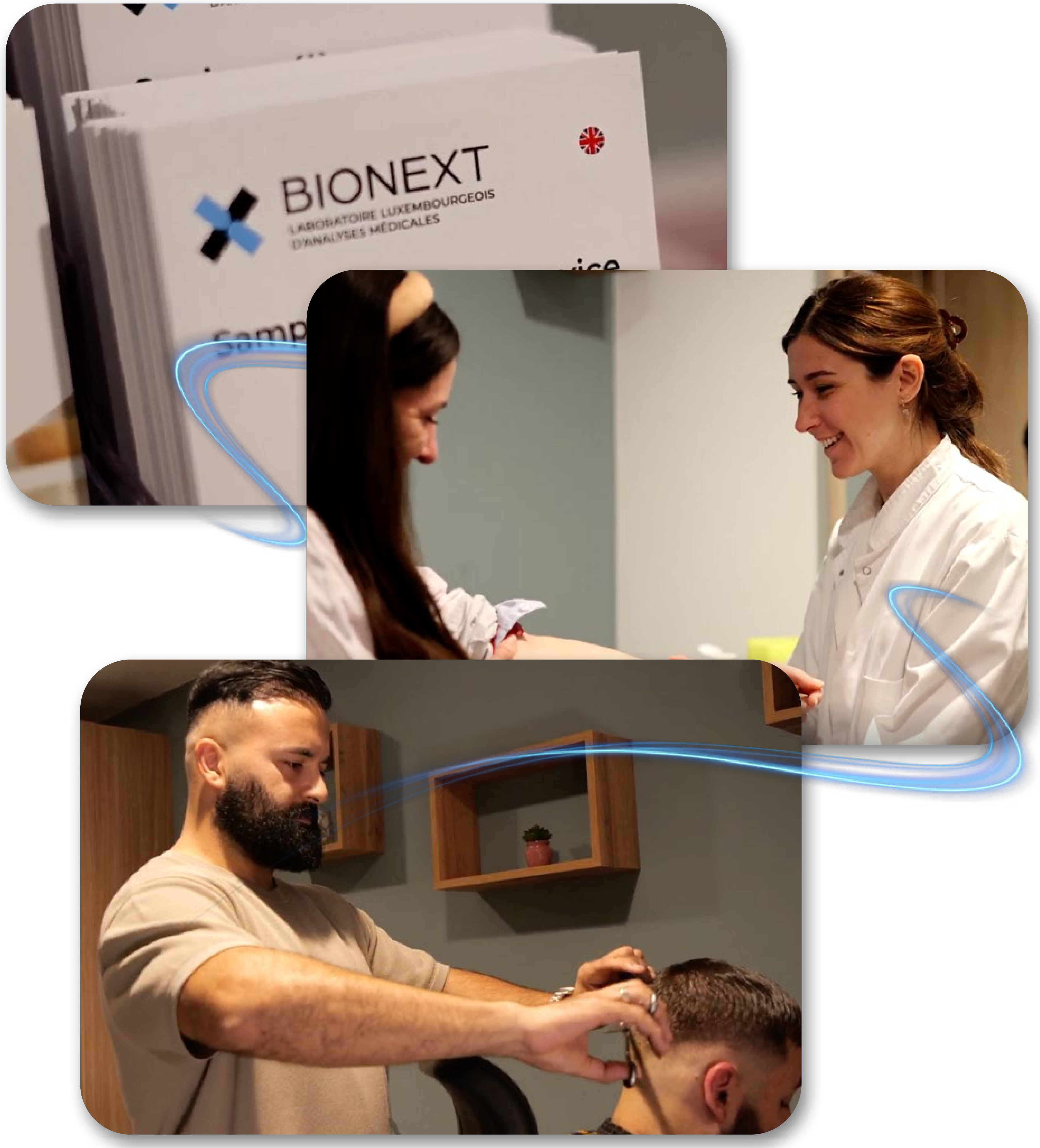
Together, these measures foster a culture of care and responsiveness, ensuring colleagues have access to the resources and support needed to thrive emotionally at work.

Leveling up well-being with the new MyCare services room

Our new MyCare services room brings a range of professional services into the workplace so colleagues can deal with a whole range of personal needs without leaving the office. This initiative is designed to provide added flexibility and convenience for those who choose to use it, with easy appointment booking, regular weekly visits or on-demand sessions, and company discounts.

We offer on-site medical analyses such as quick routine blood tests, plus Chinese medicine, acupuncture and osteopathy for holistic and musculoskeletal care. A visiting suit tailor attends monthly and a premium tailor is available by appointment. Our travel agency partner handles business travel and now provides personal trip booking on-site as well. Weekly hairdresser and barber quick-cut services, a beauty salon for manicure, pedicure and lash treatments, and on-demand skincare and makeup consultations (individual or group) are also available.

This integrated, convenient approach to personal care reflects our commitment to supporting employees' physical and mental well-being, while helping them make the most of their time both in and out of work by eliminating the need to travel elsewhere for these everyday services that are now offered on-site.



01 Principles of Governance
02 People
03 Planet
04 Prosperity
05 Community Investment
06 Technology

KPMG

03

Planet

United for a sustainable future

Climate action

In the light of the significant challenges affecting our planet, we remain firmly committed to operating responsibly. Environmental, social, and governance (ESG) principles are fully embedded in our strategy and service offerings.

Our decarbonization and sustainability efforts continue to drive progress toward the long-term objective we established in 2019: achieving carbon neutrality by 2030. In parallel, we are aligning our ambitions with those of our global network, targeting emission reductions consistent with the 1.5°C trajectory toward net zero by 2050.

Reducing our emissions

Since establishing our climate objective in 2019, we have made meaningful progress in lowering our environmental impact. Reviewing data from several financial years allows us to assess our footprint across the span of recent reporting periods. This retrospective view highlights the progress achieved so far, while also underscoring the continued effort required to reach our long-term ambitions. We are committed to progressing in our climate impact reduction journey and continue to implement a set of important initiatives.

Expanding our EV fleet and infrastructure

For several years we have been steadily converting KPMG Luxembourg's lease car fleet to low-emission and electric vehicles (EVs). At the close of FY2025, more than 60 percent of our leased cars are electric, and the company lease catalogue primarily offers electric models, with only a very limited selection of plug-in hybrids. Our leasing policy aligns with our sustainability objectives: all leased vehicles, whether chosen from the staff catalogue or ordered through our preferred third-party leasing partners, are restricted to a maximum of 50 g/km CO^2. These measures will continue to show their impact in the upcoming years, with more old contracts coming to an end and new orders being placed for EVs. Our headquarters building at 39 Avenue John F. Kennedy in Kirchberg offers 12 EV charging stations, making it convenient for employees who rent a spot in the building to charge at work and positioning electric cars as a practical alternative for those unable to use public transport.

To further advance our e-mobility offering, in FY2025 we introduced four brand-new KPMG Mini Coopers in vivid colors. These EMinis are parked outside the office during the day and can be booked via our internal facilities platform for client visits and other short-term needs. From their introduction in February 2025 through the end of the calendar year, our staff made over 800 reservations to use the eye-catching e-cars, available in "True Blue", "Sky Blue", "Electric Purple" and "Candy Pink".

Our Minis are real eye-catchers, and I did not expect them to attract this much attention during client visits. On one occasion, I have had someone take a photo at a traffic light in Kirchberg, and I had someone stop me in Belval, as I was getting out of the car. We ended up talking about how well branded our Minis are! The comment I hear most often is that you simply cannot miss them. Can you?

For me, the biggest benefit has been practical. My client site is about 25 kilometers from the office, and having a car that is ready, charged and easy to book makes busy days easier. I mostly travelled with team members, and when meetings came up at short notice, we could just pick up the keys and go. That flexibility and having a car readily available helps a lot.

Our Minis are serving two purposes at once. They enable efficient day-to-day client travel while also making our brand highly visible.

Revathi Bye Naggea,
Senior Manager in Audit

Energy efficiency at the office

In FY2025 we continued to advance our energy reduction plan, further reducing Scope 2 emissions associated with electricity, heating and cooling. We maintained the effective measures introduced in previous years, such as disabling hot water in employee washrooms, installing timers on coffee machines to limit operating hours, the widespread use of low-energy LED lighting and ensuring that screens and other equipment are switched off outside working hours.

Our data center benefits from a "free cooling" system that uses outside air to cool servers during winter months when temperatures fall below 10°C, reducing reliance on conventional air conditioning.

Once again, our firm-wide closure days provided collective downtime that supported employee wellbeing while enabling us to power down heating, cooling and ventilation systems during the festive period in December and on selected replacement days throughout the year.

We have started observing the impact of changing weather patterns on our energy profile. With the increase in the average temperature over summer, our building systems reported higher humidity levels, requiring the activation of heating to restore comfortable indoor conditions. In winter, our heating demand decreased as this season has become milder compared with previous years. Our energy consumption is therefore adapting to changing circumstances and the less predictable weather that accompanies climate change, reassuring us that what we are doing to reduce our footprint is more important than ever.

Most of our emission-reduction initiatives are concentrated at our main building, 39 Avenue John F. Kennedy, where we exercise full control over facility management. Where possible, we have also implemented measures in our additional offices in Kirchberg and in flexible workspaces in Belval and Windhof, taking care to respect the constraints of multi-tenant buildings and to avoid affecting other occupants.

