KPMG in Romania and Moldova

Our Impact Report 2025

KPMG. Make the Difference.

KPMG in Romania and Moldova | kpmg.ro

Trascau mountains,
Alba county, Romania.

Contents

Letter from the Country Managing Partner page 3

Corporate sustainability strategy page 4

About us page 7

About this report page 14

Highlights in the reporting year page 17

Materiality assessment page 19

Governance page 27

People page 39

Planet page 58

Prosperity page 67

Apendix 1 - UN Development Goals page 74

Appendix 2 – Limited Assurance Report page 77

Appendix 3 – GRI Index Table page 81

Acknowledgements page 87

Contacts page 88

Letter from the Country Managing Partner

Dear Reader,

I am pleased to introduce KPMG in Romania and Moldova's Impact Report 2025, prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards.

Following the end of the reporting period, in October 2025, our sustainability efforts were recognized through the award of the EcoVadis Gold Medal, placing our organization among the top-rated companies assessed globally under EcoVadis methodology.

This report provides an overview of our activities and their outcomes across Romania and Moldova. We are committed to playing a positive role in society, helping the Romanian and Moldovan economies to grow sustainably, and contributing to the wellbeing of our communities. It also outlines the financial and non-financial contributions generated through our operations, including taxes and other public contributions.

Our approach is guided by KPMG's Values, which underpin our professional conduct and are supported by a framework of policies and procedures designed to promote integrity, quality, and accountability across all our activities.

The report is structured around four key pillars of our sustainability strategy — **People, Planet, Prosperity and Governance** — and presents our performance, priorities and progress in each of these areas.

Through our core services, we aim to support the functioning of the economy by enhancing the transparency and reliability of financial and non-financial information, assisting clients in complying with applicable tax requirements, and providing advisory services across a range of business and regulatory topics. Internally, we invest in our people through structured career development, performance management processes and wellbeing initiatives.

The report also outlines our actions and progress in areas such as environmental impact management, including our approach to reducing emissions, as well as our engagement in community initiatives and support for non-governmental organizations. In addition, it includes selected financial indicators illustrating our economic contribution in Romania and Moldova.

Finally, we describe our governance framework and the systems in place to support compliance with applicable laws, regulations and professional standards, including those related to ethics and independence. We also outline how ESG considerations are integrated into our business model and service offerings.

We hope that you find this report informative and we welcome your feedback.

Kind regards,

Ramona Jurubiță,

Country Managing Partner,
KPMG in Romania and Moldova

Corporate sustainability strategy

(GRI 2-22 and ESRS 2 GOV-1/SBM-1 §39)

Transylvania, Romania

Governance, People, Planet & Prosperity

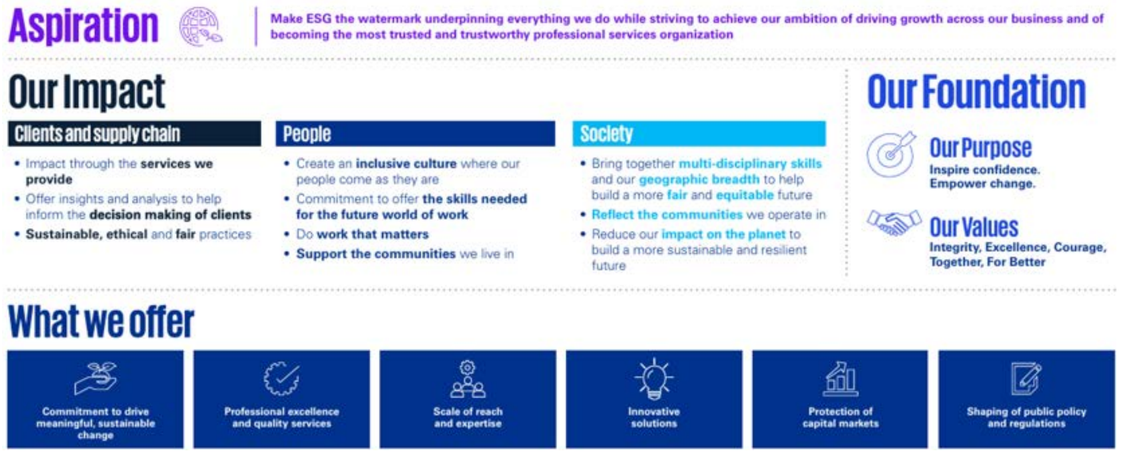
KPMG Global strategy - ESG as the watermark: how we make an impact at KPMG in Romania and Moldova.

One of KPMG's core values is Purpose – we want to inspire confidence and empower change in our clients, our employees, and every other stakeholder.

We strongly believe that finding solutions to global challenges requires cooperation and a willingness to do what is right across all parts of society.

We also believe it is important to develop ESG policies in a coordinated way, because this improves efficiency and accountability.

How we make an impact



We have consequently gathered our firm's environmental, social, and governance (ESG) commitments under one umbrella: Our ESG Plan. This tool guides our efforts to establish an inclusive and fair workplace, drive sustainable and purposeful growth for our clients, build trust in and harness the power of the capital markets to spur needed innovations, empower disadvantaged members of society, and help preserve our planet for future generations.

Our ESG Plan is not a standalone initiative; it is the "watermark" of our business strategy. To ensure the highest level of accountability, the ESG Plan is formally endorsed and overseen by our Administrators, KPMG in Romania and Moldova's highest management body.

Strategic execution is driven by our leadership team of 25 Partners, the Administrators, who are responsible for embedding these ESG targets within their respective business lines (Audit, Tax&Legal, Advisory and Central Services). By linking ESG Key Performance Indicators (KPIs) directly to our employee performance process, we ensure that sustainability is a shared responsibility from the Boardroom to the front line.

At KPMG in Romania and Moldova, sustainable development is central to our purpose. We are pleased to see our dedicated initiatives driving measurable progress across eight UN Sustainable Development Goals. Furthermore, through our diverse client engagements across multiple sectors, we extend our impact by indirectly supporting the remaining nine SDGs.

(Please see Appendix 1 for the list of indicators).

OUR ESG Plan in detail

Governance

What we need to do	Objectives and KPIs to measure progress
01 Supplier Code of conduct	Formally to invite 100% suppliers with whom contracts are signed to adhere to the KPMG Supplier Code of Conduct, or to reference their own Code of Conduct in new contracts or addendums to existing agreements for KPMG in Romania and Moldova. The aim is to ensure that at least 70% of total annual expenditure is covered by the provision of the Code of Conduct by 2027. Progress will be tracked and reported annually through procurement compliance evaluations and contract review reports.
02 Innovative usage of AI in the future	The firm aims to enhance the usage of AI-enabled solutions across its business lines, including Tax (Digital Gateway GenAI), Audit (Clara AI), Advisory (AiQchat), Central Services (Microsoft 365 Copilot, Digital Gateway GenAI). In FY25, KPMG secured Microsoft 365 Copilot licenses for 20% of the work force. Looking ahead, by 2030, KPMG plans to sustain partnerships with technology providers and implement annual updates to internal applications by incorporating newly developed AI features.
03 Maintain and expand the ISO certification	We plan to keep our ISO certifications and extend them to all operations by 2030. The targets by 2030 are: • Successfully complete the recertification process for ISO 9001, ISO 14001, ISO 27001, ISO 45001, in FY26 and secure ISO 37001 certification for KPMG entities in Romania and Moldova. • Achieve certifications for ISO 9001, ISO 14001, ISO 27001, ISO 45001, ISO37001 for our office in Moldova. • Ensure ongoing compliance by achieving 100% completion of mandatory ISO training for all employees.
04 EcoVadis evaluation Maintain and progress	KPMG's objective for 2025 was to complete the EcoVadis evaluation process. During the year, we submitted our application and, following the assessment, were awarded the EcoVadis Gold Medal for sustainability performance. This places KPMG in Romania and Moldova among the top 5% of entities assessed by EcoVadis in our area of activity. Looking ahead to 2030, we aim to maintain this level of performance and seek further improvement in our EcoVadis score.

People

What we need to do	Objectives and KPIs to measure progress
01 Turnover rate & GPS results	Achieve and maintain a voluntary turnover rate of below 10% for key roles and below 12% overall for each year within the FY25–FY27 cycle, measured as the annual voluntary turnover rate. Achieve and maintain a Global People Survey (GPS) score of above 80% overall for FY25 (and every year after that, until 2030), ensuring all key dimensions (engagement, leadership, collaboration, and culture) meet or exceed this threshold.
02 Increase digital transformation and AI/Tech Literacy	Our objective is to increase the number of employees who use AI and technology tools in their daily work, measured as the share of employees with verified yearly active usage of approved AI/tech applications: The Targets are: • For FY25 achieve at least 50%. • For FY26 achieve at least 75%. • For FY27 achieve 100%.
03 Employer of choice	Maintaining Employer of Choice status by FY27. This will be measured annually against external recognition benchmarks such as: • maintaining a Top 20 position among employers in Romania, • maintaining the Top 1 ranking within the Big Four, and • securing the Best Places to Work recognition, with improvement actions implemented each year based on the results.

Planet

What we need to do	KPI to measure progress
01 Calculate our carbon footprint	Ensure the yearly calculation of the carbon footprint for KPMG Romania and Moldova, as a tool to monitor our progress against the target of being a net-zero carbon organization by 2050.
02 Follow our SBTi decarbonization plan	KPMG in Romania and Moldova aligns with the KPMG Global Decarbonization Plan that is endorsed by SBTi. We are committed to sourcing 100% renewable energy by 2030 and achieving net zero emissions by 2050. Recognizing this as an ongoing journey, we will continue to adapt to upcoming regulations and market expectations, regularly updating our analysis and transition plan.
03 Additional actions	Eliminating single-use plastic bottles by purchasing glass bottles and encouraging the use of water fountains in the office. By FY2030 increase the sustainability of our leased vehicle fleet by replacing diesel cars and ensuring that at least 30% of all fleet vehicles are plug-in or fully electric. Yearly educational campaign to manage resources responsibly.

Prosperity

What we need to do	KPI to measure progress
01 Volunteer program	To create measurable social impact by actively engaging employees in volunteering projects and serving external beneficiaries and NGO partners each year. Maintain (and increase if possible) the number of employees involved in volunteering initiatives counted as unique contributors using year 2021 as baseline. Create an ecosystem of beneficiaries and NGO partners that are supported in line with our volunteering program strategy that is focused around education. Increase the number of external beneficiaries (impact) per year by 10% by 2027.
02 Donation program	Our goal is to leverage KPMG's resources and professional mobilization to drive systemic change. Rather than focusing solely on the volume of capital, we measure our success through the **breadth of participation** within our teams and the **tangible outcomes** generated for our partner NGOs. By aligning our donation programs with specific community needs, we ensure that every contribution, whether it is financial or in-kind, will act as a catalyst for long-term social resilience. We will monitor and report on a yearly basis: • the number of KPMG employes involved in social causes. • the number of beneficiaries/ numbers of yearly campaigns • amounts donated. Achieve and maintain, for FY25 and each year through to 2030, a score above 80% in the GPS section "KPMG makes a positive impact on society," reflecting that our people feel engaged in socially impactful initiatives, experience a strong sense of belonging, and take pride in contributing to efforts that create meaningful value for the community.

About us

(GRI 2-1, 2-2 and ESRS 2 BP-1 §5 a, b)

Valea Draganului, Apuseni Mountains, Romania

KPMG is a global organization of professional services firms providing Audit, Tax&Legal and Advisory services. KPMG is the brand under which the member firms of KPMG International Limited ("KPMG International") operate and provide professional services. Each firm is a separate legal entity and together they form the KPMG global organization. "KPMG" is used to refer to individual member firms within the KPMG organization or to one or more member firms collectively.

KPMG firms operate in

138 countries and territories

with more than

276,000 Partners and employees

working around the world, serving the needs of business, governments, public-sector agencies, not-for-profits and, through KPMG firms' practices, the capital markets. KPMG firms globally are making substantial investments to embed ESG at the center of the organization.

We believe that ESG reporting should meet the same standards of professionalism, quality, consistency, and trust as financial information. We therefore remain committed to providing stakeholders with consistent, high quality, decision useful information and voluntarily disclose sustainability data, even though such reporting is not yet mandatory for our operations in Romania and Moldova.

The perimeter of this sustainability report, is the group of entities, operating as KPMG in Romania and Moldova, which includes the following limited liability companies and member firms:

- KPMG Romania SRL,
- KPMG Audit SRL,
- KPMG Tax SRL,
- KPMG Advisory SRL,
- KPMG Restructuring SPRL,
- KPMG Accounting and Payroll Services SRL,
- KPMG Delivery Center SRL,
- KPMG Business Tax Services SRL,
- Fundatia KPMG,
- TONCESCU și Asociații SPARL,
- ÎCS KPMG Moldova SRL.

Our Impact Report (sustainability statement) is prepared on a combined basis for the period 1 October 2024 – 30 September 2025. The reporting boundary (the list of entities above) has been established for sustainability reporting purposes. Financial information for the entities is presented on a combined basis. All the entities listed above are part of the KPMG global organization.

Our first office was opened in 1995 in Bucharest. Since then, our business has grown considerably, and we now operate in six different locations: Bucharest, Cluj-Napoca, Constanta, Iasi, Timisoara (in Romania), and Chisinau (Republic of Moldova).

Our headquarters is in Bucharest DN 1 no. 89A, PO Box 18-191, District 1, Postal Code 013685. The building has been specially designed around principles of sustainability, reducing carbon emissions and providing a high-quality work environment. 87% of our employees are based in this building as the Bucharest office is our largest one.

In 2025, our combined revenue was EUR 86.87 million in total, a 12% increase compared to the previous year, continuing our growth trajectory from recent years. At the end of financial year 2025 we had 1,213 employees (1,187 in Romania and 26 in Moldova).

Recognition and awards

Our progress in integrating ESG into our business model and our commitment to our people have been recognized by leading independent organizations during the reporting period:

- EcoVadis Gold Medal (2025): KPMG in Romania and Moldova has been awarded the Gold Medal, ranking in the top tier of companies globally evaluated for sustainability performance.
- Top Employer Certification (2025/2026): We are proud to have been certified as a Top Employer, validating our commitment to a "people-first" culture and excellence in HR practices.
- #1 Most desired employer in Financial Services Industry and Great Company Culture by Catalyst: This recognition highlights our strong culture and our ongoing commitment to creating an exceptional workplace experience.
- Corporate Wellbeing Awards (2025): we earned recognition for embedding wellbeing into everyday practices, highlighting HR innovation and initiatives that create healthier, more supportive workplaces.
- KPMG was ranked #4 in Romania in the Best Internship Programs 2025 – a recognition that reflects the collective effort, passion, and dedication of everyone involved. We're also the only Big 4 firm featured in the overall top rankings this year, which speaks for the strength of our approach and our commitment to developing young talent.

Activities, value chain and other business relationships

(GRI 2-6 and ESRS 2 SMB 1 §40)

In terms of our professional activity, we work with clients from a wide range of sectors and industries, including Financial Services, Energy Oil Gas, Consumer, Retail and Leisure, Industrial Markets and Automotive, Technology, Life Sciences & Pharma Healthcare, Telco, Real Estate. To address effectively global shifts such as high inflation, energy price volatility, and labor shortages, we focus on high-growth areas: sustainability, digital transformation, and governance. Our expertise covers a wide range of services, as follows:

- **Audit & Assurance**

Our Audit & Assurance services are grounded in quality, integrity and innovation, underpinned by a robust System of Quality Management aligned with international standards. We are committed to delivering an independent audit that inspires confidence in your financial reporting.
We perform statutory audits of standalone and consolidated financial statements for Public Interest Entities and other organizations, using globally consistent methodologies and multidisciplinary expertise.

