Our Impact Report

KPMG New Zealand

Year ended 31 December 2025

Contents

FUELLING PROSPERITY

Fuelling prosperity for all New Zealanders
Tītokona tō tātou tōnuitanga mō Aotearoa, mō tātou

2025 Highlights

3,429
Pro bono hours

93%
On time completion of mandatory training across the firm

0%
Gender pay Gap across all employees

80%
Of our people feel they belong

6.13
(Out of a possible score of 7) Trust in KPMG amongst clients

140
IMPACT (social and environmental) engagements

70%
Procurement spend with New Zealand suppliers

Executive summary

Welcome to our Impact Report

This Impact Report sets out KPMG New Zealand's Environmental, Social and Governance (ESG) performance and progress for the year ended 31 December 2025, while also reflecting how we are positioning the Firm for the future. The data and insights provide a clear and holistic view of where we are today, alongside a forward looking perspective on how we are strengthening trust, deepening the impact we create, and responding to evolving expectations, risks and opportunities. That emphasis on trust is reflected in our latest annual independent research, which recorded an increased level of trust in KPMG amongst our clients – with a score of 6.13 out of 7, a 4% increase on the prior year. While trust must continually be earned, we are encouraged to see it moving in the right direction as a core foundation for our work.

During 2025, our purpose of fuelling prosperity for all New Zealanders continued to guide decision making, focus and measures of success. In a year shaped by economic pressure, regulatory change and accelerating shifts across technology, climate and workforce dynamics, we remained focused on reinforcing strong foundations while building long term capability.

We also refined our impact framework to make it clearer and easier to use. The updated framework better distinguishes between our impact drivers, anchors and enablers, helping us be more explicit about where KPMG New Zealand creates direct external impact, and where we support impact by building trust, capability and our licence to operate. This work was informed by stakeholder feedback and our refreshed materiality review, and strengthens the connection between our purpose, strategy and the outcomes we are seeking to achieve. It also supports a move away from reporting activity alone, towards demonstrating impact over time.

Our purpose, culture and values remain the foundation of this approach, shaping how our people connect their roles to purpose, exercise judgement, and bring impact to life through their work.

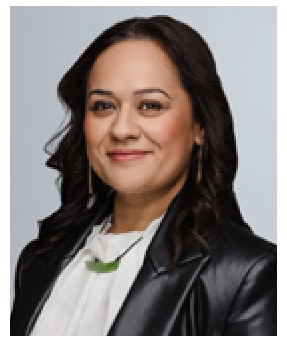
Our purpose, culture and values remain the foundation, shaping how our people connect their roles to purpose, exercise judgement, and bring impact to life through their work.

Throughout the report, case studies illustrate how impact is realised in practice, showing how high quality professional services, applied with insight and integrity, support long-term economic resilience, informed investment and innovation, stronger climate transition planning, and contribute to positive social and environmental outcomes.

Across 2025, we continued to progress priority areas within our impact framework. Progress was not uniform, and some areas require sustained focus. This report therefore provides a transparent view of where momentum has been built, where it has been maintained, and where further effort is needed.

Taken together, 2025 reflects a firm continuing to embed impact into how it operates and delivers, while preparing for the challenges and opportunities that will shape how we contribute to prosperity for Aotearoa and all New Zealanders – tītokona tō tātou tōnuitanga mō Aotearoa, mō tātou.

Jason Doherty
Chief Executive
KPMG New Zealand



Kaapua Smith
Head of IMPACT & ESG Services
KPMG New Zealand

Matt Prichard
Board Chair
KPMG New Zealand

Our impact framework

This updated impact framework builds on the 2024 version by sharpening the focus on where KPMG New Zealand can genuinely make the biggest difference, using insights from a refreshed materiality review and clearer strategic direction.

While the 2024 framework was a solid first step - aligning material topics to our three strategic pou / pillars (trust, impact, thriving and belonging) - it leaned more toward describing inputs and activity. The updated framework responds to feedback by clearly distinguishing impact drivers, anchors and enablers, making it easier to see where KPMG creates meaningful external impact and where it underpins trust, capability and licence to operate. This evolution strengthens the link to our purpose of fuelling prosperity for New Zealanders and supports a shift from simply reporting what we do to showing the outcomes and impact we create, particularly through our services, partnerships, Te Tiriti commitments and contribution to long term economic resilience.

Build and sustain trust

We deliver high-quality, impactful work with integrity, to build and sustain the trust of our stakeholders and markets.

Growing our impact

We drive positive impact through the services we deliver, the networks we convene and our own operations.

Our people thrive and belong

We attract and develop diverse top talent who thrive and grow, feel they belong, and who make a positive impact.

Build and sustain trust	Growing our impact	Our people thrive and belong
Long term economic resilience (Driver)	Positive social and environmental outcomes (Driver)	Talent attraction, career development and people retention (Anchor)
Cyber security and privacy (Enabler)	Climate change and sustainability (Driver)	Diversity, equity and inclusion (Anchor)
Quality, ethics and integrity (Enabler)	Impactful community initiatives (Driver)	

Spanning all three pillars:

- Te Tiriti o Waitangi and Māori outcomes (Driver)
- Purpose, culture and values (Anchor)

Impact Drivers

Material topics where KPMG New Zealand can make its strongest and most meaningful external contribution to Aotearoa's prosperity, aligned to purpose and long-term value creation.

Impact Anchors

Inward-facing material topics that primarily shape KPMG's people, culture and capabilities, underpinning performance and protecting long-term value.

Impact Enablers

Foundational material topics that maintain KPMG's social licence to operate by enabling trust, compliance and operational resilience.