Sustainability at the office and beyond

In recent years, we have taken meaningful steps to make our offices more sustainable, and FY2025 built on that momentum. Where possible we have given existing furniture a second life – for example, repurposing items from the former partners' lounge for use in our coffee corners – and when procuring new pieces, we prioritize suppliers who focus on sustainability. This year we donated a portion of our furniture to Solidarité Jeunes SOLINA to support the refurbishment of a residence for young people unable to live with their families. Other event and seasonal items, including furniture from KPMG Plage and surplus Christmas decorations, were sold to colleagues via the KPMG EShop, with proceeds directed to the KPMG Luxembourg Foundation for charitable initiatives.

Our digital recycling program also delivered a strong impact in FY2025. Following a widespread laptop refresh, we were able to donate more than 900 laptops, together with headphones, phones and laptop bags, to charitable partners such as Digital Inclusion asbl. These devices provide access to technology for people who might otherwise be excluded from the digital world, and are paired with training in essential digital skills delivered through courses and open classroom sessions.

As an almost entirely digital firm, we have steadily reduced paper use and printing, which has freed up valuable office space that we are reimagining to better serve colleagues' needs. In FY2025 we redesigned several areas at our headquarters to improve functionality and comfort, introducing new ergonomic workstations to support employees with back issues and other physical needs, Pitstop meeting areas for short, informal gatherings that do not require a full meeting room, and the popular "Work and Fly" zone, which offers flexible seating without reservation in our app for those who only need a desk for part of the day or between client appointments. The Brasserie restaurant area was also updated to provide flexible seating capacity during peak lunch periods.

Our headquarters building was conceived with biodiversity and nature in mind and has been awarded BREEAM certification, achieving top marks for ecological and long-term biodiversity impact. The rooftop supports our sustainable energy use through solar panels and hosts our KPMG bee colony.

Environmentally friendly travel

In FY2025 our revised travel policy became effective, designed to reduce non-essential travel by setting clear limits on the length of client meetings that warrant business trips and by improving trip tracking. Where travel is justified, the policy sets distance and time thresholds that prioritize train or car travel over air travel. Air travel guidance designates economy class as the default, with exceptions only for some long-haul journeys, based on approval.

Since the policy took effect, our travel partner that manages business travel for KPMG Luxembourg has reported an overall reduction in trips and a 40 percent decrease in related CO_2 emissions. This decrease is attributable to the above stricter guidelines that limit travel to instances where it is genuinely necessary. While we continue to value in-person relationships, we recognize that virtual solutions frequently offer effective alternatives that lower our carbon footprint and increase operational efficiency.

For trainings and induction weeks, we continue to avoid sites that require extensive travel for new joiners and training participants, opting instead for more regional, sustainable offsite choices that still deliver engaging and memorable experiences. The Pulse Center training space at 33 Avenue John F. Kennedy, within walking distance of our main office, is further reducing reliance on external venues.

	CY2021*	CY2022*	CY2023*	CY2024	CY2025
Scope 1 emissions (T): KPMG-owned/leased cars	949	404	506	559	347
Scope 2 emissions (T): Purchased electricity (100% renewable)	335	169	186	184	163
Scope 3 emissions (T): Business travel (air, rail and car), purchased goods and services	7542	7360	**	**	**
Gross emissions (T)	8826	7933	**	**	**
Net emissions per full-time employee (FTE) (in T)	5.21	4.60	**	**	**

	FY2021	FY2022	FY2023	FY2024	FY2025
Waste disposal (T)	125	43	47	78	108
Percentage of waste recycled	81%	75%	75%	81%	78%
Water/FTE (m3)	6.62	4.26	5.88	4.81	5.73
Paper/FTE (1,000 sheets)	0.65	0.48	0.36	0.33	0.45

** We are currently reviewing our emission calculation methodology to ensure accuracy, completeness and methodological robustness. Although the Corporate Sustainability Reporting Directive (CSRD) does not apply to our business at this point, we are committed to high standards of transparency and data quality. Scope 3 emissions data will be included following completion of this review for calendar year (CY) 2026.

* Please note that the display of previous years emissions has been adjusted to match the current calculation methodology.

KPMG

Food sustainability

Our firm continuously works to reduce waste throughout its operations, combining environmental responsibility with operational efficiency. Alongside efforts to limit paper consumption and other material waste streams, we place particular emphasis on preventing food waste, especially in the context of event catering. Since 2023, we have partnered with Foodsharing Luxembourg, a volunteer-driven non-profit organization focused on combating food waste. Within the reporting period of FY2025, we saved 180 kg of food from being thrown away. This number has been significantly reduced compared to previous years as, in parallel, we have strengthened our planning and monitoring processes for catering and internal events to better align supply with actual demand. Targeted communication initiatives also raise employee awareness about the impact of "no-shows" on avoidable food waste.

As part of our broader efforts to prevent food waste, we actively promote the consumption of regional and seasonal products. To engage our employees, we hosted a local food market in front of our premises, bringing together eight regional producers who presented a wide selection of organic and seasonal goods – including honey produced by the bee colony located on our rooftop. Together with a neighboring bee hive, it produces honey that we package for client and colleague gifts. In 2025, an early spring harvest followed by a second collection in June yielded approximately 800 jars of honey for clients and KPMG members, with an additional 700 smaller jars distributed at recruitment events and student fairs.

We continued to provide our employees with the option to subscribe to on.perfekt vegetable boxes, featuring regionally sourced produce delivered directly to our office. In recognition of our engagement with on.perfekt, in FY2024, we received the Antigaspi label awarded by the Luxembourgish Ministry of Agriculture, Viniculture and Rural Development in cooperation with the Luxembourg Chamber of Commerce and the Luxembourg Chamber of Trades. This certification acknowledges organizations that actively implement measures to prevent food waste across their operations, including the reduction of surplus, redistribution and repurposing efforts, improved food handling and storage practices, and awareness-raising initiatives.

At the same time, our canteen continued its waste-reduction approach by offering takeaway meals in reusable containers and cups, thereby eliminating single-use packaging. The introduction of an "anti-waste dish" has also been well received, enabling the sale of suitable surplus meals from the previous day at a reduced price.

KPMG

Ensuring an ethical supply chain

As a large organization offering a wide range of services, maintaining clear oversight of our entire supply chain is critical to upholding our values. Our dedicated procurement team evaluates suppliers to ensure fairness, transparency and ethical conduct throughout the procurement lifecycle. Our supplier base – which includes KPMG offices engaged as subcontractors – delivers services, equipment and infrastructure across ICT, security, facilities maintenance and rentals, transportation and travel, insurance and legal services, energy and other areas. We work with a range of highly skilled, service-oriented support suppliers such as those in IT and legal consulting. In line with our sustainability commitments, we prioritize purchasing locally where feasible, sourcing from Luxembourg and neighboring countries. All suppliers must accept our terms and conditions as well as our Supplier Code of Conduct, including adherence to human rights and labor legislation. KPMG also applies rigorous measures to safeguard confidentiality and data protection in all circumstances.

Top 10 countries our suppliers come from

Country	Percentage of suppliers
Luxembourg	47%
UK	7%
Germany	6%
Belgium	5%
France	5%
Netherlands	3%
USA	3%
Spain	2%
Switzerland	2%
Canada	1%

Looking ahead

In FY2026, our firm plans to undertake a comprehensive review of its ESG framework to further strengthen the strategic integration of sustainability across the organization. This process will include the conduct of a double materiality assessment to systematically evaluate our impacts on the environment and society, as well as the ESG-related risks and opportunities affecting our business. The review will also involve structured stakeholder engagement to ensure that relevant internal and external perspectives are appropriately reflected. In parallel, we will reassess our emissions calculation methodology to enhance transparency, consistency and methodological robustness in future reporting.

Building on the foundations of our supplier code of conduct and existing procurement criteria, in the coming year we will further formalize and deepen our sustainable procurement practices by defining and embedding a more detailed set of ESG criteria to be assessed. This enhancement will refine current expectations into clear, auditable requirements across environmental, social and governance dimensions – including carbon and resource efficiency, labour standards and human rights, diversity and inclusion, and anti-corruption and governance transparency. These strengthened supplier-level requirements will be integrated into procurement processes, contract terms and performance monitoring, and will support a broader programme to better measure and reduce our scope 3 emissions. By specifying measurable expectations and verifying adherence throughout the supply chain, we will drive more consistent sustainability performance, reduce upstream risks, and accelerate progress toward our net-zero and responsible sourcing commitments.