KPMG's commitment to continuously evolving quality drives our investment in technology and innovation. In 2025, AI integration into KPMG Clara, our global smart audit and assurance platform, was expanded and accelerated to help our auditors respond more effectively to risks and deliver deeper insights. Beyond financial statement audits, we deliver assurance over ESG and sustainability information, aligned with evolving requirements such as CSRD, ESRS and the EU Taxonomy.

Our work is supported by strong governance, independence and ethical frameworks, including rigorous acceptance processes and engagement quality reviews to safeguard objectivity and reliability.

- **Tax & Legal services**

The tax areas we cover are indirect taxation, customs and international trade, transfer pricing, global mobility services, employment and payroll taxation, private clients, international corporate taxation, mergers and acquisitions tax, R&D incentives, global compliance management services, dispute resolution & controversy services, as well as local taxes. We drive a responsible tax practice by helping clients navigate emerging ESG-related areas, such as carbon taxation and pricing. Through the KPMG Digital Gateway, we leverage technology to turn ESG data into value at speed and scale.

Our activities cover company specific strategies and solutions in all tax areas, providing tax advice in the event of regulatory changes and supporting clients with tax issues in transactions.

Legal services: we provide advice and legal insight, which combines the firm's global standards with in-depth local expertise and knowledge.

- **Advisory services**

Deal Advisory: Mergers and Acquisitions, valuation, due diligence; corporate finance; turnaround and restructuring services.

Our activities cover strategic guidance across mergers, acquisitions, valuations, due diligence, and restructuring. These services enhance decision-making, improve transaction outcomes, and support clients in enhancing value through every deal phase. Our services are intended to make businesses fit for the future by anticipating changes and building resilience in turbulent times.

Our consulting services deliver strategic, operational, financial, and technological solutions, empowering businesses to improve performance, manage risks, and drive sustainable growth. We specialize in transformation, digital innovation, regulatory compliance, and tailored strategies for competitive advantage. The services that we provide are: consulting strategy and operations, risk & compliance services, regulatory authorizations, public sector consulting, major projects advisory, financial management, forensic services, cyber security, business intelligence, accounting and reporting services, culture and organizational engagement, The Romanian Outsourcing Hub, as well as customer experience. Our expanded partnerships with technology leaders allow us to integrate AI and cloud technologies across all business lines, ensuring innovative usage of AI to solve the toughest challenges.

Climate Change and Sustainability Services: our cross-service performance range includes carbon footprint calculation, decarbonization planning, climate risk and vulnerabilities studies, double materiality assessments, sustainable supply chain management, sustainability reporting or ESF due diligence projects. By refining ESG know-how through internal training and mentorship, we contribute to the transformation towards a climate-positive, circular, and fair economy.

Central services

Central supporting services at KPMG in Romania and Moldova provide essential support to all our business lines. These functions include areas such as Finance; People, Performance & Culture (PPC); Risk Management; Practice and Protection; Training Center; IT and IT security; Marketing; Markets; Facilities; Operations. They develop and maintain firmwide policies, procedures, and methodologies, helping ensure that all work is carried out in a consistent and controlled manner. They also support day-to-day operations by providing the tools, systems, and guidance needed for teams to deliver their services effectively and in line with regulatory and KPMG global requirements. In addition, these central departments play an important role in advancing the firm's sustainability agenda, by integrating ESG principles into internal policies and processes, promoting responsible resource use, and supporting initiatives that reduce our environmental footprint and strengthen our social and governance practices across the whole firm. The central supporting services units play a key role in sustainability reporting, providing the information and data and supporting the auditing process.

Value chain

We support our clients in developing sustainable business and operating models and complying with new ESG regulations and disclosure standards.

Our value chain is characteristic of a high-end professional services firm, centered on intellectual capital and digital infrastructure. Our primary upstream supply chain consists of human capital (recruitment and specialized contractors), technology and data providers (software, hardware, and cloud infrastructure), as well as real estate and facility management for our six office locations. We manage sustainability risks in our supply chain through the KPMG Supplier Code of Conduct, targeting 70% expenditure coverage by 2027.

Our downstream value chain involves the delivery of professional insights to a diverse client base across the sectors previously mentioned. We actively monitor this impact through our Customer Care platform, which manages and enhances client interactions through data and analytics. In FY25, we achieved a client satisfaction rate of 98%, a 7% increase over FY24. Notably, the level of professionalism, trustworthiness, and integrity received a 99% satisfaction score, while communication scored 98%.

We create impact by enhancing the transparency of capital markets (Audit), ensuring regulatory compliance (Tax & Legal), and driving sustainable business transformations (Advisory/ESG Services).

No changes in the business model took place during the reporting year.

Governance structure and composition

(GRI 2-9, GRI 2-11, ESRS GOV1)

KPMG in Romania and Moldova

KPMG has a governance system for setting policies to support consistency of service quality, adherence to our Values and alignment of our strategy with our Purpose.

Our leadership team (the Administrators) is responsible for setting the firm's strategy and overseeing its implementation. The Administrators regularly review areas of fundamental importance to the firm such as operating and financial performance, annual business plans and budgets, new business proposals, marketing, technology development, remuneration, risk management policies, and specifically our ESG strategy and associated actions/budget allocation.

The Administrators[1] serve as the primary administrative and management body with ultimate oversight of sustainability matters. The Administrators meet monthly to review business progress, including progress against Our ESG Plan. They also approve the double materiality assessment and the Impact Report.

KPMG in Romania and Moldova is required to seek input from the KPMG Central and Eastern Europe (CEE) Chairperson, KPMG CEE Head of each Function and KPMG CEE Risk Management Partner on the performance of the Country Managing Partner, Risk Leader and Head of each Function whose role most closely aligns with the activities of KPMG CEE.

Country Managing Partner

In accordance with the principles in ISQM 1, our Country Managing Partner, and our Risk Leader, have assumed ultimate responsibility for KPMG in Romania and Moldova's system of quality management.

Beyond quality management, the Country Managing Partner serves as the head of our highest governance body, the Administrators, and holds ultimate responsibility for the oversight of material sustainability-related impacts, risks, and opportunities (IROs). The Country Managing Partner oversees the integration of these IROs into our long-term business strategy, with formal reviews conducted regularly.

Risk Leader

Our firm's Risk Leader (RL) is responsible for the firm's direction and execution of risk, compliance, and quality policies. This mandate includes the integration of sustainability risks into the firm's overall Risk Management Framework. The RL has a direct reporting line to the Country Managing Partner (CMP). The RL consults, as appropriate, with the Country Managing Partner, the CEE Risk Management Partner, as well as Regional Risk Management Partner and Global Quality & Risk Management resources, and the general counsel or external counsel. The RL is supported by a team of professionals in each of the functions.

Ethics & Independence Leader

Our firm's Ethics and Independence Leader (EIL) has primary responsibility for the direction and execution of ethics and independence policies and procedures at KPMG in Romania and Moldova.

The Audit, Tax & Legal and Advisory functions – Function Leaders

The three leaders of the client service functions (Audit, Tax & Legal and Advisory) are accountable to the Country Managing Partner for the quality of service delivered in their respective functions. They are responsible for the execution of the risk management and quality management procedures for their specific functions within the framework set by the Risk Leader. These procedures make it clear that, at the engagement level, risk management and quality management is ultimately the responsibility of all professionals in the firm. These heads are further responsible for the operational delivery of ESG-related service targets within their respective business lines.

[1] As of 30 September 2025, there were 25 Administrators who were also KPMG in Romania and Moldova Partners.

Our legal and governance structure

KPMG in Romania and Moldova has a total of 25 Administrators. The percentage of women among them is 60%, with 40% male.

The leadership team maintains sustainability as well as business expertise via regular training, briefings and participation in sustainability related events.

The Administrators of KPMG in Romania and Moldova (GRI 2-17), maintain responsibility for the firm's sustainability strategy and the integration of ESG (Environmental, Social, and Governance) factors into our core business operations. To ensure the highest governance body possesses the requisite expertise to oversee these impacts, the following mechanisms are in place:

- Administrators participate in the KPMG Global ESG Learning Path, a curriculum developed in collaboration with leading academic institutions. This ensures a standardized, high-level understanding of climate risk, decarbonization, and social impact.
- Considering the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy, the Administrators received during the year 2 briefings from internal Subject Matter Experts (SMEs). These sessions focus on the evolving legal landscape in Romania and the European Union, ensuring that the firm's internal policies remain ahead of compliance requirements.
- Administrators leverage their memberships in professional bodies (such as Association of Chartered Certified Accountants (ACCA) and Chamber of Financial Auditors of Romania (CAFR)) to fulfill mandatory Continuing Professional Development (CPD) hours focused on non-financial reporting and ethical leadership.

When making strategic decisions in relation to the firm's "Our Impact Plan," the Administrators consult with the ESG Advisory Lead to evaluate the technical feasibility and material impact of proposed environmental and social initiatives.

Nomination and selection of the highest governance body

(GRI 2-10)

At KPMG in Romania and Moldova, we select and nominate Partners and hence the highest governance body using the same competency-based logic we apply to all our people. This ensures that our leaders are not just experienced but are also the best fit for our values and strategy.

Selection Criteria & Process

The nomination process is rooted in our Open Performance Development (OPD) framework. We evaluate potential leaders based on four clear pillars:

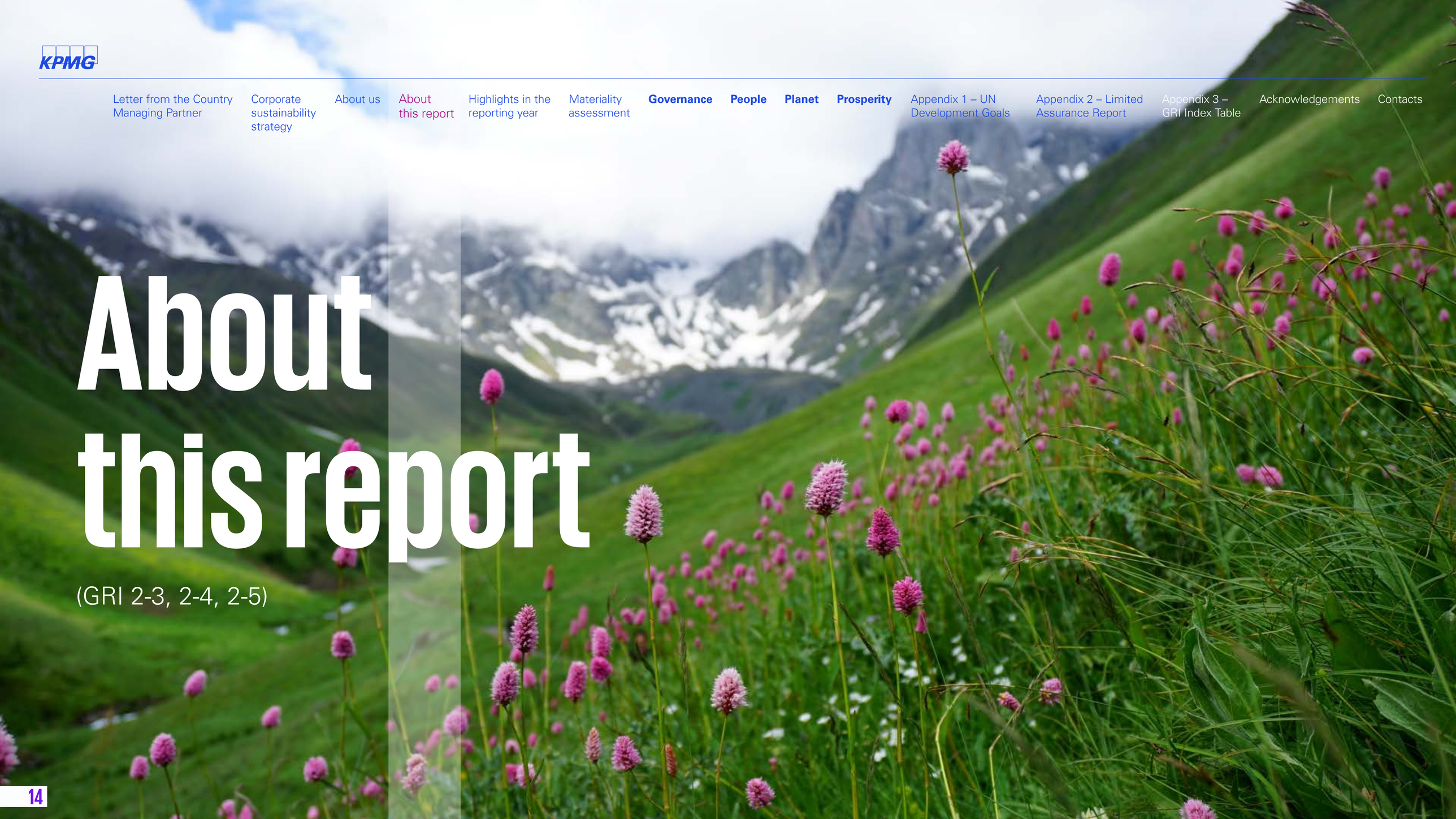
- **Values:** Do they lead by example and reinforce our culture?
- **Competencies:** Do they have the technical and professional skills required?
- **Contributions:** Have they consistently met business and functional metrics?
- **Capabilities:** Are they prepared for the next level of strategic challenge?

By looking at these competencies and performance criteria, we ensure that leadership appointments are based on a proven track record rather than a single moment in time.

To keep the process fair and transparent, we are currently rolling out the Global Career Architecture (GCA) program. This skills-based framework brings predictability to career growth and succession planning, ensuring that the same "rulebook" applies to everyone from a new Associate to an Administrator.

Membership and Associations (GRI 2-28)

To support the development of our profession and sustainable business practices, we maintain active memberships in several key organizations, including the Authority for Public Supervision of Statutory Audit Activity (ASPAAS), the Chamber of Financial Auditors of Romania (CAFR); the Body of Expert and Licensed Accountants of Romania (CECCAR); the Romanian Chamber of Tax Consultants (CCF); the National Association of Authorized Valuers in Romania (ANEVAR); the National Union of Insolvency Practitioners of Romania (UNPIR).



About this report

(GRI 2-3, 2-4, 2-5)

This sustainability report is designed for KPMG in Romania and Moldova's stakeholders. It shows KPMG in Romania and Moldova's financial and non-financial performance for the financial year starting 1 October 2024 and ending 30 September 2025, which is also our financial reporting period.

This report is published annually and the publication date for this 2025 edition is July 2026.

This report addresses material aspects of our organization, as well as our upstream and downstream value chain, and has been prepared to provide a comprehensive and transparent overview of our activities and related ESG impacts.

The information and data presented in this year's report was collected by our specialist departments and business divisions using representative methods and was subject to internal quality assurance.

This Impact Report is published annually and is subject to external limited assurance by an independent third party, Finexpert-Boscolo Audit & Advisory, a Member of Crowe Global.

The assurance report, including its scope and conclusion, is included in Appendix 2.

This report presents our progress against KPMG in Romania and Moldova's Impact Plan. The Impact Plan was the organization's first-ever global environmental, social, and governance (ESG) plan that brought together new and existing ESG commitments under one umbrella, focusing on four central categories: Planet, People, Prosperity and Governance.

This report is prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards and we are also evaluating our contribution towards achieving the United Nations Sustainable Development Goals (SDGs).

In preparation for future reporting under the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), ESRS requirements were considered during the current reporting process.

An interoperability mapping between GRI and ESRS has also been initiated. Where relevant, certain sections of this report include disclosures aligned with ESRS that are not explicitly required by GRI. These additional disclosures are clearly indicated to support a gradual transition towards full ESRS-aligned reporting that will be applicable from 2027 onwards.

KPMG International has its carbon targets endorsed by the SBTi, and consequently at local level we have used the GHG Protocol Corporate Accounting and Reporting Standard, and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, published by the Greenhouse Gas Protocol, to calculate our local GHG emissions, which are also part of the global targets.