Progress at a glance

This scorecard represents the key metrics we have been tracking to date against the three strategic pou (pillars).

You'll find more detail, including supporting commentary and some additional metrics, in the corresponding sections of this report.

Progress key

Positive change

At risk

Consistent

Build and sustain trust

	2025	v2024
Trust Score[1] (Kantar research conducted Q1 2026)	6.13/7	+.18
Of employees say that KPMG's commitment to quality is apparent in what we do on a day-to-day basis[2]	85%	-1%
On time completion of mandatory training across the firm[3]	93%	+11%
Audit Quality (Transparency Report published)	Green	Green

Growing our impact

	2025	v2024
IMPACT engagements[3]	140	+41
Reduction in scope 1,2 and 3 emissions against 2019 base year (Target: 50% by 2030)[3]	-17%	-2%
Of electricity is sourced from renewable sources (Target: 100% by 2030)[4]	68%	-9%
Of employees spent time on volunteering or governance (Target: 50%)[3]	43%	-1%

Our people thrive and belong

	2025	v2024
Of our people feel supported to thrive and grow[2]	73%	0%
Of our people feel they belong[2]	80%	0%
Of our people feel they do work that matters[2]	75%	-1%
Spent on learning and development*[3]	$1,969/FTE	$-395/FTE
Gender pay gap - all employees[3]	0%	-3%

1) According to third party research by Kantar, trust in KPMG among clients increased this year to its highest level since 2021.
2) KPMG Global People Survey (NZ results) Oct 2025.
3) KPMG internal data.
4) This includes purchased electricity from offices where we have direct control over supplier selection. The year-on-year decrease reflects an update to the calculation methodology applied in the current reporting year.

*In this report, and going forward, learning and development investment is reported per full-time equivalent (FTE) rather than total spend, to better reflect investment per person, rather than overall firm size.

Our purpose, culture and values

Our purpose, culture and values show up in the everyday choices our people make, the judgement they apply and the way they work with others. Together, they form the foundation for how KPMG creates value and drives impact. When these foundations are strong, they support consistent decision making, high quality work and the trust that clients, communities and stakeholders place in us.

Culture is shaped by lived experience rather than intent, so this topic is measured through indicators that reflect how people experience meaning and connection at work. Key measures are the *Work that Matters* and *Belonging* favourable scores from the annual KPMG Global People Survey's (GPS) New Zealand results. In 2025, both measures remained broadly stable year on year, with *Work that Matters* at 75% (FY24: 76%) and *Belonging* unchanged at 80%.

Overall, these results indicate continuity in how people experienced purpose and culture during 2025 and provide confidence that the foundations supporting engagement, sound judgement and impact remain firmly in place as the Firm continues to evolve.

	2025	v2024
Our people feel they do work that matters	75%	-1%
Our people feel they belong	80%	0%

Source: KPMG Global People Survey (NZ results) Oct 2025

Together, they form the foundation for how KPMG creates value and drives impact.

Build and sustain trust

We deliver high-quality, impactful work with integrity, to build and sustain the trust of our stakeholders and markets

Material issues:

Long-term economic resilience

Cyber security and privacy

Quality, ethics and integrity

Long-term economic resilience

Long term economic resilience reflects how KPMG supports a prosperous, functioning and resilient economy, including what the Firm invests in and how it contributes to important conversations about the future. It is closely linked to the Firm's purpose of fuelling prosperity for all New Zealanders, recognising that economic resilience underpins social wellbeing, environmental investment and business confidence.

KPMG's contribution to economic resilience is shaped by the choices and standards that influence capability, decision quality and confidence over time. Through its audit work, the Firm underpins confidence in capital markets; through tax, it supports the integrity of New Zealand's tax system; through Enterprise, it helps nurture and grow mid-market businesses; and through Advisory, it supports public and private sector organisations to grow, protect and realise value. Together with building skills, enabling technology transformation, supporting information integrity, influencing investment decisions, and applying professional judgement where assurance and independence matter, these contributions affect how organisations plan, allocate resources and manage risk across Aotearoa New Zealand.

Economic resilience is also shaped by participation and relationships. Who has access to opportunity, who is able to contribute, and the strength of relationships with clients, suppliers, communities and Māori all influence how capability and opportunity flow through the economy. Giving effect to Te Tiriti o Waitangi in practice, supporting enduring outcomes for Māori and the Māori economy, and enabling broad participation through diversity, equity and inclusion are central to this.

Alongside these contributions, the Firm's role in the economy is also reflected in how it operates, including how it collaborates regionally and works with suppliers. From 1 October 2025, KPMG New Zealand, KPMG Australia, KPMG Singapore and KPMG Philippines formed the KPMG South ASPAC Group to support closer collaboration across member firms. This enables better client outcomes, creates opportunities for our people and supports long-term resilience and growth. The Firm's economic role is also reflected in its procurement practices, where standards, expectations and long-term supplier relationships shape purchasing decisions.

How these choices are reflected across our other material topics - people, Te Tiriti o Waitangi and Māori outcomes, ethics and quality, Cyber security, climate change and community impact - is demonstrated in subsequent sections of this report. Together, they contribute to long-term economic resilience in Aotearoa New Zealand.

Case studies

These case studies illustrate how KPMG supports long term economic resilience by enabling investment, innovation and capability in areas critical to New Zealand's infrastructure, export growth and future prosperity.

Infrastructure resilience through innovation with Watercare

KPMG's work with Watercare to access the R&D tax incentive is helping drive real benefits for Aucklanders by enabling continued investment in resilient, future-ready water and wastewater infrastructure.