KPMG

04

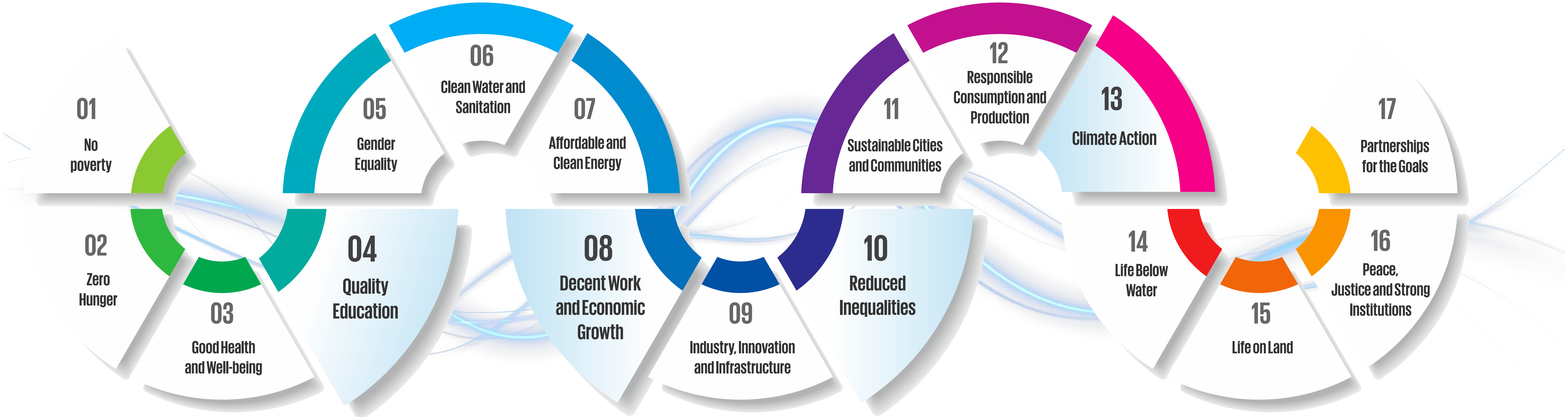
Prosperity

Positive impacts for people and planet

Sustainable Development Goals

Prosperity means more than financial success – it is about people and places flourishing. At KPMG, that aspiration drives everything we do for our planet, our colleagues and the communities in which we live and work. Guided by the values Together and For Better, we combine our business expertise with targeted philanthropic efforts to create positive, lasting impact and to support those most in need. Our programs align with the United Nations Sustainable Development Goals, with a particular focus on:

- SDG 4 Quality education
- SDG 8 Decent work and economic growth
- SDG 10 Reduced inequalities
- SDG 13 Climate action



01 Principles of Governance
02 People
03 Planet
04 Prosperity
05 Community Investment
06 Technology

KPMG

Sustainability approach in 2025

2025 marked a distinct turning point in how organizations engage with sustainability. With the introduction of the European Commission's Omnibus Package, the sustainability landscape underwent its most significant recalibration since the launch of the CSRD. The revised framework, designed to "simplify without deregulating", reduced the number of companies in scope, postponed reporting timelines for many and streamlined ESRS requirements, raising eligibility thresholds and limiting value chain data obligations.

While these changes relieve administrative pressure, they also shift the paradigm: **sustainability is moving away from a purely regulatory exercise and back toward strategic business integration.** Companies can no longer rely on compliance alone to demonstrate progress. As highlighted in our internal sustainability discussions, the reduction of mandatory reporting risks slowing momentum internally, unless organizations re-anchor sustainability as a driver of value creation and competitiveness.

At the same time, these reforms exposed a long-standing structural challenge: **nonfinancial data remains fragmented, inconsistently managed and often subject to limited internal controls.** Many organizations are now confronted with the complexity of proving value creation from ESG initiatives when data quality and ownership are not yet mature.

For KPMG Luxembourg, this shift represents an opportunity and a responsibility. As reporting obligations become lighter for many businesses, the focus must now move toward what genuinely creates impact for **business, society and the planet**. In that context, 2025 reaffirmed the need to:

- integrate sustainability deeply into corporate strategy and decision-making;
- strengthen internal data-governance frameworks to ensure consistent, high-quality nonfinancial information;
- measure and communicate positive impacts in ways that go beyond minimum compliance;
- design and implement sustainability initiatives that are resilient, meaningful and aligned to long-term value creation.

The reform is reshaping client expectations as well. As seen in market discussions, the shift away from mandated reporting toward voluntary alignment means that **competitive advantage will increasingly stem from credible sustainability performance, not from regulatory pressure.** Organizations that proactively mature their ESG data, governance and strategic ambition will be better positioned to maintain investor confidence, access financing and respond to societal expectations, even in a lighter regulatory environment.

2025 was therefore not the year sustainability became less important, but the year it became more intentional. By focusing on data quality, strategic integration, measurable outcomes and purpose-driven action, companies can ensure that sustainability continues to create meaningful value, even as the regulatory framework evolves.

Prioritizing the prosperity of our people

People are at the heart of building prosperous communities, and that work starts within our own organization. We are committed to providing sustained, holistic support that enables employees to enjoy balanced and fulfilling lives. By listening to feedback and offering competitive benefits that safeguard well-being, we demonstrate our care through meaningful incentives and targeted investments. This commitment makes KPMG an attractive place to work for current staff and future talent, and ultimately benefits our firm, the communities we serve and the people who make our work possible.

Benefits for KPMG employees

- Lunch vouchers with Pluxee (electronic card)
- Gift vouchers at life events (birth and marriage)
- Teleworking premium (excludes partners/managing directors)
- Thirteenth-month pay (opportunity to apply toward additional holidays; excludes partners/managing directors)
- Car leasing scheme and fuel card
- Parking facilities
- Digital devices: laptops, mobile phones and competitive network plans
- Large selection of trainings
- Interest subsidies
- Death and disability insurance
- Private health insurance with DKV
- Complementary pension plan
- Flu vaccination
- Preferential conditions with local banks
- Work-from-home subsidies that support the hybrid working model
- Various in-house services (MyCare services room, sports, wellbeing and leisure activity offerings, and more)

Parental leave

True inclusion means giving everyone the same chances to succeed, and supportive parental leave policies are a key part of that. KPMG understands the pressures of juggling family and work, and we prioritize helping new parents before, during and after their leave. The parental leave data shown here focuses on trends among new parents, but our policies and programs are available to anyone with parental responsibilities. All employees except Trainees (due to the maximum length of their contract) were eligible for parental leave, and 97 persons made use of those rights.

Women starting and ending parental leave

	Starting	Ending
Full-time	33	42
Part-time	1	2
Total	**34**	**44**

Men starting and ending parental leave

	Starting	Ending
Full-time	26	26
Part-time	9	8
Total	**35**	**34**

Number of staff benefiting from parental leave in FY2025, by function

	Women	Men	Total
Advisory	7	13	20
Audit	19	11	30
Business Services	14	11	25
Tax	13	9	22
Total	**53**	**44**	**97**

Retention among employees who took parental leave in FY2025

Only one employee out of 97 left the firm after their return from parental leave. All the others were still with KPMG at the end of the financial year on 30 September 2025.

Retention after one year among employees with parental leave in FY2024

Still active at KPMG Luxembourg at 30/09/2025	Women	Men	Total
No	22	11	33
Yes	29	40	69
Total	**51**	**51**	**102**

In percentage terms:

Still active at KPMG Luxembourg at 30/09/2025	Women	Men	Total
No	43%	22%	32%
Yes	57%	78%	68%

Under Luxembourg law, all employees are entitled to parental leave after the birth or adoption of a child. Beyond maternity leave, staff of any gender may opt for parental leave in one of the following ways:

- four- or six-month full-time leave
- eight- or twelve-month part-time leave at 50 percent of normal working hours
- four separate one-month periods to be taken within a 20-month timeframe

Our Employee Engagement team works with line managers to support colleagues returning from extended leave. That support includes:

- staying in touch during leave to confirm return dates, schedules and terms
- preparing the team and providing an onboarding coach on the first day back
- holding regular check-ins to monitor the reintegration experience
- organizing welcome-back gifts
- maintaining suitable nursing facilities, policies and dedicated time for needs

Global Mobility

Be it through long-term or short-term Global Mobility assignments, KPMG continues to invest in its employees and clients by aligning our skills and capabilities with clients' needs anywhere in the world. This year, KPMG Luxembourg participated in 21 Global Mobility assignments, including welcoming and sending Tax Trek assignees within our Tax line of business and Talent Corridor assignees within our Audit line of business, as well as Advisory assignees. Besides contributing to their business teams, these assignees participated in a local marketing and communications campaign that helped to share the benefits of the program by showcasing assignee testimonials in our #TeamBlueNews newsletter. Current and former assignees also gathered with prospective candidates to share their firsthand experience of Global Mobility at a breakfast gathering which will continue to be an annual event. Global Mobility was also represented at a number of "P&C and You" initiatives, an opportunity to talk informally to the People & Culture (P&C) team, in order to answer questions that staff might have about the program. Through continued efforts to educate and motivate around Global Mobility opportunities, we hope to build a program that ultimately enhances our knowledge base and worldview while simultaneously meeting client and business needs.

Creating wealth and employment opportunities

At KPMG, we remain actively engaged with the evolving recruitment landscape, which today oversees multiple generations working side by side. As Gen Z employees enter the workforce at more senior levels, our recruitment focus has expanded to reflect their expectations, skills and values, while continuing to leverage the experience and expertise of preceding generations.

This generational diversity fosters collaboration and brings together a broad range of competencies, perspectives and professional experiences, contributing to the continuous evolution of our organizational culture and capabilities. The transition from Gen X to a more digitally native and technology-savvy talent pool reflects broader market dynamics and reinforces our commitment to innovation and adaptability. In this context, the launch of our first Tech Recruitment Day marked a key milestone, enabling us to deepen our focus on artificial intelligence, digital capabilities and emerging technologies. This initiative supports our ambition to address evolving client needs and to deliver high-quality, future-ready services.

Our recruitment strategy is further strengthened through the implementation of advanced recruitment tools, a continued focus on addressing the gender pay gap and the adoption of a broader, competency-based approach to skills assessment. These initiatives not only reinforce the strength and diversity of our workforce but also enhance the overall candidate experience, ensuring higher quality through a more selective and transparent hiring process.

As a result, our hiring processes are more data-driven, inclusive and aligned with best practices in fairness and transparency. The talents who joined KPMG during the 2025 financial year came from diverse geographical and professional backgrounds, with many bringing dual expertise in finance and technology. These profiles align closely with our recruitment criteria and strategic objectives, positioning the firm to meet both current and future market challenges.