A double materiality assessment process to identify material topics was conducted in 2025, representing the first assessment carried out in alignment with ESRS requirements.

The process confirmed the continued relevance of key topics related to People, Governance and Environment, while also refining and structuring the material matters in accordance with ESRS thematic standards.

While the detailed list of material topics is presented in the dedicated chapter, the 2025 double materiality assessment reflects a strengthened focus on climate change mitigation and energy, workforce-related matters, responsible business conduct and contributions to local communities.

There are no restatements included in this report compared to previous reporting periods.

In FY25, KPMG International undertook a comprehensive re-baselining exercise for the FY19–FY24 period and KPMG in Romania and Moldova, as part of the network, contributed to this re-baselining exercise. This process ensures that our climate reporting remains accurate and that our progress is measured against a credible, consistent "starting line."

The decision to reassess our base year was driven by several key updates to our Global Climate Response process:

- Data quality improvement: we aim to progressively transition from spend-based estimates to more granular, activity-based data provided directly by suppliers of goods and services, thereby improving the accuracy and reliability of our emissions inventory.
- Supplier engagement target: in support of our global ambition to have 60% of suppliers (by emissions) set science-based targets by 2030, we refined our baseline to reflect better the current structure and emissions profile of our supply chain.
- Methodology alignment: we updated our Global Carbon Accounting Manual to ensure alignment with the most recent version of the GHG Protocol.

The reassessment process consisted of a comprehensive review of historical data used in emissions calculations, as well as the emission factors and methodologies applied in previous years.

Additional details on the methodology and results are presented in the Planet chapter.

For a comprehensive overview of the disclosures included in this report, please refer to our GRI Index Table. The Report contains reference to the ESRS data points.

We prioritize reporting and transparency as part of our efforts to promote sustainability. While we are aware that there are areas for improvement, we intend to address them in our continuous improvement plan.

As such:

We are working to improve the tools to collect sustainability data, and have the right control mechanisms in place as this report is part of an assurance process for the third year in a row.

Integrity is one of our core values. In this report, we cover both Romanian and Moldovan operations. Hence, unless otherwise specified for certain indicators, the figures disclosed in this report cover all KPMG locations in Romania and Moldova.

The KPMG International global organization is part of the United Nations Global Compact (UNGC), the World Business Council for Sustainable Development (WBCSD), the World Economic Forum (WEF), and the International Integrated Reporting Council (IIRC). KPMG in Romania and KPMG in Moldova operate as independent member firms within the KPMG global organization, adhering formally to international values, policies, and sustainability commitments, including participation in the UN Global Compact and Science Based Targets initiative and reporting through KPMG International.

For more information about our report or activities, please see the contact information at the back of this report.

Highlights in the reporting year

Neamt County, Romania

Governance

Maintaining the certifications of internationally recognized standards - ISO 27001, ISO 9001, ISO 14001, and ISO 45001, and in FY2026 obtaining these certifications in Moldova, as well as ISO 37001 across all regions.

100% staff completion of the **2025 Mandatory ISO Training Course,** launched on 17 July 2025 and achieved by February 2026.

100% staff completion of the **2025 Anti Money Laundering and Counter Terrorism Financing (AML/CTF) training,** launched in August 2024 and achieved by December 2024, covering Anti Money Laundering (AML)/Counter Terrorist Financing (CTF) legal requirements, Know Your Client (KYC) and beneficial ownership, client risk assessment, internal controls, suspicious activity reporting, sanctions compliance, and the consequences of non-compliance.

100% staff completion of the **mandatory 2025 Integrity, Anti Bribery, Anti Corruption training ("Integrity at KPMG 2025"),** launched in October 2024 and achieved by August 2025, covering KPMG's Values and Code of Conduct, ethical decision-making (CARE framework), speaking-up mechanisms, conflicts of interest, anti-bribery, fraud and corruption, discrimination and harassment principles, handling of confidential information, and individual accountability for ethical conduct.

100% staff completion of the **2025 Mandatory Global Independence Training,** achieved by January 2025, covering personal and engagement independence requirements, identification and management of independence threats, role based applicability, individual responsibilities and confirmations, escalation of potential breaches, and the consequences of non compliance.

100% staff completion of the **2025 Mandatory Information Protection and Data Privacy Fundamentals training,** launched in June 2025 and achieved by February 2026, covering information security and data privacy principles, protection of confidential information, individual responsibilities under firm policies, secure working practices, incident identification and escalation, and the consequences of non-compliance.

Achieving a score of 98% for client satisfaction.

Supplier Code of Conduct adherence requests for all new contracts.

Planet

3,566.4 tCO_2e total market-based emissions were recorded in 2025. The increase compared to 2024 reflects not only our business growth but also the improvement in our calculation methodology, which now allows more detailed monitoring of our impact.

364.2 MWh of renewable energy was produced, more than doubling the 2024 performance (171.6 MWh). 39.6% of the office energy consumption is now sourced from on-site solar panels.

Between 2022 and 2025 the amount of plastic waste decreased from 2.8t to 1.1t, a 61.7% reduction.

People

61% of employees in top managerial and managerial positions are female.

66% of total employees are female.

95% of employees work full-time and 54% of employees are under 30.

75 training hours were carried out per specialist.

An 83% GPS response rate was achieved - 83% Trust, 80% Growth and 79% Engagement from employees in KPMG in Romania and Moldova.

Prosperity

There were a total of 23,000 hours of volunteering.

More than 690 volunteers got involved.

Approximately EUR 469,000 was allocated to CSR activities.

22 specialists in Advisory, Audit, Tax & Legal and Central Services delivered over 3,400 professional service hours to 17 NGOs.

During the year, KPMG in Romania and Moldova provided support to more than 65 NGOs and associations.

The firm paid EUR 32 million in taxes to Romanian and Moldova authorities in FY25.

Materiality assessment

(GRI 3-1, 3-2 and ESRS 2 IRO 1)

Fagaras Mountains, Romania

Considering that the previous materiality assessment was conducted in 2021 and that the organization is preparing to report in accordance with European Sustainability Reporting Standards (ESRS) starting from 2027, a Double Materiality Assessment (DMA) was carried out in 2025 in line with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability reporting Standard (ESRS). Although the current report is prepared in accordance with the 2021 GRI Standard, references to ESRS provisions have been incorporated where relevant.

Through the DMA conducted in 2025 KPMG in Romania and Moldova's identified material impacts, risks and opportunities (IROs) that are relevant to our sustainability strategy and business model. The assessment considered both impact materiality, which examines the effects of KPMG in Romania and Moldova's operations on the environment and society, and financial materiality, which evaluates the potential financial implications of sustainability-related risks and opportunities. The assessment identified 40 IROs, of which 22 were deemed material. These material IROs span across various topics, including climate change mitigation and energy, diversity, equity and inclusion, training and skills development, data privacy, work-life balance, corporate culture, working time, adequate wages and contribution to the local community.

KPMG in Romania and Moldova integrates ESG considerations into strategic planning to enhance resilience to sustainability-related challenges. The effects of these IROs, both impacts and financial effects, are evident today and could occur in the future. KPMG in Romania and Moldova continuously monitors and assesses risks, implements targeted mitigation strategies, and engages with stakeholders to ensure alignment with sustainability goals.

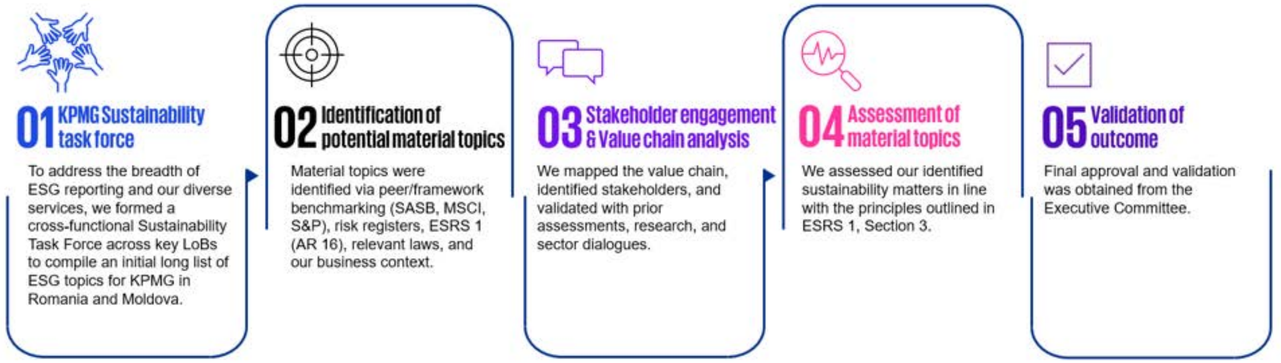
We intend to review our material sustainability matters annually, taking into account regulatory developments, changes in our business, and ongoing stakeholder engagement. We anticipate that evolving sector specific disclosures and future ESRS implementation guidance will provide further insights in the coming years.

Description of the process to identify and assess material IROs and disclosure requirements covered by our sustainability report

The material topics upon which we base our sustainability strategy and reporting arise from our purpose, vision and values, the impact we aim to produce on society, and the views of our stakeholders, both internal and external as well as from our business plan.

To determine the disclosures in our sustainability report, we followed a structured DMA process with five main steps.

DMA: Our five-step process



Step 1: KPMG Sustainability task force / Establish a dedicated team

Given the comprehensive nature of ESG reporting and KPMG's broad area of services, we assembled an interdepartmental multidisciplinary KPMG Sustainability Task Force team of professionals with relevant interest in ESG topics across the main KPMG lines of business (LoBs) in order to identify an initial long list of relevant ESG topics for KPMG in Romania and Moldova.

Step 2: Identification of potential material topics

To identify potential material topics, we applied a rigorous, multi-step approach. We benchmarked peer companies and leading frameworks (Sustainability Accounting Standard Board- SASB, Morgan Stanley Capital International, S&P Standard & Poor's) to develop an initial long list of possible material topics; we inventoried topics arising from our established risk management procedure; reviewed the topics set out in ESRS 1 (AR 16); assessed the implications of other applicable sustainability legislation; and refined the long list by considering our sector, primary economic activities, geographic footprint, business model, and governance practices.

Step 3: Stakeholder engagement and value chain analysis

We started by analyzing our value chain, given our activities and assets. We conducted a high-level transactional mapping exercise, based on our main activities.

We also carried out a process to identify internal and external stakeholders relevant to our operations. The primary stakeholder categories engaged in this process included our employees, clients, suppliers, non-governmental organizations (NGOs), and universities, ensuring a balanced perspective from both our internal workforce and the broader society in which we operate.

We used previous years' materiality assessments, conducted desk research, and held sector discussions to validate and confirm that our value chain was accurately represented and that all relevant stakeholders had been identified.

Step 4: Assessment of material topics

Based on the results obtained from the stakeholder consultation, the process of double materiality analysis was continued in accordance with ESRS 1 requirements. For impact materiality, we assessed the severity of negative impacts based on their scale, scope, and irremediability, and evaluated positive impacts by considering scale, scope, and likelihood. Financial materiality was determined by the magnitude and likelihood of potential financial effects.

Our double materiality assessment (DMA) underscored the importance of engaging appropriate stakeholders in qualitative deliberations at this stage. Although we applied quantitative scoring and threshold criteria, the involvement of relevant functions and stakeholders was essential, providing qualitative insights that complemented and validated the quantitative analysis. Specifically, we used a 1 to 5 scale to evaluate the severity and likelihood of impacts, as well as the magnitude of financial effects, with results exceeding a predefined threshold being prioritized for the final materiality list. For this purpose, we convened topical assessment workshops with the Administrators, the Risk Management Team, as well as representatives from Finance, Sustainability, Human Resources, Procurement, and Marketing.

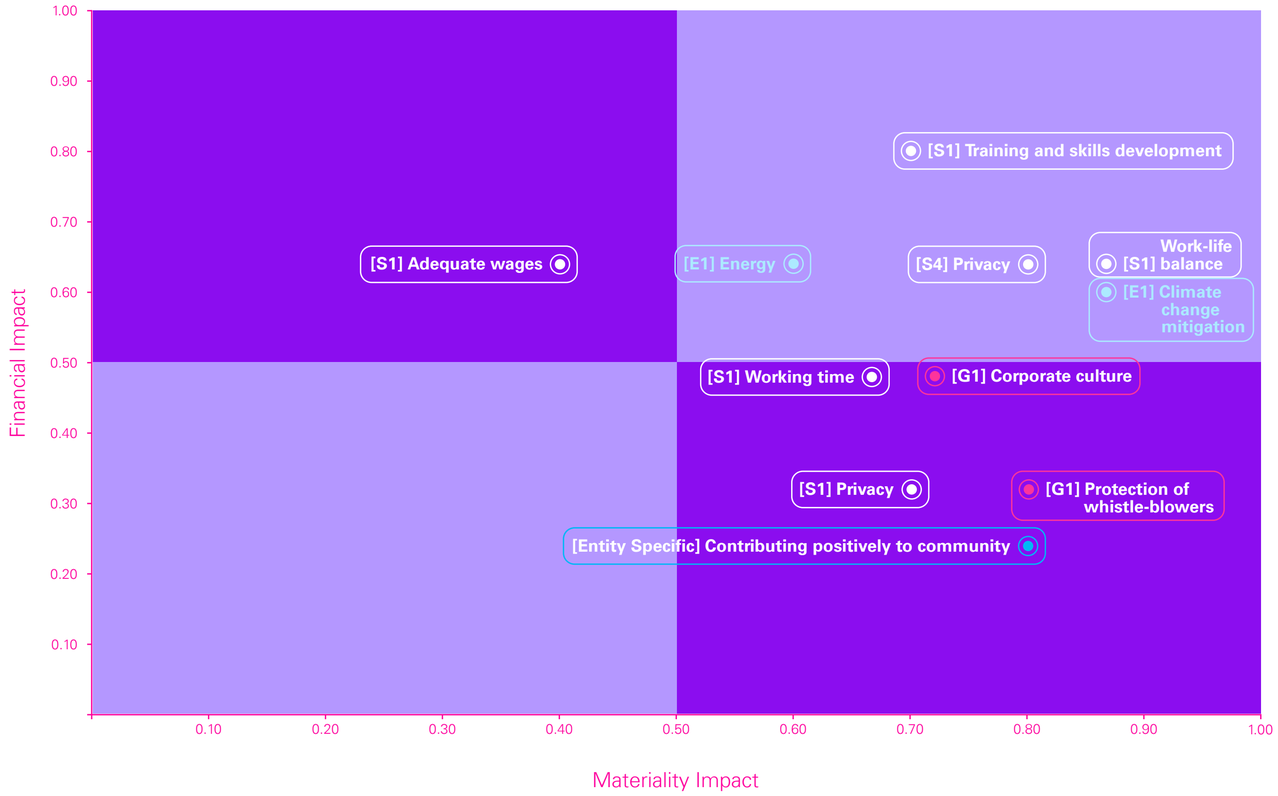
Step 5: Validation of the outcome

Following the assessment workshops, the results underwent additional review and received final approval from the Administrators. Given that the identified sustainability matters are primarily short- to medium-term and already embedded in our strategy and day-to-day operations, we assign them equal priority in implementation.

Determining whether a given topic constituted an impact, a risk, or an opportunity proved challenging, particularly within the social domains. We observed that most sustainability topics carry both impact considerations and related financial risks and opportunities. We recognize that effective mitigation of negative impacts can reduce financial risks. Similarly, strong impact management can create financial opportunities. We expect that stakeholder feedback, peer benchmarking, regulatory developments, and additional ESRS implementation guidance will refine and may alter the outcomes of our DMA over time.