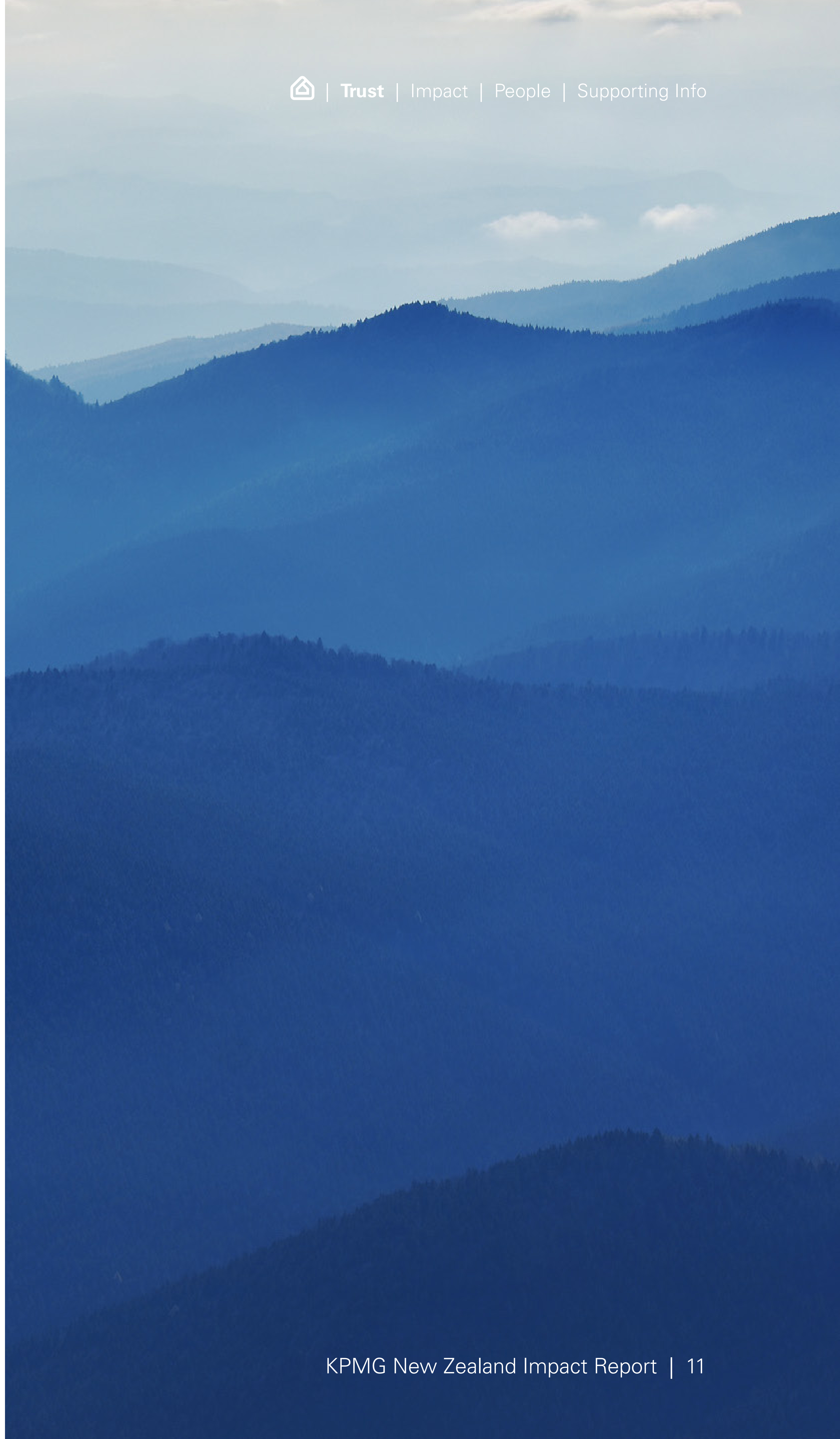
By recognising innovation in areas such as smart digital asset management, real-time network monitoring, hazard reduction, and new engineering approaches, the incentive supports Watercare to care for one of the country's largest and most complex infrastructure networks.

This support helps fast-track the use of modern technologies and design practices, strengthening Auckland's ability to respond to population growth and climate challenges, and ensuring reliable, safe water services that support everyday life, public health, and a thriving regional economy.

Export led growth in advanced manufacturing with AROTEC

AROTEC is a leading New Zealand biotechnology manufacturer, supplying high purity diagnostic proteins to global healthcare markets from its Wellington base. With international customers, award winning manufacturing excellence, and sustained growth in a highly specialised export sector, AROTEC strengthens New Zealand's economic resilience by diversifying exports, building high value scientific capability, and anchoring globally competitive advanced manufacturing onshore.

KPMG have been fortunate to work alongside AROTEC to support this growth by helping access the R&D tax incentive, recognising and reinvesting innovation in advanced purification processes, quality systems, and scalable manufacturing technologies that underpin its global competitiveness and long term contribution to New Zealand.



Cyber security and privacy

Cyber security and privacy reflect how KPMG protects information and operates securely as a professional services firm. This includes how information is accessed, handled and safeguarded in day-to-day work, and how risks are managed as technology and ways of working evolve. It also includes the Firm's considered approach to recruitment of skilled people and its program of training and regular upskilling. Trust underpins this topic, supporting confidence in how we operate and our contribution to the prosperity of New Zealanders.

This topic is expressed through the behaviours and awareness of our people, reinforced by systems, processes and secure technologies that support consistent ways of working. Building and sustaining capability across the Firm is essential, recognising that cyber and privacy risks require continuous attention rather than one-off responses.