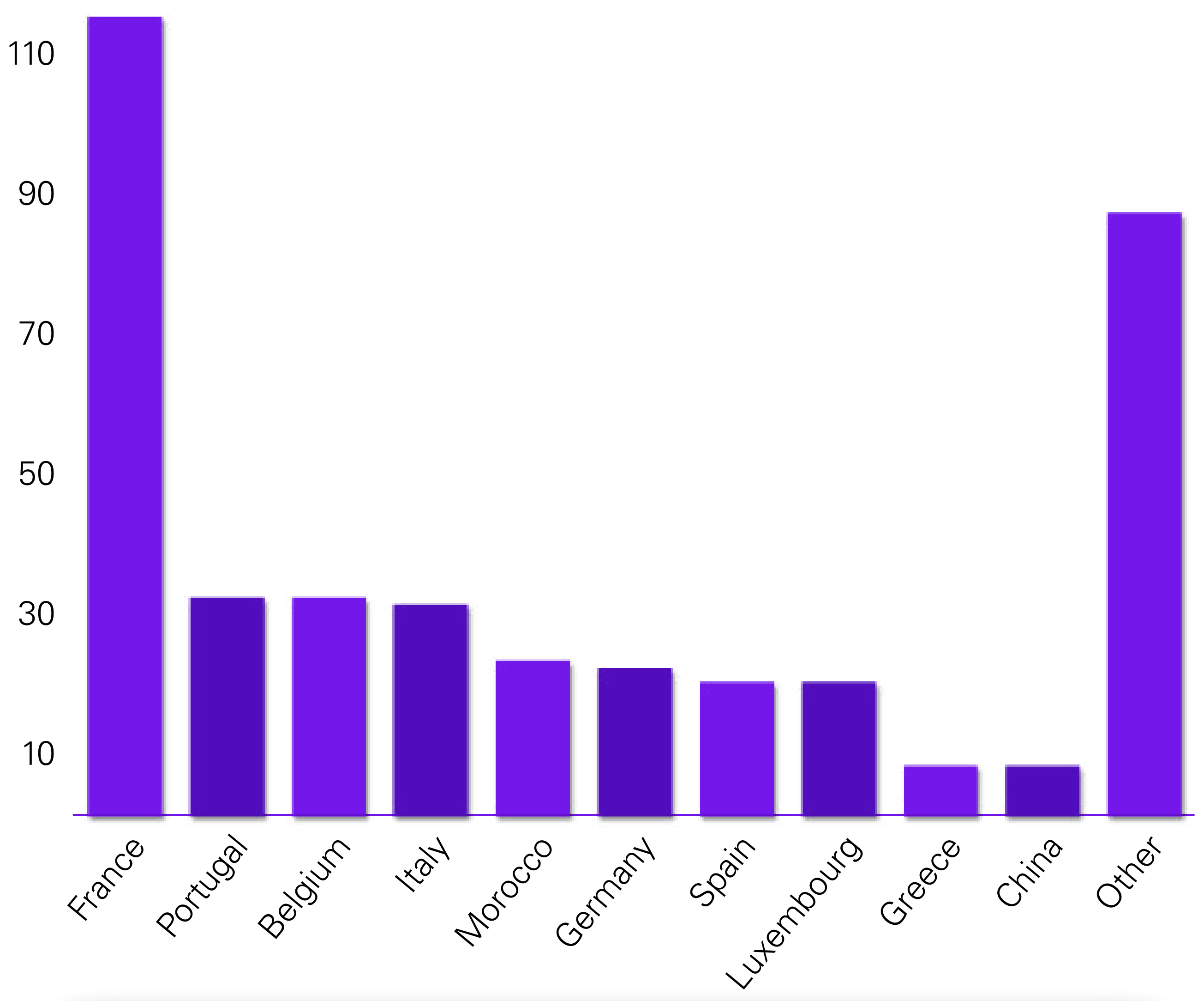
New hires by gender (FY2025)

Women	169
Men	218
Total	**387**

New hires by generation (FY2025)

Gen X	8
Gen Y/Millennial	104
Gen Z	275
Total	**387**

New hires by country of origin (FY25)



Flexible and diverse employment

Most of our staff are employed on permanent contracts rather than temporary or fixed-term agreements, demonstrating our focus on stability, long-term relationships and a resilient organizational culture.

Number of staff by employment contract and gender, as of 30 September 2025*

	Women	Men	Total
Permanent	752	1003	1755
Temporary			
Fixed contract	4		4
Global assignment (long-term contract)	1	2	3
Total	**757**	**1005**	**1762**

*Headcount excludes traineeships, student contracts, subcontractors, short-term global assignments, virtual assignments from other KPMG member firms and individuals on long-term leave as of 30 September 2025

Number of staff by employment status and gender, as of 30 September 2025*

	Women	Men	Total
Full-time	685	981	1666
Part-time	72	24	96
Total	**757**	**1005**	**1762**

In FY2025, we observed an increase in the number of employees choosing part-time working arrangements. The number of part-time employees rose from 88 in FY2024 to 96 in FY2025. No significant changes were identified in parental leave uptake during the same period.

Flexible and diverse working arrangements are key to delivering a positive employee experience. Accordingly, we actively promote part-time working models to support employees in balancing professional responsibilities with their personal commitments. Our People Services and Payroll teams work closely with the employees to identify their optimal combinations of part-time arrangements and holiday purchase options tailored to individual needs.

Embedding part-time work as a standard practice supports inclusive career progression and development opportunities, irrespective of full-time equivalent (FTE) status.

Employee turnover*

Employee turnover by generation (FY2025)

Baby boomer	0.7%
X	5.8%
Y	53.0%
Z	40.4%

Employee turnover by gender (FY2025)

Women	167
Men	242

* Total turnover rate (including voluntary and involuntary terminations) of 22.9 percent, based on the average headcount of 1,779 employees during FY2025

Turnover levels in FY2025 were in line with broader industry patterns, reflecting the changing dynamics of our sector. Overall departures decreased compared with FY2024. Differences observed across genders align with the composition of our workforce and do not indicate any underlying imbalance.

We will continue to closely track and review workforce trends to ensure fairness and equal opportunity. As highlighted in the People section, our initiatives are focused on creating an environment where employees feel supported and able to thrive over the long term.

Additional job opportunities through strategic outsourcing

FY2025 is emerging as the year we convert global scale into local advantage – turning the breadth of KPMG's network into measurable impact for our teams and clients in Luxembourg. Our outsourcing approach has matured with purpose, aligning with the KPMG Global Collective Strategy while staying anchored in local needs. The result is a delivery model that is more resilient in peak times, more efficient in steady state, and more empowering for our people.

A key catalyst has been our collaboration with the KPMG Delivery Network (KDN) which is the global delivery center for all member firms in the network. On Audit, the integration of a ticketing system brought new ways of outsourcing our daily routines, enabling faster triage, transparent follow up, and smoother handovers. In parallel, we explored early discussions of a team extension model to absorb pressure during yearly crunch periods and ensure

consistency with a stable team. Multiple KDN visits to our Luxembourg office heightened momentum, opening the door to practical (technology) solutions and helping us identify where these solutions can add the most value across service lines. In Tax, KDN's pilot on Corporate Income Tax Return preparations landed as a clear success, demonstrating that targeted external support can accelerate timelines and uphold quality without compromising our standards.

We also refined how and where outsourced capacity is deployed. By promoting movement of resources across business functions to mirror seasonality – adding support in peak periods and scaling back during quieter months – we increased utilization and ensured the right capabilities show up at the right moment. This shift has reduced idle time, improved predictability, and given teams stronger relief when workload spikes.

Our partnerships with other member firms in the network have been essential in enhancing delivery and meeting commitments. Starting with a smaller team, we quickly scaled up thanks to their adaptability, especially when responding to urgent needs. Collaboration with these member firms has been defined by trust and ongoing improvement, with regular visits and shared lessons helping us refine our approach for the future.

Compared to the previous year, we also saw consistent support from other member firms, mainly in Audit but increasingly in business services and advisory. Their willingness to expand into new areas and deliver results highlights the strength and versatility of cross-border collaboration.

All of this progress is ultimately about creating better experiences for our people and clients in Luxembourg. For our teams, it means sharper planning, and clearer decisions about which tasks to keep in house versus which to assign externally. Lower value and repeatable activities can be routed to our delivery centers with confidence, while our local professionals focus on judgement heavy, client facing, and innovation led work. And when the calendar tightens, we can activate surge capacity, knowing our outsourcing partners understand our standards and ways of working.

Just as importantly, this evolution started to free space and focus into automation and AI – embedding smarter tools into day to day processes, retaining more value locally, and making work more engaging. The benefits are both practical and human: fewer bottlenecks, higher productivity, greater engagement, and more opportunities to grow in the areas that matter most – technical excellence and client impact.

Taken together, FY2025 was not simply a resourcing shift; it was a signal of how we intend to operate as one connected firm. With our network of outsourcing providers alongside us, we built a delivery model that is robust in the peaks, efficient in the lulls, and primed for ongoing improvement. The momentum is real, the partnerships are strong, and the path forward is clear: continue turning global scale into local advantage – one well-designed collaboration at a time.

KPMG

05

Community Investment

Giving back

KPMG Luxembourg supports charitable causes through two primary channels:

- Contribution of time and donations from KPMG employees
- The KPMG Luxembourg Foundation (the "Foundation")

Contribution of time (volunteering, pro bono hours)

At KPMG Luxembourg, community engagement is central to our culture. Employees are encouraged to support both local and international causes through pro bono work and volunteering, either organized by KPMG or initiated themselves with the approval of the Corporate Citizenship team. Our policies enable meaningful participation: staff may use up to four working hours per month for charitable activities during their regular workday and are eligible for up to two weeks' leave for extended volunteering assignments.