The material impacts, risks, and opportunities identified in the DMA are listed below:

Double materiality matrix



Although this sustainability report is prepared in accordance with the GRI 2021 Standards, the material topics were identified using the ESRS-aligned DMA requirements, which means that we cover the requirements of the "GRI 3 - Material topics requirements" and added the financial perspective of ESRS.

Details on how KPMG in Romania and Moldova manages the different material IRO's are provided in the next chapters.

A summary of the material topics and related IROs is presented on the table below.

Topic		Sub-sub-topic	Type	Impacts (I)	Risks and Opportunities (R/O)	Value Chain
E1	Climate Change	Climate change mitigation	Material & Financial	+ KPMG helps clients reduce greenhouse gas emissions and transition to a low-carbon economy. The firm also focuses on minimizing its own climate impact (Actual). - High emissions from Scope 3 (Potential).	O: KPMG can contribute to a climate-neutral economy via ESG services.	Upstream & Own Operations & Downstream
E1	Climate Change	Energy	Material & Financial	+ Possibility of switching to renewable energies, especially in the direct sphere of influence (Scope 1, Scope 2). (Actual). - Energy-intensive consumption (Potential).	O: Reputational benefits from renewable energy use.	Upstream & Own Operations
S1	Own Workforce	Working Time	Material	- Extended hours may undervalue employees. Risk of burnout. (Actual).		Own Operations
S1	Own Workforce	Adequate Wages	Financial		R: Inadequate pay limits retention. Risks to business continuity.	Own Operations
S1	Own Workforce	Work-Life Balance	Material & Financial	+ Flexibility enhances well-being (Actual). - Long hours lead to stress (Actual).	R: Overworked staff may reduce efficiency.	Own Operations

Topic		Sub-sub-topic	Type	Impacts (I)	Risks and Opportunities (R/O)	Value Chain
S1	Own Workforce	Training and Skills Development	Material & Financial	+ Diverse training offerings have positive impacts. KPMG positively impacts the community by increasing the pool of specialized skills in the market. (Actual & Potential). - Lack of training limits adaptability (Potential).	R: Insufficient training can lead to errors.	Downstream & Own Operations
S1	Own Workforce	Privacy	Material	+ Robust policies foster trust (Actual).		Own Operations
S4	Consumers and End-users	Information-related Impacts	Material & Financial	+ Data protection measures strengthen trust (Actual & Potential). - Improper data handling can lead to breaches (Actual & Potential).	O: Trust in data security enhances relationships. R: Regulatory compliance risks.	Downstream & Own Operations
G1	Business Conduct	Corporate Culture	Material	+ A strong culture enhances reputation (Potential).		Downstream & Own Operations
G1	Business Conduct	Protection of Whistle-blowers	Material	+ Protecting whistle-blowers supports integrity (Actual & Potential).	R: Lack of protection could deter reporting (Potential).	Own Operations
N/A	Entity Specific	Contributing positively to local community	Material	KPMG supports important groups, organizations, and causes relevant to our customers and employees. (Actual).		Downstream & Own Operations

Management of material topics

(GRI 3-3)

The material topics that define our sustainability strategy are deeply rooted in our purpose, vision, and values. At KPMG in Romania and Moldova, we believe that the impact we aim to produce on society is inseparable from our business plan. By integrating ESG considerations directly into our strategic planning, we enhance our resilience against sustainability-related challenges, recognizing that effective impact management is a prerequisite for creating long-term financial opportunities.

A Integrated Approach to Quality and Risk

To ensure the firm's long-term success and the robust management of our identified material impacts, risks, and opportunities (IROs), we rely on the double materiality process but also on a comprehensive quality and risk management system. More information about the system is provided in the Governance chapter.

We view our materiality assessment as a living process. We intend to review our material sustainability matters annually, staying agile in the face of regulatory developments and the evolving ESRS implementation guidance. As we move forward, the insights gained from our ongoing stakeholder engagement and the refined data from our risk management systems will continue to shape how we manage our impact on the world around us.

Oversight of Sustainability Impacts

(GRI 2-12)

KPMG in Romania and Moldova ensures that the management of sustainability-related impacts, risks, and opportunities (IROs) is integrated into the highest levels of organizational governance.

Governance Oversight and Approval

The Administrators, as our highest governance body, maintain active oversight of the sustainability reporting process. This was demonstrated in 2025 through the Double Materiality Assessment (DMA), where the Administrators played a dual role:

- Qualitative Validation: the Administrators participated in topical assessment workshops alongside the ESG Task Force to provide strategic insights into the severity and likelihood of identified impacts.
- Final Approval: Following the five-step DMA process, the Administrators formally reviewed and provided final approval of the 22 material IROs that form the basis of our sustainability strategy.

Under the guidance of the Country Managing Partner, the Administrators ensure that these material matters are not treated in isolation but are embedded into our business plan, purpose, and values. By assigning equal priority to the implementation of these IROs, the leadership ensures that mitigation strategies for negative impacts and the pursuit of sustainability opportunities are part of day-to-day operations and strategic planning.

To ensure the organization remains resilient to evolving challenges, the governance body has mandated an annual review of material sustainability matters. This process allows the Administrators to oversee how the organization responds to regulatory developments (such as the transition from GRI to ESRS/CSRD reporting) and shifting stakeholder expectations.

The three heads of the client service functions (Audit, Tax & Legal and Advisory) are accountable to the Country Managing Partner for the quality of service delivered in their respective functions. These heads are further responsible for the operational delivery of ESG-related service targets within their respective business lines (GRI 2-13).

The ESG Advisory team with the support of the Central Services, assist with implementing the ESG strategy throughout the organization. Reporting to the Country Managing Partner, Central Support Services help turn ESG objectives into practical policies, procedures, and internal reports. By coordinating with business lines and monitoring compliance, they support integrating sustainability into daily operations and help maintain consistency in ESG disclosures and performance tracking.

Role of the highest governance body in sustainability reporting

(GRI 2-14, ESRS2 GOV 2 and GOV 5)

The Country Managing Partner holds ultimate responsibility for the oversight of the sustainability report. By signing off on the final disclosures, the Country Managing Partner confirms that the organization has followed a structured, five-step DMA process involving internal and external stakeholders to determine the report's content.

Conflicts of Interest

(GRI 2-15)

We uphold a zero tolerance policy to any conflict of interest that could compromise our professional or business judgment. Automated tools are used for every prospective engagement to identify potential independence and conflict of interest issues. Our qualitative objective is to ensure that all personnel consistently avoid situations that result in conflict of interest. To support this, we have an annual quantitative target to ensure that 100% of our employees receive conflict of interest training each year, on an ongoing basis.

Communication of Critical Concerns

(GRI 2-16)

Critical concerns, including those related to ethics or significant business risks, are escalated to the Risk Management Team and the Administrators. In 2025, no critical concerns were communicated through these formal governance channels that required exceptional public disclosure.

Governance

Mehedinti Mountains, Romania

Our professional reputation is improved and supported by the right procedures, and our clients receive professional services of the highest quality.

We work with the right clients, at the right time, with the right people, for the right price and delivering the right services.

Targets

01
Supplier Code of conduct

02
Innovative usage of AI in the future

03
Maintain and expand the ISO certification

04
EcoVadis evaluation; maintain and progress

Our Values and Strategy

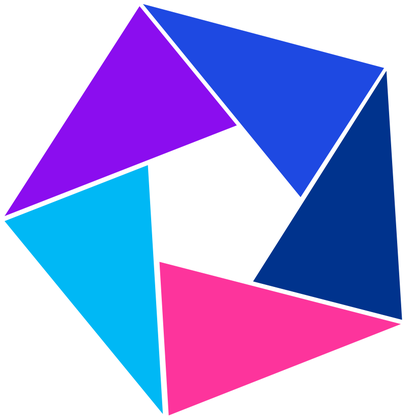
(GRI 2-22)

At KPMG in Romania and Moldova, we consistently uphold the highest standards of integrity, quality, and ethics in all our endeavors, aiming to be the most trusted and trustworthy professional services organization. Acting in the public interest is the foundation of that ambition. We believe trust is earned by doing the right thing and upholding the highest standards of professional behavior.

Our core values - Integrity, Excellence, and Courage, Together and For Better - are deeply ingrained into our network, and form the basis of our daily actions, fostering an inclusive and diverse culture. We are dedicated to these values both nationally and internationally, viewing them as essential to our personal and professional conduct. Our strategy is underpinned by our Global Values, which serve as our moral compass and the foundation of our high-quality service delivery. This strategy is overseen by our Administrators to ensure that sustainability-related impacts, risks, and opportunities are integrated into our long-term business model. The full strategy is described under the Corporate Sustainability Strategy chapter of this report.

These values represent our policy commitments for responsible business conduct:

Our Values



Integrity
We do what is right.

Excellence
We never stop learning and improving.

Courage
We think and act boldly.

Together
We respect each other and draw strenght from our differences.

For Better
We do what matters.

Policy commitments

(GRI 2-23)

Our commitment to responsible business conduct is formalized through a comprehensive suite of internal and international policies.

Central to this is our **Global Code of Conduct,** which everyone at KPMG must observe and confirm compliance with annually. We promote a "Speak-Up" culture where employees are encouraged to express doubts, provide feedback, and raise concerns without fear of retaliation. To support this, we provide both direct channels, such as conversations with Business Advisors, and indirect, anonymous options like our SpeakUp reporting forms and a dedicated mailbox. We are pleased to report that during 2025, no complaints were registered through these formal grievance channels.

Our ethical framework is further strengthened by our commitment to the **United Nations' Guiding Principles on Business and Human Rights.** Human rights considerations are a mandatory component of our due diligence procedures, integrated into our Global Quality & Risk Management and People & Culture policies. We remain dedicated to ensuring our activities do not contribute to adverse human rights impacts, and we extend these expectations to our clients, suppliers, and third parties.

To keep these values at the forefront of our daily operations, we coordinated with the global network to deliver "Values Week" in May 2025. This firm-wide event saw over 380 employees participate in "Values Talk" sessions hosted by our leadership team members, driving deep engagement and followership across every level of the firm.

During this financial year we did not register any business human rights violations incidents or complaints.

Our Global Code of Conduct includes our commitment to work with clients, suppliers and third parties that live up to KPMG's core ethical standards, and act lawfully, ethically and in the public interest.

Fraud, Anti-bribery and Corruption

Our stance at KPMG in Romania and Moldova is straightforward: fraud, bribery and corruption are unethical, unacceptable, and inconsistent with our Values. We are committed to acting with full transparency and integrity, maintaining a zero tolerance approach to any illegal practices used to gain an unfair advantage. To make this clear for everyone we work with, we have designed a robust fraud, anti-bribery and corruption program. This program is governed by our Global Anti-Bribery and Anti-Corruption Policy and our Global Code of Conduct, which together provide the mandatory standards and compliance protocols that guide our professional behavior.

Preventing these risks requires more than just policy; it requires active, system-based control mechanisms. For instance, we maintain an in-house approval process that is mandatory for all donations, sponsorships, cooperations, and memberships to ensure these are never used to facilitate bribery or create the appearance of a conflict of interest. This oversight is particularly rigorous for sensitive or high-risk transactions, where special rules of approval are applied to ensure full compliance with our ethical standards. Furthermore, our Anti-corruption due diligence program is conducted on all third parties, including corruption risk assessments, to ensure that every supplier or strategic partner we engage with shares our commitment to integrity.

To avoid the appearance of bribery in our daily interactions, we provide all employees with clear guidelines on accepting and offering benefits, such as invitations and gifts. These principles are deeply embedded into our internal processes and form a core part of our mandatory training curriculum. We believe that trust is sustained through constant awareness, which is why KPMG is committed to educating 100% of its employees annually on fraud awareness, prevention, and ethical conduct year on year, indefinitely. This commitment to education extends to the management of conflicts of interest, where we have set a quantitative target to train 100% of our people annually, ensuring that every professional is equipped to uphold the highest standards of accountability.

We actively promote an ethical culture where people feel empowered to speak up. Through the KPMG International whistleblowing hotline, employees and third parties can report concerns with the assurance of full confidentiality. We are pleased to report that this rigorous framework continues to deliver results; in the 2025 financial year, there were no reported cases of fraud, corruption, or bribery, and no incidents were registered through our whistleblower procedures. We remain dedicated to embedding this integrity into our policies, decision-making processes, and daily operations to safeguard the trust of our clients and the public.

Quality of our work

KPMG in Romania and Moldova is committed to providing its clients with the highest quality of services, and we work hard to go constantly above and beyond expectations.

Our strategy depends on having great employees who can gain the right knowledge at the right time and who can apply cutting-edge expertise to every engagement. The foundation of our work is knowledge, which we continuously aim to reinvent and create to help our clients succeed in the long-term.

While serving our clients, we prioritize effective communication which adds value and consistency to the services we provide. Since we aim to improve continuously, we always seek feedback from the teams responsible for service delivery.

Our certified management systems

KPMG in Romania and Moldova operates an Integrated Management System (IMS) to ensure that quality, environmental impact, information security, and occupational health are managed under a unified, high-standard framework. This system is subject to annual external audits to ensure the continued validity and effectiveness of our internal controls.

Current Certifications (FY2025)

In 2025, KPMG in Romania successfully maintained its ISO certifications by meeting all applicable requirements, including certification, recertification and annual surveillance audits, for the following international standards:

- ISO 9001 (Quality Management),
- ISO 27001 (Information Security Management),
- ISO 14001 (Environmental Management),
- ISO 45001 (Occupational Health and Safety Management).

The external assessment confirmed that our practices remain fully aligned with these international benchmarks. Notably, external auditors reported no findings, highlighting the maturity of our processes and our ongoing commitment to maintaining a robust and compliant management system year after year.

Looking ahead, we are committed to the continuous development of our management frameworks to address evolving risks and stakeholder expectations. As such, we have the following targets:

- Anti-bribery and corruption: in 2026, we aim to extend our certifications by preparing for ISO 37001 (Anti-bribery management systems), further strengthening our commitment to integrity and fraud prevention.
- KPMG in Moldova alignment: we will initiate the certification process for the full suite of standards (ISO 9001, 14001, 27001, 45001, and 37001) for our Moldova practice to ensure a unified approach to quality and ethics across both jurisdictions.

Quality management, certified under ISO 9001

Environment management, certified under ISO 14001

Information security, certified under ISO 27001

Occupational health and safety management ISO, certified under 45001

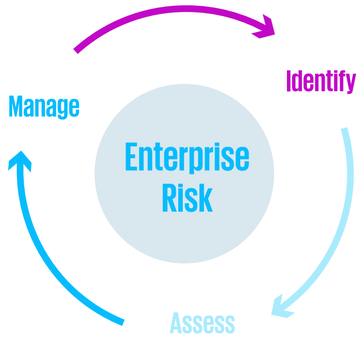
Enterprise Risk Management

To ensure the firm's long-term success, KPMG in Romania and Moldova has a comprehensive quality and risk management system.

The system is designed to ensure compliance with laws and regulations, protect our reputation and brand and is also the gateway to building trusted relationships with clients, stakeholders, and between KPMG personnel.

As authorized entities to conduct audits and reviews of financial statements, KPMG Audit SRL and ICS KPMG Moldova SRL have implemented a System of Quality Management according to the International Standard on Quality Management 1 (ISQM1) quality management standard. More information is provided in the Transparency Report.

KPMG in Romania and Moldova, is included in the CEE Enterprise Risk Management ('ERM') process, which is critical to establishing sustainable operations for us as a firm and is integral to our vision to be the most trustworthy firm for our people, our clients, and our communities.



Manage

Assessment of the overall adequacy of risk mitigation using consistent criteria

Annual review by senior leadership of the firm's risk assessment, including the adequacy of the risk response

Identify

Use of a consistent Global Risk Taxonomy

Minimum list of significant risks

Assess

Use of consistent risk rating criteria (i.e., impact and likelihood)

Carrying out of a risk assessment at least annually

Following our ERM framework, inherent risks, including ESG risks, are continuously identified, assessed, measured, managed, monitored, and reported. In turn, the risk information helps us improve our decision-making and create the appropriate risk framework in relation to our clients.