Performance in this area is understood through the consistency and reach of training that is achieved across the Firm. Tracking training participation and completion provides insight into how well core expectations around information protection and data privacy are embedded.

In 2025, more than 2,000 hours were spent on mandatory Cyber security and privacy training across the Firm, with 100% completion of baseline modules achieved – and an average resistance (success) rate of 94% across simulated phishing tests. This training helps equip teams to deliver work confidently while protecting information, supporting secure operations and reducing the risk of disruption.

Looking ahead, maintaining strong coverage and continuing to build awareness as cyber-related and AI-enabled risks evolve will remain a priority.

	2025
Total hours spent on Cyber security training	2,014
% Completion of mandatory information and data privacy training	100%
Simulated phishing tests - resistance rate (averaged over 5 tests)	94%

Source: KPMG internal data

Quality, ethics and integrity

Quality, ethics and integrity reflect how KPMG applies professional judgement and consistent standards in the work it delivers. This includes how client and engagement decisions are made, how independence and ethical expectations are upheld, and how work is reviewed to ensure quality is applied consistently across service lines. Integrity and trust sit at the centre of this topic, shaping everyday decisions and underpinning the firm's contribution to the prosperity of New Zealanders.

A sustained focus in this area reflects the importance of earning trust through disciplined judgement and delivery over time. In practice, this is evident in how teams challenge assumptions, escalate issues when needed, and apply professional standards across different types of work.

Performance is understood through a small set of indicators that provide insight into consistency and follow through across the firm, rather than short term performance. These measures help show whether baseline expectations are being applied as intended.

Perceptions that quality is evident on a day to day basis remained broadly stable at 85%. On time completion of mandatory training improved from 82% in 2024 to 93% in 2025 reflecting stronger follow through on baseline requirements rather than a change in expectations.

Together, these results support capability in practice by strengthening consistency in how ethical judgement, independence requirements and quality checks are applied. This was particularly relevant in 2025 as teams navigated evolving expectations linked to technology and AI supported tools, reinforcing the importance of governance, explainability and human oversight.

Looking ahead, maintaining consistency in these core expectations will remain a priority, alongside continued focus on practical guidance that supports decision making in complex situations.

	2025	v2024
Trust Score[1]	6.13/7	+.18
Of employees say that KPMG's commitment to quality is apparent in what we do on a day-to-day basis[2]	85%	-1%
On time completion of mandatory training across the firm[3]	93%	+11%
Audit Quality Transparency Report published 2025	Green	Green

1) Kantar third-party research 2026 (conducted annually in Q1 of each year).
2) KPMG Global People Survey (NZ results) Oct 25.
3) KPMG internal data.

Read the KPMG New Zealand 2025 Audit Quality Transparency Report here.

Growing our impact

We drive positive impact through the services we deliver, the networks we convene and our own operations

Material issues:

Positive social and environmental outcomes

Impactful communities initiatives

Climate change and sustainability

Te Tiriti o Waitangi and Māori outcomes

Positive social and environmental outcomes

Positive social and environmental outcomes reflect how KPMG New Zealand contributes to outcomes for people, communities and the environment through the work it delivers for clients. This contribution is realised through the way our clients recognise social and environmental considerations and how those considerations shape decisions over time.

The Firm's impact in this area is most evident through core client work that supports more informed decision making. By helping organisations broaden their understanding of risk and opportunity and implement solutions that drive impact, this work influences outcomes that extend beyond individual engagements, particularly where decisions have long term social or environmental consequences.

Social outcomes are closely connected to people and purpose. Providing opportunities for staff to contribute to social, environmental and economic outcomes through their work strengthens engagement and supports the relevance and quality of what is delivered. The perspectives teams bring, and how they collaborate with others, influence how effectively complex challenges are understood and addressed.

Relationships also play a central role in how outcomes are realised and sustained. Giving effect to Te Tiriti o Waitangi, supporting Māori capability and participation, and building enduring relationships with communities, shape impact over time. This contribution is cumulative in nature, reflecting sustained engagement rather than discrete initiatives.

The sections that follow illustrate how these contributions show up in practice, through selected case studies and examples that demonstrate how client work supports positive social and environmental outcomes over time.

	2025	v2024
Of firm-wide Net Fee Revenue (NFR)	2.5%	-.5%
Hours spent on IMPACT[1] engagements	25,251	-3,924
IMPACT engagements	140	+41

Source: KPMG internal data

Our commitment to driving impactful work is a recognition that we have a role to play as a good corporate citizen. Despite the market environment, which has seen a decline in sustainability reporting and activity, we remain steadfast in our commitments to drive our purpose and contribute positively to New Zealand. We also know that transparency drives trust, and contributes to a strong and resilient economy.

1) KPMG IMPACT is the team that helps organisations be sustainable, resilient, inclusive – and focused on their impact.

Case studies

Climate transition planning with Ngāi Tahu Holdings

KPMG worked with Ngāi Tahu Holdings to co-develop a tailored approach to climate transition planning.

The project involved the development of a business-unit specific climate assessment to support the identification of key financial climate-related risks and opportunities within two business operations, and a repeatable approach that could be used to assess more business units in the future.

In addition to the business unit level analysis, KPMG also helped to design and implement a portfolio-level approach to assessing key climate related risks and opportunities for both existing sectors and potential future sectors in order to support broader decision-making around operational investments and capital deployment.

Bringing integrated analysis tools to the seafood sector with the Aotearoa Circle

KPMG partnered with The Aotearoa Circle to develop a world first set of integrated climate, nature and Te Ao Māori scenarios for Aotearoa's seafood sector.