Volunteering hours

After the significant increase in volunteering hours in FY2024, we sustained a high level of engagement into FY2025. This continuity is driven by regular monthly initiatives, including visits to Centre Saint-Aubain in Belgium, a foster home that provides a safe living environment for babies and kids, where volunteers spend time with children and accompany them on outings to local parks and attractions to brighten their everyday lives.

Throughout the winter, we again supported Action Hiver (Wanteraktioun) at Findel Airport, in partnership with Dräieck asbl, serving hot meals and drinks to shelter beneficiaries on several occasions each month. Teams of four to five volunteers took part, gaining humbling perspectives through supporting people in need.

Late in FY2025 we launched a recurring collaboration with Digital Inclusion Luxembourg's Open Classroom. On selected Fridays each month, beneficiaries can access computers, printers and other devices in the organization's office and our volunteers provide basic IT assistance and help with digital administrative tasks, improving access to essential services.

On the environmental front, we partnered with Ville de Luxembourg for the Cleanup Challenge, mobilizing colleagues to tidy Kirchberg's streets and outdoor spaces and to sort waste for proper disposal. Building on that momentum, we introduced a water-based cleanup: a river-cleaning event on the river Sauer between Dillingen and Echternach, organized in collaboration with the Commune of Beaufort, which provided the necessary equipment and materials. Thirty volunteers recovered a substantial volume of trash, delivering visible impact in our neighboring region. Teams navigated designated stretches of the river in kayaks, focusing on easily accessible spots where rubbish tends to accumulate. The items collected – which ranged from plastic bottles and packaging to larger objects and household items – were removed, bagged and brought ashore for proper disposal or recycling. Given the positive response and clear impact, we plan to develop this format further in future seasons.

Food collection also remains a firm favorite activity. In collaboration with Banque Alimentaire Luxembourg, our teams ran a donation drive at the Auchan supermarket near our office, distributing flyers, informing shoppers and collecting durable food items from them after the checkouts. Six pallets of food were collected thanks to the enthusiastic efforts of our volunteers who engaged customers and helped sort the donations.

Overall, these activities continue to foster team bonding and a strong sense of purpose across the firm, reinforcing employees' ongoing commitment to contributing their time and skills to meaningful causes.

For the upcoming financial year, more new volunteering opportunities are on our roadmap, including a team-building option for volunteering together to organize storage of the items from the Auchan food collection at the Banque Alimentaire warehouse, and more.

Food Collection with Banque Alimentaire at Auchan Kirchberg

Action Hiver at Findel Airport

River Cleanup Challenge between Dillingen and Echternach

Pro bono contributions

KPMG Luxembourg continued to lend its expertise to social initiatives through targeted pro bono activities in FY2025. We again took part in Jonk Entrepreneuren Luxembourg's Job Shadow Day, with partners and managers hosting students to give them firsthand insight into professional roles and day-to-day responsibilities.

Our Digital Accelerator team also contributed to the AI Advantage Program developed by KPMG Global, delivering train-the-trainer sessions for a partner NGO to strengthen its staff's understanding of artificial intelligence and build the confidence needed to transfer AI capabilities throughout the organization. The program covered prompt engineering fundamentals, meaningful use cases and the limitations of generative AI for images and video, as well as the ethics and compliance considerations that should guide responsible AI deployment.

Looking ahead, in the next financial year KPMG Luxembourg will join the Global Cyber Day initiative to deliver cybersecurity basics to children and young adults, both through our internal parents' network and via selected partner NGOs in the education sector.

We are grateful to our professionals for donating their time and expertise: their commitment plays a valuable role in supporting education, digital literacy and capacity-building across the community.

Philanthropy

The KPMG Luxembourg Foundation was established in 2009 to support charitable projects both locally and internationally. Each year, the Foundation awards financial contributions to nonprofit organizations selected through a competitive application process overseen by a dedicated internal team. Shortlisted associations present their initiatives to the KPMG Foundation Committee (a group of KPMG employees), which reviews the applications and votes to decide which projects receive funding. In FY2025, 14 organizations presented their projects, of which seven were selected for funding. Two local projects based in Luxembourg and one project in the Greater Region received 60 percent of available funds and four international ones received the other 40 percent. This distribution prioritizes local impact while still supporting our strategic international partners. All selected projects contribute to at least one of our selected UN Sustainable Development Goals, notably quality education, climate action, reducing inequalities and decent work and economic growth. In FY2025, as part of its larger giving total, the KPMG Luxembourg Foundation allocated a budget of €81,500 for sponsorships.

Beneficiaries of the KPMG Luxembourg Foundation in 2025

Local associations

Bright

Bright asbl is dedicated to dismantling barriers that prevent individuals from accessing higher education. The organization combines mentoring with targeted financial aid to enable students to complete their studies and enter a stable profession. In FY2025, the Foundation sponsored a former paramedic and father who is retraining as a nurse: the grant reduced his need to work additional jobs while studying, helping him finish the program and secure a sustainable income for his family. Due to the general lack of nurses in Luxembourg, Bright's mission contributes both to the personal success of individual students as well as to closing a gap in the health system that requires urgent attention.

Cap Espérance

Cap Espérance organizes holiday experiences for children in remission from cancer or blood disorders, supported by a dedicated medical team so treatment can continue away from a hospital setting. The Foundation funded the association's flagship project – the annual summer camp in Saas-Grund, Switzerland. This year, the camp brought together children in remission and their siblings, providing a safe and joyful environment for 35 children (20 patients and 15 siblings) to enjoy moments of normal childhood while remaining under medical supervision.

Alupse Bébé

Alupse Bébé is a service of the Luxembourg Association for Social Pediatrics that offers personalized, early-stage support to expectant and new parents facing multiple life challenges. In FY2025, the Foundation once again supported the "Baby Box" initiative – a comprehensive starter kit produced in Luxembourg, providing everything a newborn needs during the first months of life, including essential items and a portable baby bed. Designed for vulnerable families referred by hospitals, shelters and midwives, the box improves infant safety and promotes healthy early childcare practices.

International associations

Friendship

Friendship delivers education and development services to remote and underserved communities in Bangladesh, particularly on river islands known as "chars". Through a long-term partnership, the Foundation supports Friendship's work to reduce marginalization, prevent child marriage and empower women by expanding access to quality education. Building on the "KPMG Chars" education programs in Goynar Potol, Feska and Nayer Char, the Foundation now supports a secondary school of 97 students, whose enrollment is expected to reach 125 students by 2026.

Life Project 4 Youth (LP4Y)

LP4Y supports young people excluded by extreme poverty across Asia and the Middle East, helping them acquire vocational skills and access decent employment. The FY2025 support, similar to previous years, was directed to the "Green Village" in Nepal – this time, to restart activities after landslide damage and to fund a three-month residential education program for young women that the Foundation has contributed to for several years. The Green Village can support up to 240 young people per year, equipping participants with transferable skills, thus improving their employability and enabling them to secure decent jobs and access sustainable income opportunities.

Îles de Paix

Îles de Paix works with disadvantaged rural communities to enhance food security and livelihoods through sustainable family farming and responsible food systems. The Foundation's contribution supported projects in Uganda that create farming job opportunities for youth and develop healthier, more resilient local food systems, promoting autonomy, environmental stewardship and improved quality of life.

Pour un Sourire d'Enfant (PSE)

Pour un Sourire d'Enfant combats poverty and systemic inequality in Cambodia by closing the education gap with long-term, sustainable programs that accompany children from early schooling into adulthood. The Foundation's FY2025 grant supported 10 students in the Remedial Education Program, expanded to include grades 10–12 and strengthen pathways to further education and decent employment. The program offers accelerated catch-up education (Year 0 and Years 1–4), enabling students to gain knowledge equivalent to eight years of public schooling.

KPMG Luxembourg Community Investment

Overview of FY2025 vs. FY2024

A. Financial contributions	FY24	FY25
KPMG Luxembourg	€10,235	€6,704
KPMG Luxembourg Foundation (incl. Make it Happen fund)*	€99,528	€68,851
Donations from KPMG partners and employees as part of internal initiatives (payroll giving and ad hoc donations)	€24,096	€49,430
Charity sponsorships or memberships	€40,982	€32,199
Total	€174,841	€157,184
B. Non-cash contributions		
Market value of in-kind contributions (tangible assets like IT equipment, office space, etc.)**	€175,960	€46,256
C. Contributions of time		
Pro bono professional services	148 hrs	95 hrs
Volunteering hours (community service)	972 hrs	765 hrs
Total hours	1,120 hrs	860 hrs

* FY2024 KPMG Luxembourg Foundation figures: corrections in calculation have been applied to FY2024 data to be in line with the method used in FY2025.

** FY2024 includes office space for LUkraine asbl; FY2025 includes laptop donations to Digital Inclusion asbl.

10x30 strategy

KPMG's 10x30 initiative reflects KPMG Global's firmwide commitment to economically uplift 10 million disadvantaged young people by 2030. The program focuses on widening educational access, equipping youth with critical employability skills and creating pathways to work and entrepreneurship.

As part of this commitment, we partner with Life Project 4 Youth (LP4Y), an international NGO dedicated to fostering social and professional inclusion for vulnerable young people. Over multiple years, the KPMG Foundation has funded LP4Y's Green Village in Nepal – a three month, residential skills and training program for rural youth. Since 2023, we have also run a volunteering program in which colleagues conduct numerous online mock interviews for young women in the LP4Y cohort, helping them improve their performance in recruitment settings.