In this respect, the CEE leadership assigns risk owners, examines the major risk profiles on a regular basis, and monitors the completeness and robustness of the process, including the effectiveness of risk mitigation measures.

The objective of the ERM process is to ensure that KPMG in Romania and Moldova has a relevant framework implemented that helps to identify, assess, manage, and communicate risks to support the firm in achieving two of our strategic objectives: Trust and Growth.

Embedding policy commitments

(GRI 2-24)

As members of KPMG network of member firms, we adhere to national and international legal and professional regulations, which govern our business practices and engagements. We prioritize promoting a unified quality approach across all KPMG member firms to prevent illegal or unethical practices. We continuously enhance our quality management and data protection measures and ensure our suppliers meet our quality standards. For this purpose we have policies and procedures in place to ensure our business relationships with audit and assurance clients are maintained in accordance with the IESBA Code of Ethics and other applicable independence requirements, such as those promulgated by the SEC. We continuously enhance our quality management and data protection measures and ensure our suppliers meet our quality standards.

Ethical Decision – Making: CARE and ACCEPT

KPMG's ethical decision-making framework CARE (Consider, Assess, Respond, Evolve) is centered on building and reinforcing trust and supports our Purpose, Values and Code of Conduct. A model shared across the organization, CARE helps our people to make ethical decisions, especially when faced with a challenging situation or ethical dilemma, and it also reminds them that they do not have to make these decisions alone.

CARE

Ethical decision-making framework

ACCEPT Framework

KPMG firms evaluate whether to accept or continue a client relationship or carry out a specific engagement. KPMG's client and engagement principles, ACCEPT, aid in the decision-making process as to which clients KPMG firms accept and what work they will do for them. The ACCEPT principles are available to KPMG firms and can support them in identifying, assessing and managing client and engagement-related risks. ACCEPT enables ethical decision-making and complements our global CARE ethical decision-making framework. Where client/engagement acceptance (or continuance) decisions pose significant risks, additional approvals are required.

Each letter of ACCEPT guides KPMG firms to consider:

- **A** — **All stakeholders are important:** Could the client (or entity) and/or engagement erode stakeholder trust?
- **C** — **Conflicts of interest and objectivity:** Are there any objectivity or independence concerns or any potential conflicts?
- **C** — **Client (or entity) considerations:** Do we want to work with them?
- **E** — **Engagement considerations:** Can we successfully deliver the product or service?
- **P** — **Public interest:** Is the client (or entity) and/or engagement consistent with protecting the public interest?
- **T** — **Terms and commercial considerations:** Can we comply with contractual obligations and manage financial outcomes?

Onboarding clients and accepting engagements

We conduct thorough assessments before accepting every new client and engagement (100% completion rate). These assessments include background checks on management and ownership, possible conflicts of interest, potential issues of independence, as well as any breaches of laws or regulations, including those related to fraud, bribery, corruption and human rights. If necessary, we ask for additional safeguards, or decline a client engagement if issues cannot be resolved or if we do not receive sufficient information to carry out our assessment. We conduct regular assessments of client relationships by conducting risk analyses using our tools and frameworks (“**Know your client (KYC), Client risk assessment (CRA), Engagement risk assessment (ERA)** etc.) before accepting engagements and clients.

Accept appropriate clients and engagements

Client evaluation

KPMG firms’ evaluation of a prospective client includes an assessment of the client’s risk profile and background information on the client, its key management, directors and owners. If necessary, the evaluation includes additional information required to satisfy applicable legal/ regulatory requirements.

Engagement evaluation

KPMG firms consider a range of factors when evaluating each prospective engagement including:

- Potential independence and conflict of interest issues,
- Intended purpose and use of engagement deliverables,
- Public perception,
- Whether the services would be unethical or inconsistent with our Values.

In addition, the evaluation of an audit and assurance engagement includes an assessment of the competence of the client’s financial management team and the skills, experience and capacity of KPMG firm professionals.

Where a KPMG firm is providing audit and assurance services for the first time, additional independence evaluation procedures are also conducted, including a review of any non-audit services provided to the client and of other relevant business, financial and personal relationships.

Similar independence evaluations are carried out when an existing audit and assurance client becomes a public interest entity, or additional independence restrictions apply following a change in the circumstances of the client.

Any potential independence or conflict of interest issues are documented and resolved prior to acceptance.

A prospective client or engagement will be declined if a potential independence or conflict issue cannot be resolved satisfactorily in accordance with professional standards and our policies, or if there are other quality and risk issues that cannot be appropriately mitigated.

Continuance process

KPMG firms undertake regular re-evaluations of all audit and assurance clients to identify risks in relation to continuing association and mitigating procedures that need to be put in place. In addition, clients are required to be re-evaluated when there is an indication that there may be a change to their risk profile.

Withdrawal process

If a KPMG firm comes to a preliminary conclusion that indicates it should withdraw from an engagement or client relationship, it must consult internally and identify any required legal, professional and regulatory responsibilities with respect to that relationship. The firm will also have to consider further communications with those charged with governance and any other appropriate authority as required under its professional obligations.

Manage portfolio of clients

KPMG International and KPMG firms have policies and procedures to enable a KPMG firm to monitor the workload and availability of engagement partners, managers and staff, and personnel to provide sufficient time to complete their responsibilities.

Engagement partners are responsible for determining that members of the engagement team collectively have the appropriate competence and capabilities, including sufficient time, to carry out the engagement successfully in accordance with professional standards as well as regulatory and legal requirements. For more information, see the ***Assigning an appropriately qualified team*** section of this report.

Our quality and risk management policies and procedures

Our quality and risk management policies and procedures, including policies and procedures covering independence requirements, are derived from the IESBA Code of Ethics and are supplemented to respond to the requirements of local laws and regulations. These policies and procedures are set out in the KPMG Global Quality & Risk Management Manual, which applies to all KPMG member firms, and cover areas such as firm independence, personal independence, firm financial relationships, employment relationships, partner rotation as well as approval of audit and non-audit services.

To embed these policies and procedures into day-to-day operations, we rely on a combination of established processes, controls, guidance, and supporting tools across prospective engagements to identify potential independence and conflict of interest issues and help maintain compliance with applicable requirements.

These are complemented by firmwide quality monitoring and compliance programs across KPMG in Romania and Moldova, including our regular Quality Performance Reviews (QPRs) and the KPMG Quality & Compliance Evaluation (KQCE) program.

We actively promote an ethical culture across the firm by embedding integrity into our policies, decision making processes, and daily operations, which includes educating 100% of our employees every year on fraud awareness, prevention, and ethical conduct.

To reinforce these commitments to an ethical culture, instance of non-compliance with our KPMG policies are recorded in the **Quality & Compliance Metrics (QCM) system** and may lead to disciplinary actions. This ensures that our policy commitments are not only communicated but are enforced through clear internal accountability. Further information on our fraud, anti-bribery and anti-corruption policies can be found on the **KPMG International** site, reflecting our alignment with global standards.

Mandatory training

We believe that maintaining our high standards of integrity requires a continuous cycle of learning and reinforcement. Consequently, all employees across KPMG in Romania and Moldova are required to complete mandatory training courses annually, ensuring they remain equipped to identify risks and uphold the highest standards of trust.

These programs focus on critical pillars of our professional conduct, including Information Protection and data privacy fundamentals, Global Independence, Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF), and Integrity at KPMG. Our commitment to financial integrity is specifically guided by our Anti-Money Laundering and Counter-Terrorist Financing Policy, which sets out the principles and general rules established to prevent, detect, and mitigate the risks of illegal financial activities.

The Information Protection Fundamentals training covers information security and data privacy principles, protection of confidential information, individual responsibilities under firm policies, secure working practices, incident identification and escalation, and the consequences of non compliance.

The Global Independence Training covers personal and engagement independence requirements, identification and management of independence threats, role based applicability, individual responsibilities and confirmations, escalation of potential breaches, and the consequences of non compliance.

Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) training covers AML/CTF legal requirements, Know Your Client (KYC) and beneficial ownership, client risk assessment, internal controls, suspicious activity reporting, sanctions compliance, and the consequences of non compliance.

The Integrity training covers KPMG's Values and Code of Conduct, ethical decision making (CARE framework), speaking up mechanisms, conflicts of interest, antibribery, fraud and corruption, discrimination and harassment principles, handling of confidential information, and individual accountability for ethical conduct.

KPMG in Romania and Moldova is dedicated to conducting its business in accordance with the highest ethical standards and in full compliance with all applicable laws and guidelines related to combating the financing of terrorism. In support of this commitment, we have established a quantitative target to educate 100% of our employees on AML/CTF topics each year, on ongoing bases.

The effectiveness of this commitment for FY25 is reflected in the annual AML training launched in August 2024; 100% of our employees completed the curriculum by December 2024.

Building on this momentum, we continue to evolve our training agenda to match the changing regulatory landscape. In 2026, we expanded our mandatory curriculum by launching the International Sanctions Compliance training and Market Abuse Regulation training (MAR) for all existing employees. Our Risk Management team is currently monitoring these programs to ensure we maintain our 100% completion standard, and these courses have now been integrated into the onboarding process for all new employees.

International Sanctions Compliance training is developed to provide all KPMG staff with a clear and consistent understanding of their responsibilities related to international sanctions compliance, including how to identify and manage sanctions related risks in their day to day activities. The program is divided into several chapters that cover key sanctions related topics relevant to KPMG's operations, explain legal requirements in a clear and practical manner, and support the correct application of sanctions rules in real life business scenarios.

Market Abuse Regulation training (MAR) is designed to ensure that all KPMG staff have a clear and consistent understanding of their responsibilities related to measures for preventing market abuse. By completing this training, participants will strengthen their understanding of market abuse prevention measures and their role in protecting KPMG from legal, regulatory, and reputational risks. Beyond risk and compliance, our people are enrolled in specialized technical training programs tailored to their specific roles within Audit, Tax & Legal, and Advisory. These programs are designed to enhance the existing competencies and capabilities of our engagement teams, ensuring they appropriately fulfill their roles with cutting-edge expertise. Apart from traditional technical courses, we are also expanding access to and training on innovative technology and tools, empowering our teams to leverage digital transformation in every engagement they lead.

Information Security and Data Protection

The information security and data protection of our stakeholders is a core pillar of our operational integrity. To ensure a systematic and globally recognized approach to data privacy, our information security management system is certified under ISO 27001, providing the technical and organizational foundation for how we handle information. As part of our internal control system, we have established risk-adequate organizational structures, contractual regulations, and system-based safeguards. These are based on the Global KPMG Data Protection Guidelines and the Inter-Firm Data Transfer Agreement, ensuring secure personal data exchange within the global KPMG network.

Data protection is not a standalone function but is deeply integrated into our firm's governance. Our Data Protection Officer (DPO) operates with full independence, taking actions and making decisions free from internal instructions to ensure strict adherence to GDPR. Reporting directly to the Country Managing Partner, the DPO, supported by our data privacy team, serves as the central point of contact for all privacy-related matters. This oversight extends beyond simple compliance; the DPO is actively involved in cross-departmental processes, from supplier onboarding and auditing to employment and risk management, ensuring that data protection is a primary consideration in every business support function. As part of this commitment, we carry out annual IT security risk assessments across all sites, with the frequency adjusted on an ongoing basis according to the risk profile.

To ensure these systems remain effective, we employ both internal and external control processes. Our internal audit function - the CEE Peer Review - operates independently and autonomously to assess regularly our data protection and information security processes. This is complemented by continuous external auditing as part of our regular ISO 27001 recertifications.

We have also implemented a formal records retention schedule to ensure information is kept only as long as necessary and disposed of securely, alongside established protocols for obtaining stakeholder consent and protecting third-party data from unauthorized access.

We believe that a secure environment is built on the awareness of our people. Consequently, we maintain a 100% completion rate for our mandatory annual Information Protection and Data Privacy training. This continuous learning cycle ensures that every employee remains aligned with the latest privacy standards and evolving regulatory requirements. For those professionals who handle particularly sensitive categories of personal data, we provide additional specialized training and guidance to manage increased risk profiles.

Mandatory Information Protection and data privacy fundamentals: 100% staff completion rate by February 2026, covering information security and data privacy principles, protection of confidential information, individual responsibilities under firm policies, secure working practices, incident identification and escalation, and the consequences of non-compliance.

In the 2025 financial year, KPMG in Romania continued to comply with all data protection laws and related regulations. Through proper internal flows and the active involvement of the DPO, we have streamlined best practices for handling privacy incidents within legal timelines.

In the event of an incident, our Incident Response Plan (IRP) ensures timely identification, containment, and remediation, followed by a post-incident review to allow lessons learned to strengthen our framework.

As a result of these robust measures, we maintain a clean record with no investigations initiated by the Data Protection Authority (DPA) during the reporting period. Furthermore, during FY25, we did not register any substantiated complaints concerning breaches of customer privacy or losses of customer data, and all identified high-risk trading partners were covered by a due diligence process addressing information security risks.

Finally, our commitment to discretion is formalized through our professional culture. Every employee is required to submit a declaration of commitment to professional confidentiality, reinforcing the personal responsibility each of us has to protect the information entrusted to us by our clients and colleagues.

Ongoing initiatives, launched at the beginning of 2026

- 2026 Mandatory International Sanctions Compliance Training: 100% staff completion rate expected, covering the legal framework for international sanctions, identification and management of sanctions related risks, sanctions screening, internal escalation and consultation processes, individual responsibilities, and the consequences of non compliance.
- 2026 Market Abuse Regulation training (MAR): 100% staff completion rate expected, strengthening participants understanding of market abuse prevention measures and their role in protecting KPMG from legal, regulatory, and reputational risks.

Supplier Management and Sustainable Procurement

Compliance with sustainability standards, both within our firm and across our supply chain is a vital component of our strategy. As our suppliers play a key role in our ESG agenda and our climate protection targets, we place clear expectations on them to align with our environmental and social standards. Our objective is to foster long-term relationships built on common development goals and shared ethical guidelines.

The Supplier Code of Conduct

To formalize these expectations, we require all contracted suppliers to adhere to the KPMG Supplier Code of Conduct. This code is a cornerstone of our procurement process, ensuring that our sustainability principles are legally underpinned within our contractual terms. The Code clearly articulates our requirements across four critical pillars:

- Ethical Conduct and Integrity: we expect suppliers to uphold the highest levels of professional ethics, mirroring the standards we set for our own people.
- Human Rights and Fair Labor: this includes a strict stance against modern slavery, child labor, and human trafficking. We expect our partners to respect human rights and promote fair labor practices throughout their own operations.
- Inclusion and Diversity: we encourage suppliers to foster environments free from discrimination and to establish their own diversity, equity, and inclusion (DEI) goals.
- Environmental Responsibility: suppliers are expected to work together with us in reaching our climate goals, demonstrating active programs to reduce their environmental footprint.

Sustainable Procurement Practices

Our activities are guided by an evolving Sustainable Procurement Policy. This policy ensures that environmental and social risks are weighted alongside traditional considerations such as price, quality, and reliability. By integrating these factors into our sourcing decisions and supplier selection, we strengthen our business resilience and progress toward the goals outlined in Our Impact Plan.

KPMG in Romania and Moldova delivers targeted training for all who are responsible for procurement from different teams to build capability in sustainable purchasing and increase awareness of social and environmental risks across the supply chain. Supplier sustainability performance is embedded in procurement processes and reflected in buyer performance objectives.

Furthermore, KPMG in Romania and Moldova supports supplier development on the risks of adverse sustainability impacts by encouraging continuous improvement and risk mitigation across the supply chain. This includes clear communication of sustainability expectations, expressed in Supplier Code of Conduct and the results of supplier evaluation from the sustainability perspective, formal sharing of best practices and performance, and engagement through awareness raising initiatives such as webinars and public sustainability communications.