Developed in alignment with XRB guidelines, these scenarios recognise that as climate impacts intensify, integrating nature and indigenous knowledge into planning is essential for long term resilience.

The scenarios explore how the seafood sector could evolve under different climate, nature and Te Ao Māori related futures, providing a practical and culturally grounded lens to support strategic decision making, risk management and resilience planning.

In addition, KPMG supported The Aotearoa Circle with guidance on Te Tiriti o Waitangi, to support the practical implementation of the seafood sector adaptation strategy, helping sector organisations apply Te Tiriti based approaches in future focused planning.

Impactful community initiatives

Impactful community initiatives reflect how KPMG supports communities through the time, skills and resources of its people. This includes volunteering, pro bono work, governance roles, charitable giving, and community support. Through these activities, our people apply their professional skills in ways that strengthen local capability and contribute to positive economic and social outcomes across Aotearoa New Zealand.

Community involvement also supports employee engagement, recruitment and retention by helping people connect their work to wider community needs. A sustained focus on education and learning based initiatives reflects a long held belief that KPMG has a role to play beyond the services it delivers for clients.

Community investment is understood through the time, expertise and leadership contributed by our people, with particular emphasis on initiatives that support lifelong learning and schools. Tracking volunteering, governance and pro bono activity, and the associated value of this contribution, provides insight into where effort is directed and how it aligns with priority focus areas.

Separating education focused initiatives from other forms of community support helps distinguish activity that builds long term capability from shorter term or one off contribution. Participation rates across volunteering, governance and pro bono work also indicate how widely this commitment is shared across KPMG.

In 2025, community involvement remained strong, with participation at 43% of employees, broadly consistent with the prior year. Around 20% of employee volunteer time supported education and learning-focused initiatives, with the remainder directed to other activity aligned to the Firm's values and purpose, including environmental volunteering and community governance roles. Total community contribution increased year on year.

Effort continued to shift toward higher impact activity, with significant increases in pro bono and governance contributions and an 18% rise in education focused volunteering, governance and pro bono hours.
This reflects a deliberate focus on initiatives that build long term capability, particularly through lifelong learning and financial literacy programmes such as Project Money and Karearea scholarships.

Project Money reached fewer students in 2025 as the programme moved beyond its pilot phase and deliberately focused on more sustainable delivery and deeper engagement with a smaller number of schools. This approach has strengthened programme quality and alignment with curriculum learning, providing a more robust foundation to grow reach over time.

Looking ahead, priorities include sustaining momentum, deepening the impact of learning focused initiatives, and delivering AI educational programmes that support access, capability, and confidence for young people across all communities, as part of KPMG International's 10x30 goal to support 10 million disadvantaged young people by 2030.

	2025	v2024
Employees spending time on volunteering or voluntary governance	43%	-1%
Pro bono hours	3,429	+515
Karearea scholarships awarded	75	+25
Students trained in financial literacy via the Project Money programme	775	-725