As part of our FY2025 sponsorship campaign, we provided support to five organizations that advance SDG 4 (quality education) and work to reduce inequalities in early-life opportunities for children and young people. The beneficiaries of this round of sponsorship were LP4Y, Friendship, Îles de Paix, Pour un Sourire d'Enfant and Bright asbl, each of which delivers programs designed to improve access to education, well-being and long-term prospects for disadvantaged communities.

To enhance employment prospects for refugees, the KPMG Luxembourg Foundation partnered with RYSE's RecruitMe project by contributing volunteer time. Members of our recruitment team dedicated their expertise to coach participants on local labor market dynamics, CV preparation and interview techniques. Through this hands-on mentoring, refugees gained practical guidance and increased confidence to pursue job opportunities and take concrete steps toward establishing a stable future in Luxembourg.

KPMG Luxembourg is also a sponsor of Jonk Entrepreneuren Luxembourg, a nonprofit organization that inspires and trains young people to become entrepreneurial thinkers and future business leaders. Through events like the Job Shadow Day, in which we participated as host, offering workshops, mentoring and hands-on projects, Jonk Entrepreneuren equips students with practical skills in entrepreneurship, problem solving and project management, helping them translate ideas into viable initiatives and fostering a culture of innovation across Luxembourg

Staff donations

KPMG Luxembourg's community impact is amplified by our employees' generosity. Through the payroll giving scheme, staff members can make regular monthly donations to the KPMG Luxembourg Foundation, which supports a variety of local and international initiatives every year.

Our colleagues participate in fundraising activities year-round. For example, four teams of KPMG employees participated in Relais pour la Vie at the Coque center in Kirchberg, joining a large, communitywide 24-hour relay race to raise funds for cancer research. With this moment of team spirit on the running track, we showed our solidarity toward the patients and caregivers who are fighting the disease 24 hours a day.

Relais Pour la vie with Fondation Cancer at Coque

Valentine's Day Bake Sale for Femmes en Detresse

On Valentine's Day, employees donated homemade baked goods that were sold internally, with all proceeds used to purchase hygiene products and school supplies for donation to Femmes en Détresse, a charity that provides shelter and support to women and children escaping dangerous or violent family situations. In another initiative, we partnered with the Red Cross to host an on-site blood drive two times per year, making it easier for staff to donate and help alleviate blood shortages in Luxembourg.

In addition to these events, we provide in-kind donations on request – from hygiene products for the shelters of Stëmm vun der Strooss to Christmas gifts for children in refugee centers. Employees also collected other childcare equipment at our office, including children's car seats, toys, clothes and more, to share with our partner associations who have a need for this. These activities reflect a strong culture of philanthropy at KPMG Luxembourg and our shared commitment to supporting communities at home and abroad.

Within the scope of the KPMG Foundation's Make it Happen fund – an initiative where the Foundation contributes to personal fundraising initiatives of our employees – one colleague chose to raise donations for Fondation Autisme in celebration of completing his PhD. The Foundation matched his contribution to support the good cause and to recognize his academic achievement.

Proceeds from our international food market, held on Diversity Day, were also donated to Fondation Autisme, reflecting our organization's focus on neurodiversity for the year and reinforcing our commitment to inclusive causes. Rounding up our year-long social engagement activity, employees were offered a choice of end-of-year gifts from KPMG, including the option to allocate the equivalent value of their gift as a charitable donation. Nearly 300 colleagues chose this alternative, enabling us to raise EUR6,000 for Banque Alimentaire.

Disaster relief and humanitarian aid

In light of the rising occurrence of international crises, we produced a disaster relief guide that defines disasters and provides clear, actionable guidance on the appropriate response measures.

During FY2025, Spain experienced severe flooding centered on the Alicante and Valencia regions in late September 2024, which caused widespread damage to homes, infrastructure and local businesses. In response, colleagues from our Spanish community organized a number of fundraising activities to support relief efforts coordinated by the Spanish Red Cross and KPMG Valencia. Our staff put together a substantial food basket of Spanish specialties and sold raffle tickets for it to raise funds, while the company canteen hosted an Iberian menu day to encourage additional donations. The Foundation complemented this effort with an additional contribution, bringing the total amount donated to over €3,900, thereby amplifying the impact of KPMG Valencia's initiative with the local Red Cross to assist affected communities.

Our support has also included other monetary donations, notably sponsoring the Red Cross charity concert at Philharmonie Luxembourg to aid victims of international crises.

Giving visibility to good causes

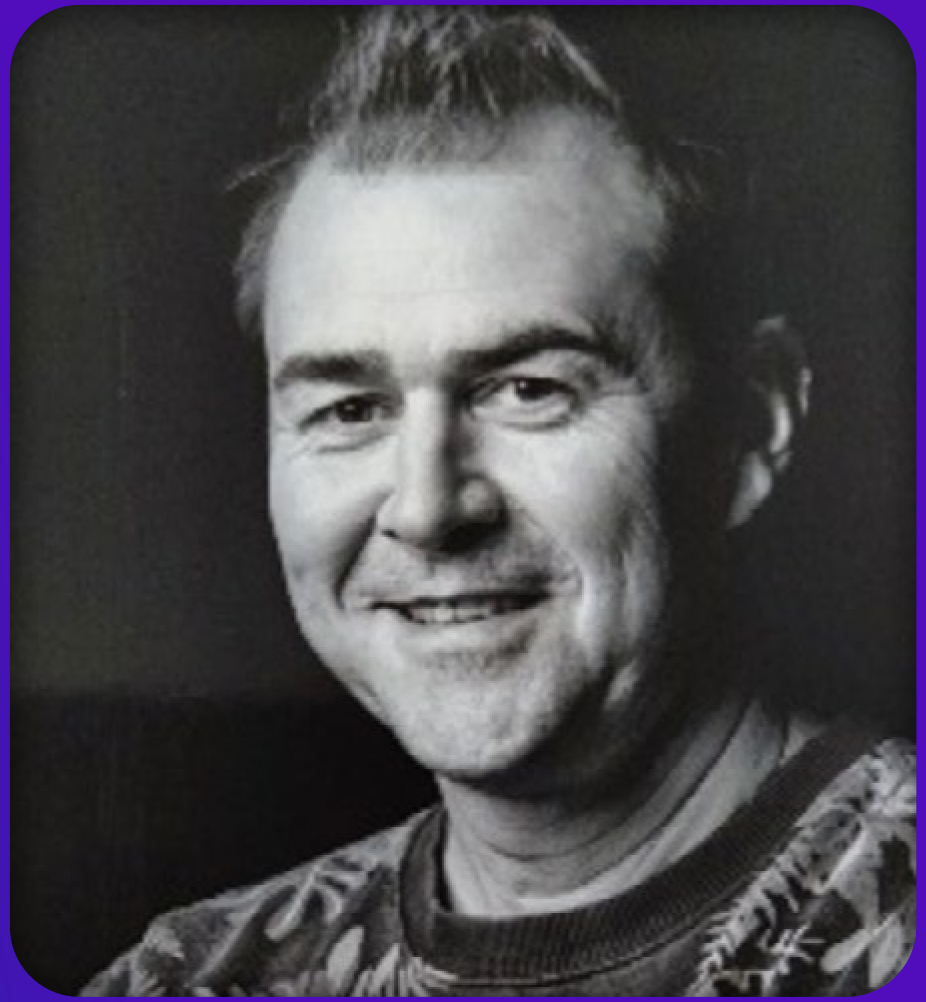
Every year, we host our popular NGO market in the atrium of our headquarters – a festive, Christmas market-style event that gives numerous associations a platform to showcase their work, sell items to raise funds and build new networks. The market offers employees the opportunity to meet NGO representatives face-to-face, learn about their programs and initiatives – including those developed in collaboration with KPMG – and gain a deeper understanding beyond simply reading about the organizations in internal communications.

FY2025 also marked a significant milestone for the Foundation: established in 2009, the Foundation celebrated 15 years of activity. Over this time, our work has produced meaningful impact, fostered enduring partnerships and created many memorable encounters with the beneficiaries of our programs. To thank our donors and volunteers for turning our commitment into action, we invited representatives from several long-term partner organizations to the office to talk about how our collaboration has positively affected the lives of those they support.

NGO Market in our Atrium

"Centre Saint-Aubain is a warm and welcoming place distinguished by a strong intergenerational program that forges connections between generations, strengthens sibling and family bonds, and promotes the personal development of each individual.

Thanks to our collaboration with KPMG, the children can experience activities similar to those they would have in a family setting. An idea for an activity becomes a tangible project made possible by your support. Your dedication gives the children moments of joy, enriching experiences and guidance that truly make a difference."



Emmanuel Chaboteau,
Responsable de Maison
at Centre Saint-Aubain

Louise Racké,
Assistant Manager at Digital Inclusion

"Digital Inclusion asbl works to ensure that everyone in Luxembourg, particularly people in vulnerable situations, can access digital tools, skills and opportunities. We are proud of the impact of our work, which is made possible thanks to the trust placed in us by the Luxembourg government to refurbish and distribute decommissioned laptops, as well as the invaluable support of partners who contribute devices and resources to this mission.

In this context, we are grateful for the support of KPMG Luxembourg. In 2025, KPMG made an exceptional donation of 937 laptops, significantly strengthening our capacity to support people in need. This contribution has enabled us to reach more beneficiaries and create additional opportunities for education, employment and participation in everyday digital life.

KPMG employees also volunteered during our Open Classroom sessions, providing additional digital support to participants. While these sessions are primarily delivered by our own team, the volunteers' involvement helped offer extra assistance to people developing their digital skills.