Furthermore, strategic procurement is subject to strict Independence Requirements. We have implemented robust monitoring and assessment mechanisms to ensure compliance, which includes providing suppliers and third parties access to the KPMG International whistleblowing hotline to report any concerns or unethical behavior.

KPMG in Romania and Moldova enforces a formal Vendor Risk Assessment protocol for all new and re-evaluated third parties. This process mandates rigorous review and formal approval by both the Data Protection Officer (DPO) and the Network Information Security Officer (NITSO). Detailed documentation is integrated into the third-party onboarding workflow to ensure full alignment with KPMG in Romania and Moldova's risk management, data protection, and information security standards.

2025 Progress and Challenges

During the 2025 reporting period, we took proactive steps to assess the maturity of our supply chain. We issued a comprehensive ESG questionnaire to our suppliers to evaluate their awareness and collect specific data in relation to their carbon emissions. While this was a necessary step in formalizing our carbon disclosure requirements, the exercise revealed a limited maturity level in relation to sustainability reporting among local suppliers, and the volume of actual data collected remained low. We view this not as a setback, but as a clear starting point for future engagement. We remain committed to supporting our strategic suppliers in their transition toward more transparent disclosure, as we work toward our target of reaching 70% annual expenditure coverage by 2027.

Transparency Report

Bounded by our values and desire to demonstrate respect for our stakeholders, our annual Transparency Report details also our governance processes and structures.

The 2025 Transparency Reports for KPMG Audit SRL and KPMG Moldova SRL offers a clear perspective on how we run our business. The report gives a complete overview of our governance model, structure, culture of integrity, strategy, and quality control systems.

They also details how, in Romania, we have applied the Statutory Audit Law (No. 162/2017) and Regulation (EU) No. 537/2014, which set out specific requirements for the statutory audit of public interest entities, as well as how, in Moldova, we have applied Law No. 271 of 15.12.2017, which set out how we define and approach audit quality in Moldova.

As presented in the Transparency Report for 2025, KPMG Audit SRL and ÎCS KPMG Moldova SRL operates a System of Quality Management, in accordance with International Standard on Quality Management 1 (ISQM1). Having a strong system of quality management that is robust, consistent and scalable drives quality engagement execution.

Quality remains the cornerstone of our profession and thus we are committed to delivering it relentlessly. The Transparency Report and this Impact Report cover the same time frame, which is why we recommend reading the two of them in conjunction.

Processes to remediate negative impacts

(GRI 2-25)

At KPMG in Romania and Moldova, we recognize that holding ourselves accountable for the impacts of our business activities is essential to maintaining public trust. Beyond identifying risks, we are committed to providing effective remedy should our operations cause or contribute to any negative impacts on our stakeholders, the environment, or the economy.

Our approach to remediation is integrated into our Quality Management and Risk Management frameworks. We use several mechanisms to identify areas where corrective action may be required, including:

- Engagement Quality Control: continuous monitoring of our professional services to identify and rectify any potential service delivery gaps,
- Stakeholder Feedback: leveraging our Customer Care platform and the SpeakUp channels to identify grievances early,
- Compliance Monitoring: regular audits that allow us to detect and remediate any deviations from our internal policies or regulatory requirements.

In the event that a negative impact is identified, we follow a structured process to provide a timely and fair remedy. This includes a thorough investigation led by the relevant Risk Management or People & Culture leaders, followed by the implementation of corrective measures, such as process improvements, training updates, or direct restitution, to ensure the issue is resolved and prevented from recurring.

For the 2025 financial year, we report that no significant negative impacts requiring formal remediation were identified through our grievance mechanisms or internal audits. We remain committed to ensuring that our remediation processes are transparent, accessible, and aligned with the UN Guiding Principles on Business and Human Rights, ensuring that all stakeholders have a clear path to resolution.

Reporting concerns and whistleblowing

(GRI 2-26)

Because we believe that a culture of integrity is built on the courage to speak up, we provide multiple accessible and secure channels for reporting concerns. For our employees, clients, subcontractors, and suppliers, the KPMG International whistleblowing hotline serves as a global resource for anonymously reporting suspected cases of illegal or unethical behavior, including fraud, bribery, and corruption. This global reach ensures that any stakeholder, including external third parties, has a safe platform to uphold our professional standards.

To complement this global resource, we maintain dedicated local confidential reporting channels that are available 24/7. These include a designated mailbox (speakup@kpmg.com) and our internal SpeakUp reporting form, which offer our people and partners immediate and flexible ways to voice their concerns. These mechanisms are designed to ensure that every query is handled with the highest level of confidentiality and seriousness, and KPMG is committed to protecting all individuals from any form of retaliation for reports made in good faith.

We monitor the effectiveness of these channels closely as part of our governance oversight. For the 2025 financial year, we can confirm that no matters related to unethical conduct or illegal practices were reported through any of these three channels, reflecting the strength of our preventive environment and our shared commitment to the KPMG Values.

Compliance with laws and regulations

(GRI 2-27)

At KPMG in Romania and Moldova, our commitment to professional excellence is inextricably linked to our strict adherence to all national and international laws and regulations. This compliance framework is not a reactive measure but a proactive integration of legal requirements into our daily operational workflows, ensuring that we uphold the trust placed in us by the public and our regulatory bodies.

We maintain a rigorous internal monitoring system to ensure that our services, particularly in the highly regulated fields of audit, tax, and advisory, are delivered in full alignment with the statutory requirements of the jurisdictions in which we operate. This includes, but is not limited to, compliance with the Statutory Audit Law (No. 162/2017) and the professional standards set by the national and (where applicable international) oversight bodies.

Annually, KPMG entities are subject to internal audit covering the following areas: going concern principle, risk administration, corporate governance, compliance audit, risk management.

Furthermore, every year, they are subject to an agreed-upon procedures audit in relation to compliance with the requirements of Law 129/2019 (“AML Audit”).

We are pleased to report that for the 2025 financial year, KPMG in Romania and Moldova achieved full compliance. During the reporting period:

- There were no significant instances of non-compliance with laws and regulations,
- No fines were imposed on the firm for environmental, social, or economic non-compliance,
- No non-monetary sanctions were issued by any regulatory authority.

This clean compliance record is a direct result of our robust internal control systems and our culture of "quality first." We remain dedicated to continuously monitoring the evolving legal landscape to ensure that our practices adapt ahead of any regulatory changes, maintaining our position as a trustworthy and compliant professional services organization.

People

Bucegi mountains, Carpathians, Transylvania, Romania

Targets

01
Turnover rate & GPS results

02
Increase digital transformation and IT Literacy

03
Employer of choice

Our employees and how they work

(GRI 2-7, GRI 2-8, ESRS S1)

KPMG in Romania and Moldova's Human Resources function is responsible for developing, implementing and adjusting the measures relating to "People". Besides legal requirements such as employment protection laws, the fundamental principles for our HR activities are the firm-wide applicable agreements and codes of conduct in relation to employees and human rights, which are specified in our Code of Conduct and Internal regulations. These also include internal provisions for staff development, gender equality and agreements on work-life balance, such as collective bargaining agreements and other relevant provisions.

We maintain a zero-tolerance policy toward modern slavery, child labor, forced labor, and human trafficking (GRI 408-1, 409-1). While these are not identified as inherent risks within our specific region or business model, we remain committed to their absolute prohibition across our entire value chain. In FY25, we recorded zero incidents of modern slavery, child labor, forced labor, or human trafficking within our operations or among our suppliers.

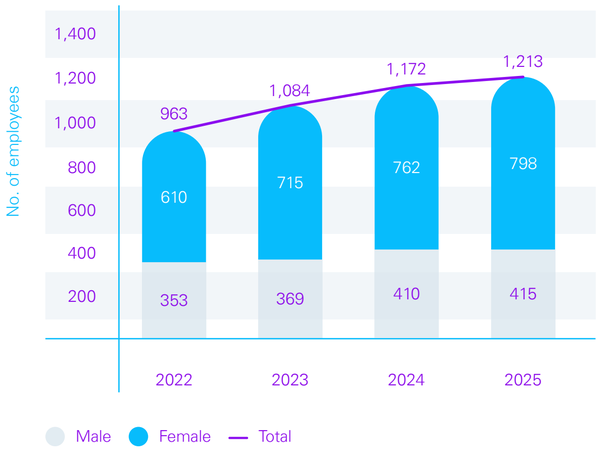
Our hybrid work model continued throughout FY25, balancing flexibility with collaboration. By combining remote work with designated office days, we empower our teams to choose the environment that best suits their productivity while fostering essential face-to-face interaction.

Workforce Profile & Diversity

(GRI 2-7, 405-1 | ESRS S1-6)

As at the reporting date of 30 September 2025, our total headcount was 1,213 employees, representing a 3% increase (41 individuals) compared to the previous period. Of this total, 798 (66%) are female and 415 (34%) are male.

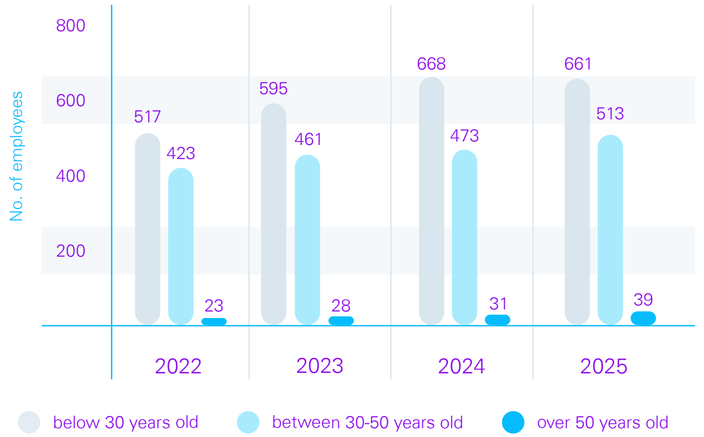
Total number of employees



Our workforce remains predominantly young, with the following age distribution:

- Under 30 years old: 661 employees (over 54% of total staff).
- 30–50 years old: 513 employees (approx. 42%).
- Over 50 years old: 39 employees (approx. 3%).

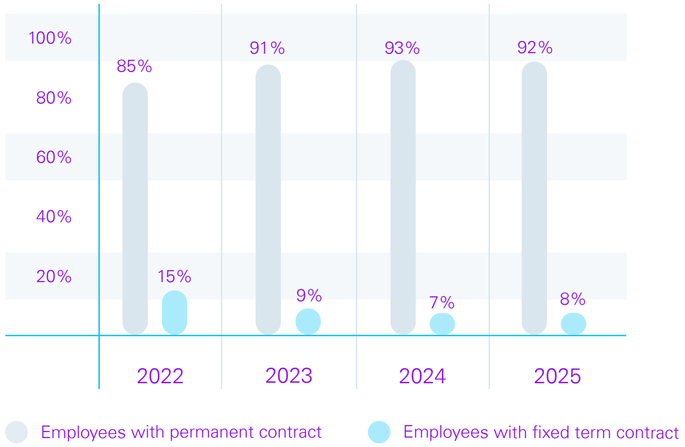
Employee breakdown by age groups



KPMG in Romania and Moldova does not use non-guaranteed hours contracts. Our workforce composition by contract type is as follows:

- Full-time vs. part-time: Most of our workforce (1,156 people) are full-time employees. Only 57 people are on part-time contracts, a figure that declined relative to the previous year.
- Permanent vs. fixed-term: We employ 1,122 permanent staff (including both local and expatriate staff members). There are 91 individuals on fixed-term contracts, representing an 8% increase from FY24.

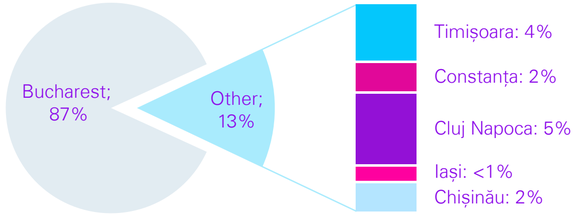
Workforce by contract type



Our workforce is strategically distributed across our regional offices, with the highest concentration in our Bucharest headquarter:

- Bucharest: 87% (approx. 1,060 employees)
- Cluj-Napoca: 5%
- Timișoara: 3%
- Chișinău: 2%
- Constanța: 2%
- Iași: <1%

Breakdown of employees by office



Workers who are not Employees

(GRI 2-8 | ESRS S1-7)

To meet specialized project requirements or surge capacity, we occasionally subcontract services from other KPMG member offices or local vendors.

KPMG in Romania and Moldova strictly adheres to the Romanian Labor Code in relation to significant operational changes (GRI 402-1). This means that in the case of significant changes, all employees affected by such changes receive a minimum notice period of 20 working days. For management-level positions or specific contractual arrangements, this period may be extended to ensure a smooth transition. No such actions were needed during the reporting year.

At KPMG in Romania and Moldova we want to offer our employees the best work experience by ensuring maximum flexibility in terms of employment. Achieving healthy work-life integration is crucial for overall well-being and productivity. Flexibility from both the employer and the employee is essential in creating an environment where personal and professional responsibilities can coexist harmoniously. For this reason, we provide flexibility in terms of working hours, remote working, as well as type of employment contract (GRI 401-2).

The percentage of KPMG employees choosing to work on a part-time basis has increased during the last 4 years from 4% in FY22 to 5% in FY25, with more than half of part-time contracts being for female employees.

Percentage of part-time employees in FY25

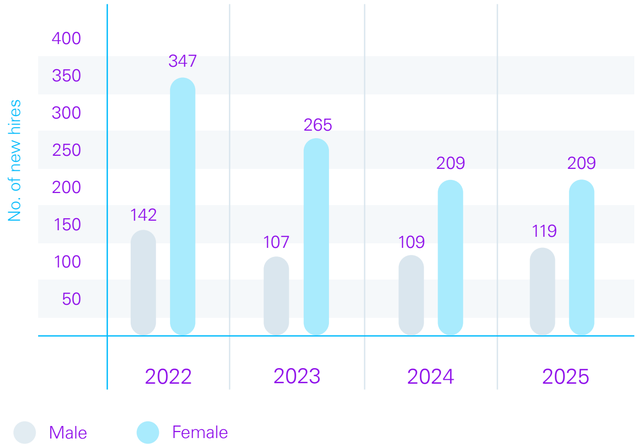
Stability is the foundation of our organizational success. By fostering a secure and predictable environment, we enable our professionals to focus on long-term goals, driving higher engagement, innovation, and retention. This commitment is demonstrated by our contractual stability: in 2025, 92% of our employees held permanent work contracts.

Talent Acquisition and workforce dynamics

(GRI 401-1)

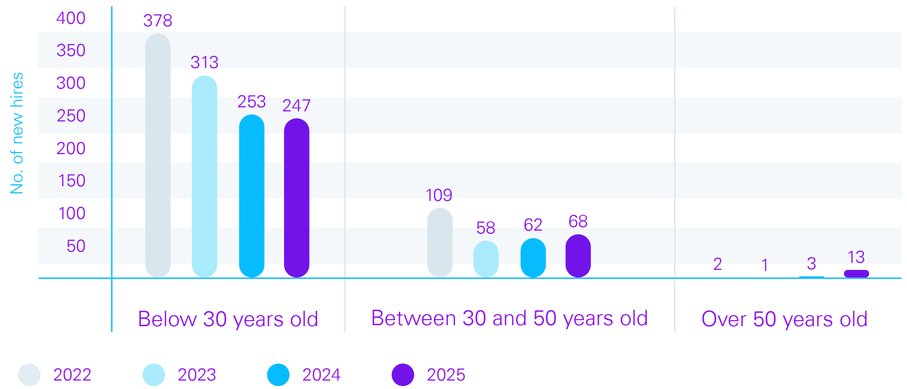
KPMG in Romania and Moldova continues to strengthen its team, and hence during FY25 we welcomed 317 new joiners in Romania and 11 new joiners in Moldova, who chose to bring their expertise to help consolidate our position on the market. Our onboarding app Talmundo, streamlines the integration process for new joiners, enhancing their initial experience and ensuring a smooth transition into our company culture.