Source: KPMG internal data

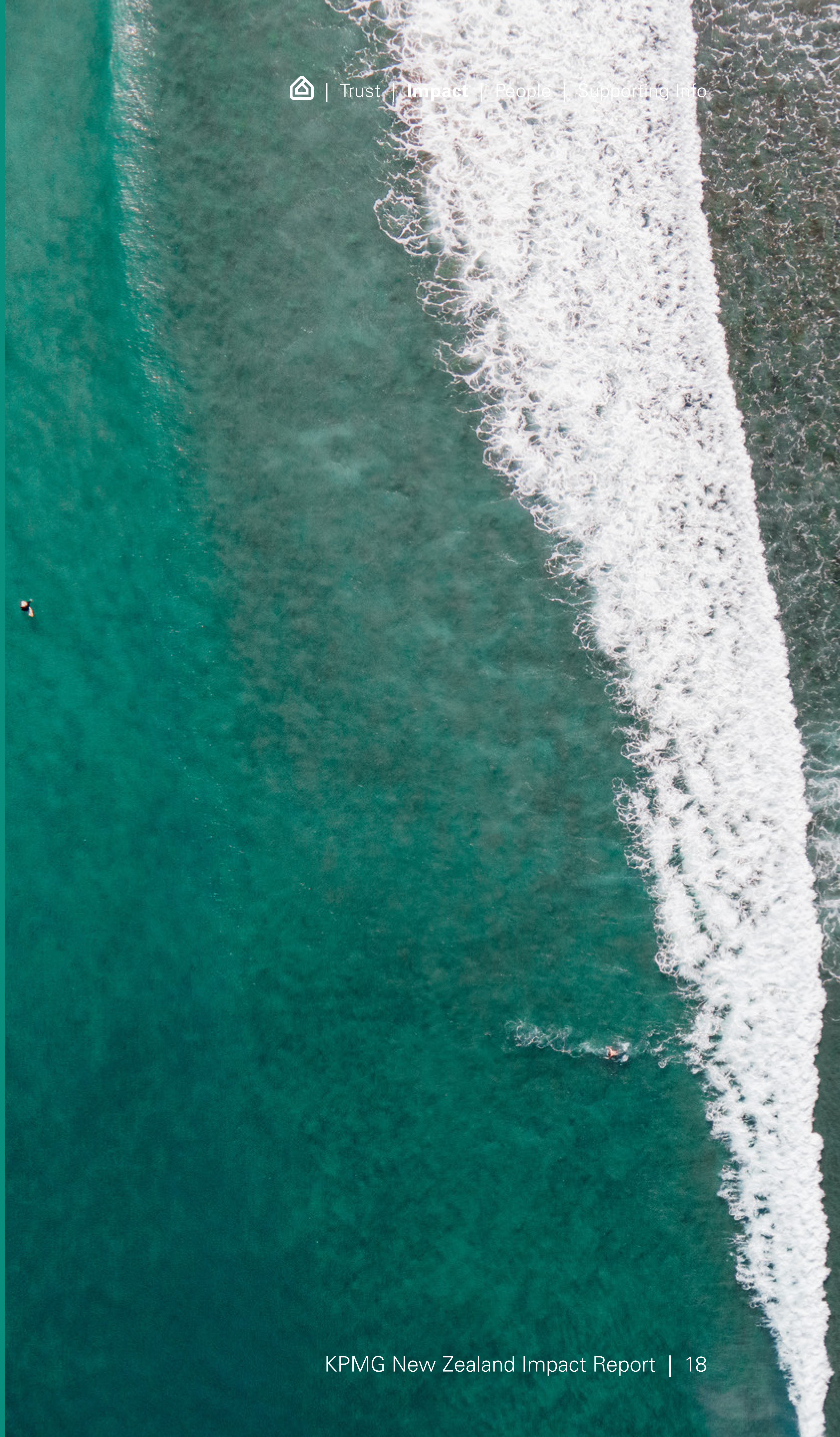
Case study

Understanding community resiliency against organised crime in Aotearoa with the NZ Police and Ministry of Social Development

KPMG evaluated 23 community providers across Aotearoa as part of the NZ Police and Ministry of Social Development 'ROCC' or the Resiliency against Organised Crime, Community Resilience and Whānau Support Fund (CRWSF).

KPMG conducted a comprehensive social impact evaluation of all providers, regions, and national delivery of the fund to assess how community-led approaches are delivering sustained crime prevention outcomes for people who use illicit drugs and young people affected by organised crime and methamphetamine.

The evaluation worked alongside community providers to understand the difference they make, identify areas for improvement and opportunities to strengthen future investment.



Climate change and sustainability

Climate change and sustainability reflect how KPMG takes responsibility for the environmental impacts associated with how the Firm operates. These impacts arise across the Firm's operations and wider value chain, influenced by factors such as energy use, business travel, and the goods and services purchased.

The Firm's climate impact is understood through its greenhouse gas footprint, which provides insight into how emissions are generated across operations and the value chain. This analysis shows emissions are concentrated in a small number of areas—particularly business travel and supplier related activity—where operational decisions have the greatest influence. The data points captured in the table that follows, provide a clear, comparable view of progress against climate targets, highlighting where reductions have been achieved, particularly across travel related emissions, and where further effort is required to meet longer term commitments. Together, these measures support consistent tracking of performance over time and help inform where operational focus can have the greatest impact.

Understanding emissions by source supports clearer prioritisation over time and provides context for interpreting changes as business activity, travel patterns and data coverage evolve.

KPMG's Climate Statement, published as part of the 2024 Impact Report, continues to set out the overarching climate commitments and approach. Work during the reporting period also progressed the underlying governance, data and decision-making arrangements that support effective climate action. The Climate Statement will be reviewed and refreshed in 2026 alongside the development of the Firm's Climate Action Plan, reflecting the next phase of progress.

As KPMG continues to evolve, managing the transition to a low emissions, climate resilient future requires balancing changes in how the Firm operates with its long term climate commitments. Closer regional collaboration with other KPMG member firms may result in an increase in international business travel, placing upward pressure on travel related emissions over time. While the full emissions impact is not yet quantifiable, the direction of travel is clear. From 2027, the focus will be on actively managing and mitigating this growth through strengthened travel controls, targeted decarbonisation initiatives and incorporating climate impacts into decisions, aligned to the Firm's 2030 near term emissions reduction target.

This level of engagement reflects growing staff interest and provides a practical pathway for contributing to environmental outcomes.

In 2025, activity focused on strengthening how climate impacts are managed and acted on in practice. Effort continued to centre on travel demand and supplier engagement, reflecting where emissions are most concentrated, alongside increased employee led action supporting KPMG's sustainability approach.

Participation in the Green Team—an employee led volunteer network supporting the Firm's sustainability and climate ambitions—increased in 2025, with 19% of employees who volunteered choosing to do so through the Green Team. This surpassed the 2025 target of 15%. This level of engagement reflects growing staff interest and provides a practical pathway for contributing to environmental outcomes, including emerging areas of focus such as nature and biodiversity.

Alongside these activities, continued improvements to data quality, governance and assurance supported clearer visibility of emissions trends and informed where future effort should be directed.

Looking ahead, priorities include actively managing travel related emissions, investigating AI emissions impacts, deepening supplier engagement, finalising a Climate Action Plan to guide future targets and actions, and continuing to consider how nature and biodiversity are integrated into the Firm's sustainability approach.

	2025	v2024
Reduction in scope 1, 2 and 3 emissions against 2019 base year (Target: 50% reduction by 2030 against a 2019 base year)	-17%	-2%
Of electricity sourced from renewable sources (Target: 100% by 2030).[1]	68%	-9%
Reduction in domestic and short-haul air travel (Target: 30% reduction by 2025 against a 2019 base year)	-66%	+2%
Reduction in long-haul international air travel (Target: 50% reduction by 2025 against a 2019 base year)	-53%	+5%
Reduction in the use of motor vehicles (Target: 30% reduction by 2025 against a 2019 base year)	-49%	+5%
Source: KPMG internal data		

For more detail, please refer to our **Supporting Information** document.