Through both its donation and volunteer engagement, KPMG has contributed meaningfully to our work and to expanding access to essential digital resources in Luxembourg."

Pedro Medina Pascual,
Audit Senior, volunteer at Digital Inclusion

"I had the opportunity to collaborate as a volunteer with Digital Inclusion, an association dedicated to recycling computers with the aim of facilitating internet access for disadvantaged persons and refugees. The equipment is repaired, refurbished and distributed to support digital inclusion.

From the outset, especially the idea of addressing integration challenges faced by refugee populations by tackling the digital gap struck me as particularly compelling, as it fosters concrete and meaningful inclusion. Moreover, experiences of this nature tend to be, on a personal level, far more enriching than the contribution one initially believes one is making.

During this period, I met many individuals, including a young footballer who had previously lived in my country of origin, Spain, before relocating to Luxembourg, as well as a Venezuelan woman who had fled the political situation in her home country. Through exchanges of ideas, experiences and advice, these encounters led to insightful and rewarding conversations. A young Afghan woman who actively collaborates with the organization also reinforced many of these reflections through her own lived experience.

In summary, I gained far more than I contributed."

Jory Dele,
Senior Tax Compliance, Alternative Investments, volunteer at Wanteraktioun

"Volunteering at the Wanteraktioun kitchen was an experience that stayed with me long after the shift ended. I chose to take part because the initiative's purpose felt immediately human and concrete: providing shelter, warmth and support to individuals experiencing homelessness during the winter months. As a Luxembourger, I also valued the opportunity to contribute locally through KPMG's CSR program and to translate corporate effort into community impact.

During the shift, our volunteer team supported the meal service line alongside kitchen staff. Stations were organized by category (hot foods, cold items, beverages, condiments, etc.), and we prepared cafeteria trays based on each person's selections. I was assigned to the soup station, serving portions in line with the kitchen's guidelines. We followed clear hygiene and operational requirements – protective apparel, safe handling procedures and portion control – to keep the service efficient, safe and consistent.

The experience reinforced how structured teamwork translates into tangible outcomes. By adding capacity on the service line, volunteers help maintain steady throughput, reduce pressure on staff and support smooth operations – particularly during peak winter demand. While financial donations remain essential to fund facilities and supplies, volunteering contributes a complementary resource: time, physical presence and practical support that enables delivery on the ground.

A key takeaway was the importance of dignity in service delivery. Small behaviors – respectful communication, eye contact and offering choice where possible – contributed to creating a welcoming environment and reinforced that support is provided to all.

Overall, the experience highlighted the value of cross-sector collaboration: a global humanitarian organization delivering services locally, supported by community partners and corporate engagement. This aligns strongly with KPMG's values – Together for Better, Integrity, Courage and Excellence – by turning intent into action and contributing to meaningful support for vulnerable members of our community."

Isabelle Cornez,
Engagement Assistant, volunteer at Centre Saint-Aubain

I volunteer at Centre Saint-Aubain, a children's home in Habay-la-Neuve, and it has become something I truly look forward to. The children's smiles - and the way they welcome me - never fail to lift my spirits. We play games, read stories and make simple arts and crafts together. After two years of volunteering, they recognize me straight away – running up for a hug the moment I arrive. We also do activities outside the center, like a day at the park, where they love seeing the animals, playing in the sand or having some ice cream.

Other days are just as special: a few hours at an indoor playground, or going for a walk to admire the festive lights and decorations during the winter season. But it's often the quiet moments that matter most. Sharing a snack, tying a shoelace, reading together. These small gestures help the children feel safe and cared for.

There are also little things that seem simple to us but truly mean something to them, and watching their faces light up with joy reminds me how powerful one's presence can be. Volunteering is simple, but the impact feels enormous. I'm grateful to be part of their days - to see them learn, laugh and grow - and I leave each visit feeling inspired.

KPMG

06

Building our digital future

Technology at the heart of our firm

Transformed by technology, powered by people

Each year, we remain committed to being the #ClearChoice for both our clients and our people. To continue fostering our values and mindset, our strategy for FY2025 was built on the following three pillars: Powered by People, Driven by Clients and Transformed by Technology. Technology is the fuel that will take us to new heights.

By investing in the most optimal technologies and equipping our people to harness them, we're enhancing the client experience, optimizing workloads and staying ahead in the market. At KPMG Luxembourg, we are striving for digital excellence.

Staying ahead means never standing still. We embrace the future with ambition and creativity, to improve ourselves and build on our strong foundation so that we're always ready for whatever comes next.

On our roadmap to the digital future we invest in new technologies and implement data analytics and AI solutions to reinvent our business and boost growth. Security by design is what we're aiming for – integrating compliance and cybersecurity early in the innovation process to ensure that these crucial elements are part of our digital solutions from the get-go. We leverage on synergies within the KPMG International network to benefit from best practices.

People and technology go hand in hand, which is why we embed technology into our daily tasks. We are providing our people and teams with every opportunity to drive innovation forward by investing in skills development – training them to utilize technology efficiently in their everyday work – and enhancing collaboration between digital and business teams to share insights and expertise for improved problem-solving, innovation and value creation.

"The future isn't human 'or' AI. It's humans leading change, empowered by technology."

Minh Hua,
Chief Information Officer

AI in action – Boosting our productivity

In January 2025, we officially released our very own internal AI chatbot, **KPMG SmartChat**, to our people. This tool marks a significant milestone in our generative AI journey. KPMG SmartChat is a fully integrated AI assistant built for professional use within a secure environment designed to handle client data with confidence. KPMG SmartChat can perform information searching, text processing, content drafting, language translation (including its own translation module made to translate full documents in the original format), idea brainstorming and more, allowing employees to focus on what truly matters. During the pilot launch, 95 percent of early users reported time savings and rated it 4.5 out of 5 as a tool they would recommend to colleagues.

Shortly afterward, the Digital Accelerator team launched the **full integration of KPMG SmartChat with the KPMG Luxembourg Intranet**. This integration is designed to improve the user experience, making it faster and easier to find information we need daily, with the support of AI. This option allows users to search our vast knowledge base of internal information and procedures just by asking the chatbot a question.

Thanks to our progress in development, we leveled up from **KPMG SmartChat** to **KPMG SmartHub**, our **single entry point** for several AI solutions working hand in hand.

SmartExtract – our AI-powered data extraction tool – also entered the scene. This pulls data from complex documents like PDFs and images in a structured way. Whether we are reviewing contracts, preparing audit documentation or collecting financial data, SmartExtract allows us to upload up to 500 documents in one go, saving considerable time. Its built-in analyzers and custom prompts fit all specific needs and enable us to easily review highlighted source references to ensure the accuracy of the output.

And this is only the beginning. Several new features introducing tailored AI assistance have already been developed and will be released in 2026.

Bringing AI into audit represents one of the most significant steps in our digital journey and one that demands the highest standards of security, governance and professional rigor. **KPMG Clara AI Chat** is a proprietary AI assistant built specifically for audit, developed on the foundation of enterprise-grade AI technology and governed by our Trusted AI framework. Unlike general-purpose tools, KPMG Clara is designed for the professional demands of a regulated environment: secure by design, structured in its outputs, and always paired with human judgment at every stage of the process. This new functionality will help KPMG audit teams refine risk assessments, develop in-depth testing procedures and enhance audit documentation. It streamlines tasks like summarizing information, drafting content, brainstorming ideas, crafting agendas and more. This advanced AI assistant enables auditors to focus on high-risk areas and sector-specific challenges, enhancing both their professional growth and the quality of outcomes delivered to clients. Supported by our Trusted AI framework, Clara AI operates with a human-in-the-loop approach to ensure quality and accuracy in every task.

Getting ready – upskilling for AI readiness

We offer a range of learning opportunities to help employees build AI knowledge and use it effectively. This includes our internally developed AI Foundations Bootcamp, which covers AI fundamentals, how AI works, ethics and compliance considerations, and practical use cases for working efficiently with our in-house tools.

Because AI outcomes depend heavily on how questions are framed, we place strong emphasis on prompt design. Employees learn these skills both in the Foundations Bootcamp and in a dedicated Prompt Engineering Training, which covers foundational and advanced techniques through hands-on exercises and real-world use cases. This training is now integrated into our onboarding program and under review to be included into our career milestone trainings.

To further support AI adoption, our Digital Accelerator team hosts regular AI Support Breakfasts. These informal walk-in sessions provide a space to discuss real business challenges and receive hands-on guidance from IT experts.

In addition, we provide access to Pluralsight, a comprehensive digital learning platform with over 10,000 expert-led courses, assessments and hands-on labs. The platform supports all skill levels and offers learning paths across key areas such as AI, cloud and security, enabling continuous professional development in a digital-first environment.