New hires by gender

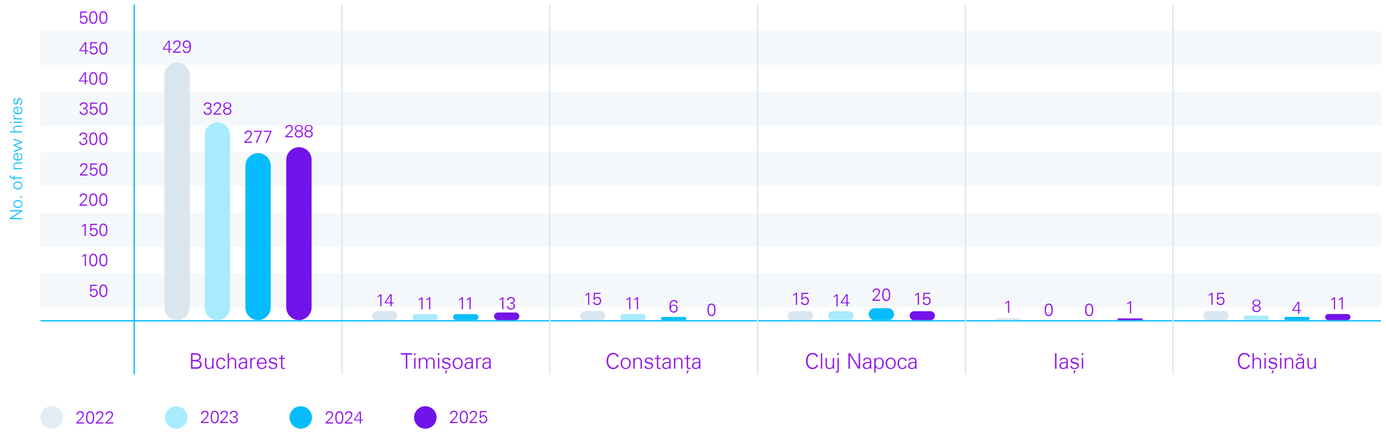


The following charts provide a breakdown of new hires by age group, and region:

New hires by age group



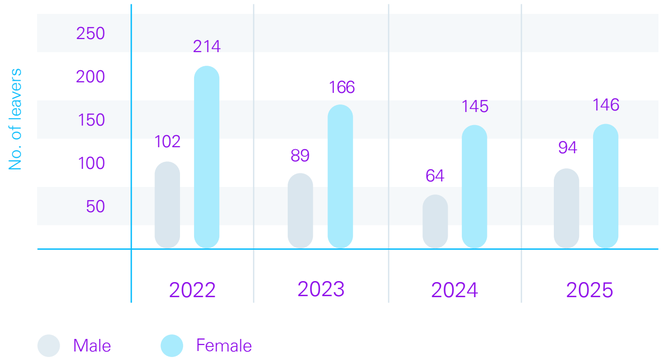
New hires by office



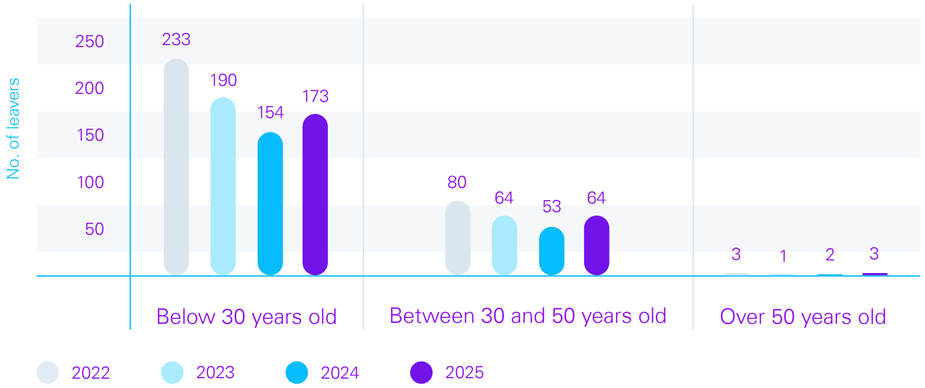
In 2025, we continued to work towards our long standing target of keeping staff turnover at or below **20%,** and we met this objective with a turnover rate of **20%,** marking the second consecutive year in which results remained within our target range. During FY25, **240 employees** left the organisation; **72%** were under the age of 30, and **85%** of turnover occurred in our Bucharest office.

Overall, the three year trend shows steady progress, **from 25% in 2023,** to **18% in 2024,** and stabilizing at **20% in 2025,** highlighting the sustained impact of our People initiatives and our continued commitment to maintaining turnover within our long standing objective.

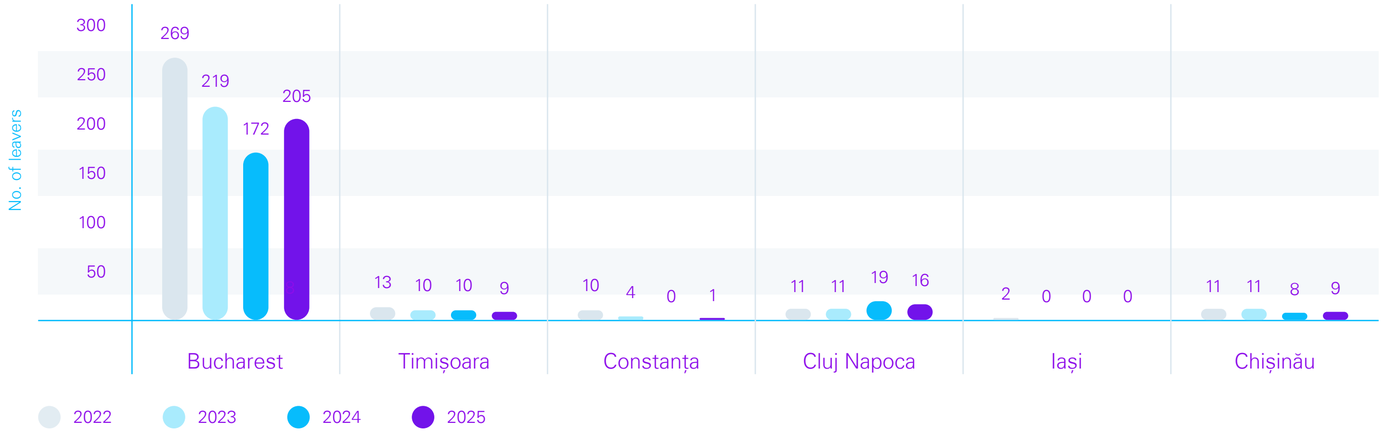
Leavers by gender



Leavers by age group



Leavers by office



Our analysis of these departures reveals two primary concentrations:

- **By Age:** 72% of departures were among employees under the age of 30, reflecting the high mobility typical of early-career professionals in the professional services sector.
- **By Region:** 85% of turnover occurred within our Bucharest office, which aligns with the fact that it remains our largest talent hub.

Remuneration and reward

(GRI 2-19, 2-20, 401-2, ESRS 2 GOV 4, S1-11)

In addition to competitive salaries, our employees benefit from all statutory provisions such as parental leave as well as a comprehensive range of additional benefits offered by KPMG in Romania. These include health and life insurance, dedicated leave for exam days, and integrated support for physical and emotional well-being.

In Romania and Moldova, while access to the public healthcare system is granted to all individuals with an employment contract, our employees also have the option to benefit from a private medical subscription with a provider of their choice. To ensure our team has rapid access to medical services or expert second opinions, we initiated a supplementary collaboration with a specialized healthcare provider at the beginning of FY23.

Furthermore, our staff have access to a flexible benefits scheme, allowing them to choose from a wide array of options and discounts. This includes services and products such as gift vouchers, private pensions, fitness subscriptions, and tickets for cultural activities, as well as discounted access to various leisure facilities across the country.

Our approach to compensation is guided by our Employee Handbook, designed to ensure fairness and alignment with our strategic values. For all our employees, including the leadership team, we maintain a structure that balances fixed pay with variable components. This variable remuneration is tied to company and personal performance.

The process to determine remuneration is overseen by the Administrators, ensuring that our pay scales remain competitive and equitable. To maintain objectivity, we periodically benchmark against the market. Furthermore, we actively listen to our stakeholders, incorporating insights from our Global People Survey into our annual rewards review to ensure our package remains relevant to our people's needs.

Fair pay and starting salaries

KPMG in Romania and Moldova pays fair starting salaries, ensuring they are always appropriate and above the statutory minimum wage level. This principle also applies to the employment of temporary staff; notably, our starting salaries for university graduates are significantly higher than the statutory minimum wage in Romania and Moldova.

The remuneration granted to our people reflects their level of experience, knowledge, and degree of responsibility. Competence specific to each position, performance, and skill set are the primary factors considered when designing the remuneration and bonus schemes for our staff. In addition to fixed remuneration, our employees receive results and performance-based compensation, the process for which is communicated transparently to all.

To support the well-being of our workforce, we actively manage working hours and overtime through a dedicated Timesheet system. This ensures all extra or atypical hours are monitored and compensated either with time off or overtime pay. We continuously monitor wage levels to guarantee that all staff receive adequate pay, with resources available for support and guidance.

Parental Leave

(GRI 401-3, ESRS S1-15)

All our employees are entitled to parental leave, as per Romanian legislation. For the financial year 2025, 89 KPMG employees took parental leave, out of which 79 were women and 10 were men. We are pleased to have recorded a 100% return-to-work and retention rate for employees who took parental leave in 2025.

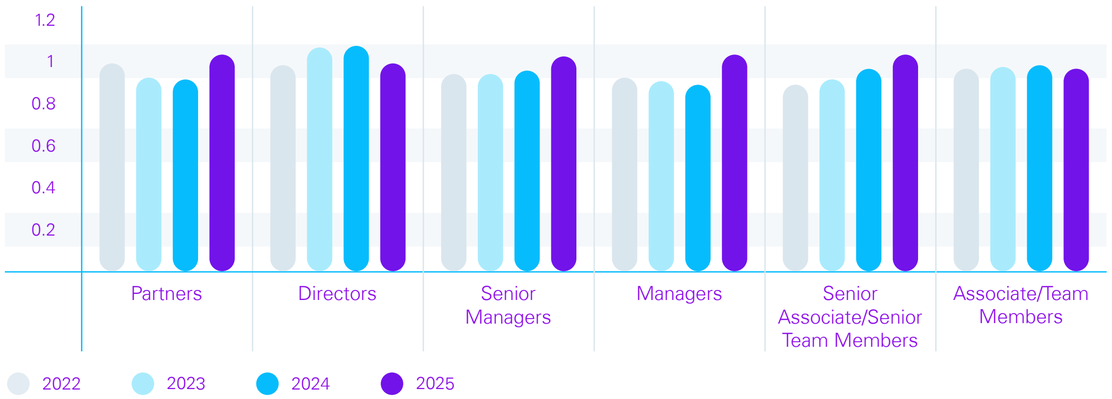
Annual total compensation ratio

(GRI 2-21)

Reflecting our commitment to transparency and internal equity, we monitor our Annual Total Compensation Ratio (GRI 2-21).

For the 2025 reporting period the ratio between the total annual compensation of our highest-paid individual and the median total annual compensation for all employees was 30:1. For the Republic of Moldova there is no significant gap between the top earner and the average reflecting the structure of the personnel for this office.

Rate of average base salary of women to average base salary of men in each employment category (%)



Collective bargaining agreements

(GRI 2-30, ESRS S1-8)

In FY24, KPMG Romania and Moldova invited all employees, in accordance with their respective legal statutes, to elect representatives for the negotiation of collective bargaining agreements. While invitations were issued across all eligible entities, the election process was successfully concluded within KPMG Delivery Center SRL, where employees chose to exercise their right to representation. As a result, approximately 20% of the total KPMG Romania and Moldova workforce is currently represented by elected delegates who can negotiate collective bargaining arrangements. We remain committed to supporting the right to freedom of association and to ensuring open dialogue between management and our people.

Although not mandated by law for all entities, we proactively encourage our people to select representatives.

To strengthen our internal representation further, we have set the following objective:

- KPMG in Romania and Moldova is committed to maintaining an open and constructive social dialogue by continuing to invite and encourage employees to elect their representatives, even though this is not mandatory by law.
- We will enhance voluntary engagement practices, provide channels for representation and consultation, and aim to keep collective bargaining coverage steady while aiming to increase it to 30% by 2030, subject to employees expressing their willingness to engage.

Occupational Health and Safety

(GRI 403)

Although Occupational Health and Safety is not identified as a material topic for our business model, we remain committed to providing all employees with a safe working environment. This is achieved by conducting yearly health and safety risk assessments and ensuring access to adequate personal protective instructions, equipment, and training. We maintain a zero accident target.

Management System and Training

(GRI 403-1, 403-5)

In accordance with Romanian and Moldovan law and regulations, 100% of our employees are covered by our health and safety management system. Annually, all personnel (100%) receive relevant Health and Safety training tailored to their specific employment category.

We also prioritize the health and safety of non-employee workers and other contracted personnel present on our premises. All contractors and external workers are required to undergo site-specific health and safety inductions and receive clear instructions in relation to emergency procedures, hazard identification, and safe work practices. This approach helps maintain a safe environment for everyone who works at or visits our facilities.

Performance and Compliance

(GRI 403-9, 403-10)

In FY25, health and safety risk assessments were conducted for 100% of our entities, ensuring comprehensive coverage and compliance with legal and internal standards. We are also committed to monitoring employee well-being; during this period, there were zero reported cases of work-related ill health among our workforce (GRI 403-10). Furthermore, during this financial year, we did not register any work-related accidents or injuries (GRI 403-9).

Training & education

(GRI 404-1 to 404-2, ESRS S1-13)

“Learn for a lifetime” is central to our Employee Value Proposition and reflects our policy and commitment to continuous growth in a culture where learning never stops. We encourage curiosity, foster collaboration, and enable our people to engage with leading practices and emerging technologies. We are committed to supporting employees’ career development by providing adequate training opportunities, ensuring that all team members have access to learning resources that help them grow professionally. Our goal is to achieve at least 20 hours of training for each employee per year, every year and at least 120 hours of training per employee, every three years.

Access to training and broader initiatives

(GRI 402-2)

During the reporting year, and every year, all employees (100%) were given the opportunity to take part in skills-related training, ensuring equal access to professional development across the organization. These training programs were designed to cover a wide range of competencies, including technical skills, leadership abilities, digital transformation, and AI literacy. By offering both internal and external courses, delivered through a mix of face-to-face, online, blended, and virtual learning formats, we supported employees at every stage of their career—from early talent to experienced professionals. We provided personalized learning resources, tailored workshops, and hands-on sessions to address individual growth needs. Additionally, participation was strongly encouraged and supported by management, reflecting our commitment to fostering a culture of continuous learning and development. This comprehensive approach helped equip our workforce with the knowledge and skills necessary to excel in a rapidly changing environment and contributed to a future-ready organization.

To sustain our competitive edge, we invest in structured learning and targeted development for both early career talent and experienced professionals. Our training portfolio spans national and international, internal and external programs.