1) This includes purchased electricity from offices where we have direct control over supplier selection. The year-on-year decrease reflects an update to the calculation methodology applied in the current reporting year.

Our climate and sustainability journey

2019 - 2021

Foundations

- Establishment of baseline GHG inventory
- Early sustainability initiatives and reporting
- Initial internal governance arrangements

2022

Understanding climate risk

- First climate scenario analysis completed
- Initial identification of climate-related risks and opportunities
- Climate included as a strategic consideration
- Initial internal governance arrangements

2023

Governance and ownership

- ESG Steering Committee established
- Clear ownership for climate and ESG governance
- Improved coordination across operations, finance and sustainability

2024 - 2026

From insight to action planning

- Publishing of climate statements and integration into the Impact Report
- Refreshed scenario analysis and risk identification
- Climate Action Plan developed
- Commencement of embedding climate risk into ERM
- Identifying emission reduction initiatives

2027 onwards

Delivery and expanding Impact

- Climate risk embedded in enterprise risk management
- Monitoring, reporting and iteration against the Climate Action Plan
- Broadening environmental priorities, including nature and biodiversity
- Exploring and integrating nature-related risks and opportunities
- Alignment with evolving best practice on nature, climate and resilience
- Ongoing refinement of targets, metrics and governance

Case study

Investing in internal sustainability capability

Climate change and sustainability remain material issues for KPMG, with increasing expectations around transparency, credibility and long term resilience. As sustainability considerations increasingly shape how the Firm operates and makes decisions, the complexity of its own footprint, data and reporting has also grown.

In response, KPMG invested in dedicated internal sustainability capability through the creation of an Internal Sustainability Lead role. This provided clear ownership, sustained focus and a longer term view, shifting sustainability from a largely reactive activity to one that is more planned and embedded in decision making.

Since its establishment, the role has influenced how sustainability issues are identified, escalated and addressed across the Firm, including how trade offs are considered in operational, travel, procurement and reporting decisions.

This investment supports KPMG's purpose of Fuelling Prosperity for all New Zealanders, recognising the close link between sustainability, long term economic resilience, institutional trust and community wellbeing.

Looking ahead, dedicated internal capability provides a foundation for greater consistency, accountability and credibility as standards and stakeholder expectations continue to evolve.

About the appointment

The Internal Sustainability Lead is a new role held by a sustainability professional with an engineering background and experience in infrastructure and sustainability advisory, bringing a practical, systems focused approach to implementation and integration.

Te Tiriti o Waitangi and Māori outcomes

Te Tiriti o Waitangi and Māori outcomes reflect how KPMG considers its responsibility in enabling Te Tiriti o Waitangi partnership in Aotearoa New Zealand, and how these responsibilities are embedded across the Firm's people, leadership and client relationships. This topic underpins KPMG's ability to meet the expectations of our diverse client base where Te Tiriti o Waitangi and Māori cultural capability is important. Within the Firm, our commitment is reflected in activities that build the cultural capability of our people, attract and retain Māori staff with strong cultural capabilities, and grow the representation of Māori in leadership roles.

Māori are represented at all leadership (Manager – Partner) levels, with overall representation remaining broadly stable over time. While movement has occurred across individual role levels, leadership representation continues to reflect the longer term nature of progression and capability development. Alongside representation, leadership capability and accountability play a central role in ensuring consistent outcomes, particularly where advanced understanding and decision-making are required in Treaty-related contexts.

Alongside leadership representation, the Firm continues to invest in capability building across its people. Cultural development initiatives, marae based experiences and internal forums support understanding, confidence and respectful engagement in day to day work. These initiatives contribute to a baseline level of capability across KPMG, alongside more advanced capability where required to support Treaty-aware delivery.

Externally, deepening engagement with Māori sector clients provides a further lens on how this commitment is realised in practice. In 2025 we expanded our work with Māori sector clients, which represented 3% of the Firm's total revenue in 2025. This is a 1% increase on prior year. While activity can vary year to year, this points to a strengthening base of engagement and highlights the role of long term relationships in supporting enduring outcomes.

In 2025, focus also remained on improving visibility and coordination across this material topic. This included strengthening data coverage, clarifying accountability and supporting leadership and advisory arrangements. Connecting strategic intent with business planning, leadership capability and reporting across divisions remains important, recognising that levels of maturity and consistency vary across the Firm and that coordinated oversight supports clearer prioritisation and review of outcomes.

Our engagement across the Māori sector continues to deepen, reflecting a long-term commitment to partnership and enduring relationships.

Looking ahead, priorities include supporting Māori leadership progression, maintaining relationships with Māori sector clients and iwi partners, strengthening leadership capability where advanced understanding is required, and improving how outcomes are reviewed over time to support consistent delivery across the Firm.

	2025	v2024
Māori in leadership roles (Managers to Partners incl.)	6%	-0.5%
Of firm-wide Net Fee Revenue (NFR) for Māori Sector Work	3%	+1%

Source: KPMG internal data

Our people thrive and belong

We attract and develop diverse top talent who thrive and grow, feel they belong, and who make a positive impact

Material issues:

Talent attraction, career development and people retention

Diversity, equity and inclusion

Talent attraction, career development and people retention

Talent attraction, career development and people retention reflect how KPMG builds capability and supports people to grow and sustain their careers within the Firm. This includes how learning is prioritised, how development opportunities are experienced, and how conditions are created to encourage people to stay, progress and contribute over time. These areas matter because KPMG's ability to deliver for clients and contribute to prosperity in Aotearoa New Zealand is directly shaped by the skills, experience and continuity of its people.