AI foundations

Building core AI literacy: the concepts, capabilities and ethical considerations needed to lead AI initiatives confidently

204 persons trained in FY2025

Prompt engineering

Teaching prompt design to extract reliable, effective outputs from AI, with practical techniques and guardrails

297 persons trained in FY2025

AI challenges

Fast-track innovation by turning business problems into working AI pilots in competitive, collaborative sprints

300+ participants in FY2025

AI Breakfasts

Open, expert drop-in sessions for rapid help, best practices and quick answers to any AI question

3 sessions in FY2025 (-60 persons)

More than 600 employees engaged

3,537 e-learning hours

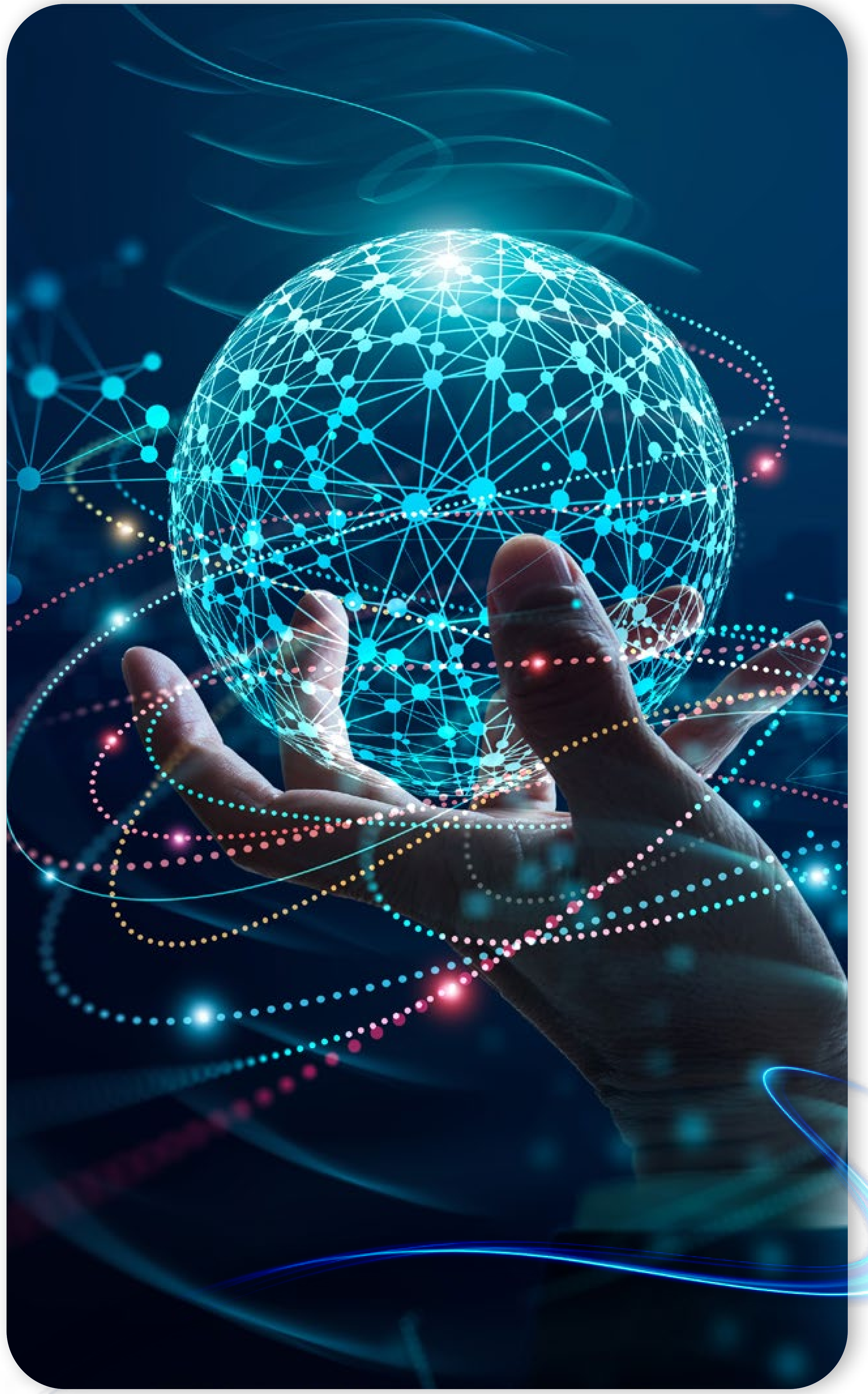
KPMG AI Challenges

Our teams had the chance to exercise their creativity and innovation by joining one of the KPMG AI Challenges. These are an incredible opportunity for all departments to come together, collaborate and turn innovative ideas into reality, with no coding skills required – everyone is welcome to participate, regardless of their technical background. KPMG AI Challenges are designed to foster collaboration among diverse teams in order to tackle real-life business issues using artificial intelligence. Together, we can transform the way we work, enhance our client services and accelerate our efficiency.

The participants gathered a team of three to five members, ensuring diversity in experience and skills within the group. They submitted their ideas to our Digital Accelerator experts, and the teams with the most promising ideas were invited to pitch in front of the jury – consisting of Partners and Leaders at KPMG Luxembourg. The jury selected the top three pitches, and the winning teams will see their ideas transformed into actual IT projects. This way, everyone has the chance to help develop solutions that will be implemented in their own service line.

The concept of the AI Challenge was developed further to become an engaging part in our onboarding program for newcomers, allowing them to share their fresh views and ideas to solve real business issues with the help of our internal AI solutions.

Additionally, we brought the AI Challenge to several departments as team-building opportunities, creating a moment to innovate together.



Abbas Khan
Audit, KPMG Luxembourg:

As AI Implementation Lead for Private Equity, I've long believed AI can bring real value to audit. Valuation testing was the ideal pilot: complex, judgment-heavy and full of repetitive manual steps. Through the AI Challenge, our team built an AI valuation agent to automate data gathering, peer screening and template population – freeing specialists to focus on what matters most: challenging assumptions, applying judgment and strengthening review quality.

Our key insight was that new value requires new ways of working. Rather than speeding up the existing process, we reengineered the workflow end to end and embedded an audit-ready evidence trail throughout. We progressed quickly because each team member took real ownership, stepping far outside their usual job description to ensure the solution was practical, not just theoretical.

Dominika Konya
Markets, KPMG Luxembourg

Being part of the AI Challenge was a great experience for the Pursuit Team. We shared our idea to make the due diligence process more efficient. Presenting our ideas to the Executive Team made it even more rewarding, giving us valuable feedback and a stronger connection to the firm's strategic direction.

Recent success stories – SAP transformation in the People & Culture and Finance teams

Since FY2024, our firm has been on a phased journey to introduce SAP across the organization. We have been rolling out individual modules one after another, leveraging on the momentum of one milestone and learning from experience to prepare for the next. We chose SAP as an integrated solution bringing all core business functions together on one platform, making everyday processes smoother, and information easier to access. Having a single, connected system improves transparency, reduces manual effort and helps teams make better, faster decisions – laying a strong foundation for sustainable growth.

The first major step on the path was the implementation of SAP SuccessFactors for our People & Culture team. This new platform, called People Portal internally, streamlines the management of our team's data, time off, recruitment and onboarding, providing a 360° view of essential people data. It offers easy self-service for our employees, making managing their personal and professional information easier than ever. Accessing their own data and handling leave requests is effortless with the mobile-friendly interface. For Managers and Leaders, the tool helps them better monitor the individual team situation and take on more responsibility for their team members, offering features that complement the existing performance review cycle and strengthen the relationship between appraisees and managers. The revamped Talent Attraction and Onboarding modules create a smooth and personal experience for our candidates and new joiners, making it easy for our People & Culture teams to interact with them and share information before their first day.

The next key step is the launch of our new SAP Finance module (SAP S/4HANA), rolling out practical improvements that aim to make financial processes clearer, faster and more helpful across the firm. The transformation is occurring in phases, with the first phase going live at the end of our FY2025, covering core finance and procurement. The most widespread impact for our employees is the streamlined and more efficient procurement process, which centralizes requests by team and provides a clearer overview. With the new tool, our teams are foreseeing smoother handling of core processes like payments and closings, with fewer delays and clearer timelines. Better forecasting and insights enable an upgraded approach to financial planning, which means leadership can make more informed decisions, using real-time data and forward-looking analysis. Our goal is measurable performance – we're shifting to an even more KPI-driven mindset, in order to promote accountability, continuous improvement and equity in recognition.

At KPMG, we understand the critical importance of choosing the right advisors for our clients' SAP technology transformation journey. Our teams bring a distinctive business-led and industry-specific approach that begins with a deep understanding of the clients' needs, leading to rapid and efficient change for organizations.

Recent success stories – client onboarding transformation

In 2025, KPMG Luxembourg launched a firmwide transformation of its client onboarding experience, powered by AI-enabled data extraction, digital workflow automation and smarter review frameworks. The initiative reimagines onboarding – including KYC documentation collection – from a lengthy administrative task into a technology-supported gateway to a more seamless client journey.

The change does not replace professional judgment. Instead, it removes manual document handling, streamlines identity and ownership checks, and surfaces risks earlier and more consistently. KPMG teams gain more time to focus on assessing client needs and applying deep regulatory, compliance and risk expertise.

Clients will soon benefit from direct access to the Client Onboarding Platform: information will be captured and verified with the help of OCR (optical character recognition), and progress will become more transparent from start to finish. The result will be simpler interactions, earlier engagement readiness and unwavering KYC compliance in line with Luxembourg, European and firmwide requirements.

Through this evolution, KPMG is strengthening client trust from day one – combining efficiency, where technology excels, with insight, where people matter most.

Contact

KPMG Luxembourg

38, Avenue John F. Kennedy
L-1855 Luxembourg

Françoise Renard
Partner, Head of Corporate Citizenship
T +352 621 876 321
francoise.renard@kpmg.lu

Michelle Wachs
Corporate Citizenship and Inclusion & Diversity Expert
T +352 621 872 345
michelle.wachs@kpmg.lu

Filip Vukovic
Partner, Head of Inclusion, Diversity & Equity
T +352 621 875 442
filip.vukovic@kpmg.lu

Maria Palomares
Corporate Citizenship Coordinator
T +352 621 872 533
maria.palomares@kpmg.lu

www.kpmg.lu
home.kpmg/socialmedia