Learning and development sit at the centre of this topic, reflecting a long held belief that capability is built through sustained investment in people rather than reliance on external recruitment alone. Supporting growth and progression also plays an important role in engagement and retention, particularly during periods of organisational or labour market constraint.

Performance is understood through a combination of learning activity and people experience measures. Tracking learning volumes and learning experience, alongside indicators such as *Belonging* and *Thrive and Grow*, provides insight into both the scale of investment and how it is experienced across the Firm.

In 2025, total learning hours increased to 44,500 hours, compared with 42,015 hours in 2024, while our spend per Full Time Equivalent (FTE) was $1,969, a decrease from $2,364 in 2024. This shift in spending reflected increased internal training, less bespoke external training and less learning-related travel. Over the same period, the GPS *Learning* favourable score remained stable at 72%. Broader people experience indicators also remained steady, with *Belonging* at 80% and *Thrive and Grow* at 73%, unchanged from FY24.Taken together, these indicators suggest the Firm maintained learning activity and a consistent people experience while transitioning to a more cost-effective delivery model.

Another important focus for the Firm is to create conditions that encourage people to stay, progress and contribute over time. In support of this we are committed to providing a safe, healthy working environment where our people feel able to thrive. This includes protecting and supporting their mental wellbeing through purposeful work design, generous wellbeing benefits, flexible working, opportunities to connect, employee-led affinity networks, coaching and mentoring, a well-utilised recognition programme and ensuring that wellbeing remains an active priority.

Looking ahead, priorities include continuing to strengthen learning quality, developing future skills needed for AI and changing business needs, maintaining focus on development pathways, and improving the way learning investment translates into longer term capability.

	2025	v2024
Our people feel supported to thrive and grow[1]	73%	0%
Our people feel they do work that matters[1]	75%	-1%
Our people feel they belong[1]	80%	0%
Spent on learning and development[2]	$1,969/FTE	-$395/FTE

Source: KPMG Global People Survey (NZ results) Oct 25

1) KPMG Global People Survey Oct 25.
2) KPMG internal data 2025.

Case study

Intern Academy - KPMG

The Intern Academy was established in 2025 to build on the strong contribution interns already make to KPMG New Zealand, while better supporting their transition into graduate roles and long-term careers.

Analysis of workforce and utilisation data showed both the opportunity and capacity to invest in structured development, while feedback from interns, hiring managers and external benchmarking highlighted the growing importance of strengthening core human and digital skills alongside technical ability.

92%

(36/39) attendees said the Academy helped them feel more equipped to head into the workforce

Diversity, equity and inclusion

Diversity, equity and inclusion (DEI) reflects how KPMG creates an environment where people feel able to belong, contribute and progress fairly. This includes representation across gender and ethnicity, equitable pay outcomes, and the visibility of diverse experiences within the Firm. These factors matter because a workforce that reflects the communities it serves is better placed to understand client contexts and contribute to sustainable outcomes.

DEI outcomes are shaped not only by who is represented, but by how people are supported to progress, be rewarded fairly and remain engaged over time. A focus on equitable outcomes reflects the view that inclusion is realised through progression and experience, as well as entry into the Firm.

Performance in this area is understood through a combination of representation, pay equity and people experience measures. Representation at senior levels and movements in pay gaps provide indicators of longer term equity, while *Belonging* offers insight into how inclusion is experienced across KPMG.

In 2025 women represented **33% of partners**, compared with **30% in FY24**, reflecting incremental progress in gender representation at the most senior levels. Female representation at Director level increased more markedly, rising from **48% to 58%**, indicating a strengthening pipeline at the leadership level below partner.

Pay equity outcomes also strengthened materially during the year, with the Gender Pay Gap reducing to **0%** for both employees excluding partners, and for partners, effectively closing the gap reported in the prior year. While we were pleased with this result, there will always be some fluctuation so we do not consider "the box ticked", instead we will continue working to maintain this result – or as close to it as we can get.

Ethnicity Pay Gap outcomes were more mixed, with the gap for Māori reducing from **4% to 3%**, while the Pasifika pay gap increased from **9% to 13%**. This year on year increase in the Pasifika pay gap reflects cohort size and role mix rather than changes to pay equity. The Pasifika workforce is still relatively small, meaning movements in role level and timing of promotions can materially impact results in a given year.

Broader people experience indicators remained stable, with the *Belonging* favourable score unchanged at **80%**. Taken together, these indicators point to progress in some equity outcomes alongside uneven movement across others, reinforcing the need for sustained focus on progression, pay equity and representation—particularly at senior levels.

Looking ahead, priorities include continuing to strengthen leadership representation, maintaining transparency in pay outcomes, and supporting progression pathways that contribute to improved equity over time.

	2025	v2024
Women partners	33%	+3%
Gender Pay Gap – all employees	0%	-3%
Gender Pay Gap – partners	0%	-12%
Ethnicity Pay Gap – Māori	3%	-1%
Ethnicity Pay Gap – Pasifika	13%	+4%

Source: KPMG Global People Survey (NZ results) Oct 25

Supporting information

The **KPMG Impact Report - Supporting Information** document accompanies this Impact Report and is intended to be read in conjunction with it.

The Supporting Information document provides additional detail, definitions and technical information that underpin the disclosures and commentary in this report. It includes material topic definitions, ESG management and governance structures, risk management processes, and detailed data tables covering greenhouse gas emissions, methodologies, assumptions and exclusions, as well as selected workforce and people metrics.

Together, the Impact Report and Supporting Information pack provide a transparent and complete view of KPMG New Zealand's impact performance for the year ended 31 December 2025.

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The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

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