FY25 Training Metrics

(GRI 404-1)

Out of a total number of hours worked during the reporting year of 2,222,671, a total of 111,280 hours were dedicated to training. At company level, this resulted in an average of 75 training hours per employee, significantly exceeding our minimum annual target of 20 hours. The total investment in training programs amounted to **EUR 733,179.**

Average hours broken down by Gender and Employee Category

(GRI 404-1)

In FY25, 1,482 colleagues participated in training programs, reflecting strong engagement across all career levels. Partners recorded an increase in 2025, reaching 123 training hours, reinforcing a growing commitment to continuous learning at the highest leadership level. Directors maintained training hours above 2022 levels in 2025, reflecting sustained participation, while Managers continued to demonstrate higher training intensity compared to the 2022 baseline. Associate and Team Member training hours increased steadily from 64 hours in 2022 to 78 hours in 2025, highlighting sustained investment in early career development across Romania and the Republic of Moldova.

Average hours of training per employee category, Romania and Republic of Moldova

Forming the future workforce

(GRI 404-2)

Through sustained investment in learning and professional development, we strengthen long term human capital and contribute to a resilient and skilled labor market. Our approach is designed to ensure that our people, whether they continue their careers with KPMG or pursue opportunities elsewhere, are equipped with the capabilities needed to thrive in a rapidly evolving world of work.

Learning and development are core to KPMG in Romania's business model and people strategy. We create an environment where our professionals can reach their full potential through continuous, structured development aligned with business needs, regulatory requirements, and emerging market trends. All employees complete mandatory roles specific training upon joining the firm, with key programs refreshed annually to maintain relevance and ensure up to date knowledge of tools, policies, and professional standards.

To respond to changing learning needs, we offer a flexible and inclusive learning ecosystem that combines face to face, online, blended, and e learning formats, supported by virtual classrooms and on demand resources. On the job learning remains a cornerstone of professional growth, complemented by accessible development opportunities that enable continuous upskilling and reskilling.

We promote a culture of dialogue and continuous improvement by actively gathering feedback on learning experiences through course evaluations, ongoing discussions with performance managers and the Learning & Development team, and our annual Global People Survey. In line with our professional development policy, each employee commits to a minimum of 20 hours of learning per year and at least 120 hours over a three year period.

Our curricula are regularly reviewed to ensure technical expertise remains up to date and aligned with professional standards, while also supporting mobility across roles and functions. Recognizing that sustainable performance depends on more than technical skills alone, we invest consistently in the development of transversal and leadership capabilities. Our learning portfolio includes programs focused on communication, effective listening, neuro mindfulness, personal effectiveness, presentation and public speaking skills, business English, as well as structured management and leadership development journeys.

We encourage employees to become members of, and to obtain qualifications with relevant national professional bodies in Romania such as the Authority for Public Supervision of Statutory Audit Activity (ASPAAS); the Chamber of Financial Auditors of Romania (CAFR); the Body of Expert and Licensed Accountants of Romania (CECCAR); the Romanian Chamber of Tax Consultants (CCF); the National Association of Authorized Valuers in Romania (ANEVAR); the National Union of Insolvency Practitioners of Romania (UNPIR). We also encourage staff to obtain international certifications such as membership of the Association of Chartered Certified Accountants (ACCA); the Advanced Diploma in International Taxation (ADIT); the GRI Certification; or qualification as a Chartered Financial Analyst (CFA), a Financial Risk Manager (FRM), a Project Management Professional (PMP), or to obtain cyber security credentials. These pathways are supported through access to learning materials, financial support where applicable, and dedicated study leave tailored to individual development needs.

Building a coaching culture

KPMG in Romania and Moldova has continued to embed coaching as a structured, organization-wide capability that supports professional growth, leadership effectiveness and employee wellbeing. Our coaching ecosystem integrates the KPMG Internal Coaching Program, which provides employees across levels with access to professional coaching to support performance, career development and adaptability, alongside the KPMG Coaching School for Partners and Directors, which develops coaching competencies among senior leaders as a core leadership skill. This approach strengthens people-centered leadership behaviors such as effective listening, feedback, empowerment and accountability, contributing to higher engagement, trust and sustainable performance. Coaching initiatives are embedded within our broader learning and development architecture and aligned with KPMG's global people strategy, supported by participation in KPMG global communities of practice that facilitate consistent standards, knowledge sharing and continuous improvement across the network. By integrating internal and external coaching expertise and positioning coaching as an ongoing leadership and development practice, KPMG in Romania and Moldova reinforces a culture of continuous learning, resilience and wellbeing, directly supporting workforce capability building, retention and long-term organizational sustainability.

Building an AI-skilled workforce

KPMG in Romania and Moldova's approach to building an AI skilled workforce is a core enabler of long term value creation and a critical component of our people, quality and trust agenda. As artificial intelligence reshapes professional services, KPMG in Romania and Moldova is committed to ensuring that AI adoption is human centered, ethical, responsible and inclusive, enabling our people to apply technology in ways that enhance professional judgement, service quality and societal trust.

A Global Framework Anchored in Responsible AI

Across KPMG International and its member firms, AI capability building is structured through the KPMG AI Learning Academy, which provides a globally consistent framework for developing AI literacy and applied skills across all roles and career stages. The Academy reflects KPMG's belief that sustainable AI adoption depends on workforce readiness as much as technological capability.

Global learning is organized around:

Foundational AI literacy, ensuring a shared understanding of artificial intelligence and generative AI concepts, data fundamentals and responsible use.

Role and function specific enablement, supporting professionals in Audit, Tax&Legal, Advisory and Central Services to integrate AI into their work in a controlled and value driven manner.

Leadership capability building, including programs such as AI for Leaders, focused on AI governance, strategic oversight and ethical decision making.

Responsible and Trusted AI principles are embedded throughout the learning journey, reinforcing transparency, accountability and compliance with regulatory and professional standards.

KPMG in Romania: Structured AI Literacy and Adoption at Scale

In Romania, the global AI learning strategy is implemented through a disciplined, locally relevant approach that prioritizes baseline AI literacy, role based upskilling and quality assurance. AI learning is embedded into the firm's learning governance framework, with mandatory curricula assigned to relevant employee populations and completion monitored through internal systems.

In Audit and Assurance, AI enablement is closely linked to quality and compliance requirements. For example, Introduction to KPMG Clara AI – chat is mandatory for audit professionals seeking access to AI enabled audit functionality, ensuring appropriate use aligned with KPMG methodology and professional standards.

In Advisory, AI capability building is delivered through AI literacy programs allocated via internal learning systems, covering Generative AI fundamentals, Responsible AI principles and KPMG's advisory AI ecosystem, including aIQ Foundations. This baseline is reinforced through KPMG Velocity Learning, which supports the adoption of AI enabled ways of working by developing transformation and delivery capabilities, enabling consistent, high quality and well governed application of AI across Advisory engagements.

AI Enablement in Central Services

Within Central Services, AI adoption focuses on enhancing operational efficiency, knowledge management and day to day productivity using secure, enterprise grade tools. Central Services Department leverages Microsoft 365 Copilot as a core productivity enabler, supporting activities such as document drafting, data structuring, communications and workflow automation across functions including HR, Finance and Operations.

In parallel, Generative AI capabilities are extended through platforms such as Digital Gateway GenAI, enabling structured interaction with data and internal knowledge in a controlled environment aligned with KPMG's Trusted AI principles.

The adoption of these tools is supported by continuous learning initiatives and usage guidelines, ensuring that AI is applied responsibly, with appropriate human oversight, and contributes to more efficient, consistent and scalable internal service delivery.

Adopting Generative AI in the Tax & Legal Function

The Tax & Legal function represents a key area of AI adoption, reflecting both increasing regulatory complexity and the need for efficiency, accuracy and transparency. In Romania, Generative AI adoption in Tax&Legal is enabled through KPMG Digital Gateway GenAI, a secure, cloud based platform aligned with the KPMG Trusted AI framework.

To support responsible adoption, Tax & Legal professionals participate in structured learning programs, including mandatory internal e learning modules on the use of Generative AI in Digital Gateway, ensuring consistent understanding of governance, data protection and appropriate application across teams.

These learning initiatives support the integration of Generative AI into tax workflows while maintaining a strong focus on professional judgement, regulatory compliance and data security. Generative AI is positioned as an enabler that augments human expertise, allowing tax professionals to focus on higher value analysis, interpretation and client advisory work.

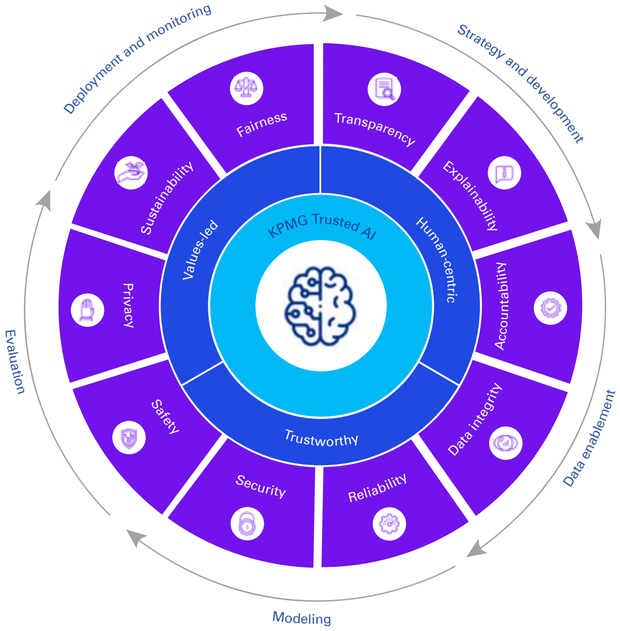
Impact and Long Term Value

By aligning global AI learning frameworks with robust local implementation, KPMG in Romania and Moldova continues to strengthen AI literacy, support responsible technology adoption and enhance service quality across functions. The structured integration of Generative AI across the firm demonstrates KPMG in Romania and Moldova's commitment to innovation that is ethical, transparent and aligned with the public interest.

Through continuous investment in people, skills and governance, KPMG in Romania and Moldova is building an AI skilled workforce that supports sustainable growth, regulatory trust and long term impact for clients, communities and the wider economy.

Where AI is integrated into our services and internal processes, it is used to support professional judgement, enhance quality and improve efficiency, rather than replace human decision-making. This approach is consistent with our commitment to maintaining audit quality, safeguarding independence, and protecting stakeholder trust.

KPMG in Romania and Moldova continuously monitors regulatory developments, including those related to the EU AI Act, and adapts its internal policies, controls and guidance as needed. AI-related risks are managed through our broader risk management and governance frameworks, ensuring alignment with evolving regulatory expectations and market practices.



Creating the Framework for all generations in KPMG in Romania and Moldova to have access to decisions that influence their professional life – Non-Executive Board

The highly volatile and dynamic business sector in which we operate requires high professional standards. We hire, train, and retain individuals with the appropriate knowledge and expertise who also connect with KPMG in Romania and Moldova's values and strategic goals.

At KPMG in Romania and Moldova, we believe in fostering an inclusive decision-making process where voices from different levels of the organization contribute to shaping our future. Two key initiatives, the Next Gen Board and the Seniors and Managers Boards, reflect this commitment by providing structured platforms for feedback, innovation, and collaboration.

Next Gen Board – A Non-Executive Voice with Strategic Impact at Firm level

The Next Gen Board serves as a non-executive counterpart to the Administrators, ensuring that fresh perspectives and innovative thinking support key business decisions. Aligned with the structure and governance of the Administrators, this forum channels ideas that address both strategic priorities and people-focused initiatives. Its members represent multiple functions across the firm, ensuring broad and diverse representation.

Seniors Board and Managers Board – Bridging Perspectives in Audit and Advisory

The Seniors Board is designed to capture real-time feedback from professionals below manager level in the Audit and Advisory departments. Its effectiveness has been evident through direct contributions to well-being, training, and recognition programs, all of which have led to tangible improvements in employee engagement, as reflected in the Global People Survey.

Complementing the Seniors Boards, the Managers Boards in Audit and Advisory bring together Managers and Senior Managers who contribute their perspective on operational excellence, culture, collaboration, workload challenges, capability building, and practice-wide improvement initiatives. These boards operate separately for Audit and Advisory and serve as structured platforms for identifying bottlenecks, proposing solutions, and ensuring consistent alignment between business realities and leadership priorities.

Both Boards reinforce KPMG in Romania and Moldova's commitment to fostering a culture where collaboration, innovation, and employee engagement are at the heart of decision-making. By integrating these structured feedback mechanisms, we continue to build a more agile, people-centric organization.

Well- being

(GRI 404-2)

For KPMG in Romania and Moldova, wellbeing continued to be a significant priority in FY25.

In 2023, we were pleased to announce that KPMG in Romania was chosen as Top Wellbeing Employer of the Year by the fitness program provider Bodyshape, in collaboration with the online platform undelucram.ro. This award reflects our commitment to wellbeing and to promoting a healthy, balanced work environment. Building on this achievement, in FY25, we continued to offer our employees a wide range of wellbeing activities and volunteering opportunities, reinforcing our commitment to being their employer of choice.

Moreover, in 2025, KPMG in Romania was recognized at the Corporate Wellbeing Award, an edition dedicated to organizations that successfully embed wellbeing into everyday practice, creating meaningful and lasting impact in people's lives.

We proudly received the "Pioneering Award" for BeBrainFit, an innovative initiative that combines neuroscience with mindfulness to foster self-awareness, emotional balance, and resilience across our teams. The program provides practical, science-based tools that help colleagues understand how the brain works, manage stress more effectively, and build sustainable wellbeing habits.

This recognition reflects our ongoing commitment to cultivating a healthy, mindful, and high-performing workplace culture where people feel supported to thrive, personally, and professionally.

We have provided a comprehensive overview of our Wellbeing programs, showcasing a solid, consistent and coordinated commitment year on year to cater to our employees' needs, based on the genuine feedback we have received internally, which has helped us to develop all the different features we have added over the past few years.

Please see below the impact these programs have had:

Intellectual wellbeing

Intellectual wellbeing recognizes creative abilities and encourages us to find ways to expand our knowledge and skills. It can be developed through personal and professional development, cultural and community involvement as well as personal hobbies.

Through a robust Learning & Development strategy, outlined in the ***Training & Education*** and ***Forming the Future Workforce*** sections, we invest in expanding knowledge, strengthening critical thinking, and fostering creativity. A key priority is building AI literacy and practical AI skills, ensuring our people can confidently adopt emerging technologies and apply them responsibly in their work.

In FY25, we invested over EUR 733,000 in learning and professional qualification programs, delivered through a mix of face-to-face, online, blended, and virtual learning formats, supporting both individual development and organizational innovation.

To further support our people's development, during FY25, under the **Intellectual Wellbeing** pillar, we delivered a rich program of learning and inspiration focused events, involving **over 640 participants** and representing **more than 1,300 hours** of development opportunities. These included an Inspirational Talk with a distinguished Japanese delegation; cultural events in Iași and Chișinău featuring **Horia-Roman Patapievici** at Palatul Culturii; a guided art tour and the **"Neuroscience of Learning"** webinar.

In addition, we organised Inspirational Talks on ***The Implications of the Digital Revolution for Contemporary Governance Systems*** and ***The Role of AI in Shaping the Future of Work and Governance,*** featuring special guest **Prof. Paul Dragoș Aligică.** To further support practical learning, we also delivered a **PPC Talk** dedicated to the **KPMG Time Tracking Tool,** designed to enhance knowledge and efficiency in using our new time management solution.

In FY25, we further strengthened intellectual wellbeing through a series of interactive workshops delivered in partnership with Casa Paleologu. Focused on rhetoric, leadership, and followership, these sessions encouraged critical thinking, ethical judgment, and reflective dialogue, while cultivating the ability to lead with clarity and to follow with responsibility. By combining classical ideas with contemporary organizational challenges, the workshops supported our people in developing intellectual depth, cultural awareness, and confident expression—key capabilities for navigating complexity in a rapidly changing professional landscape.

Financial wellbeing program

Financial wellbeing is the process of becoming financially literate. It is about being informed and in control of your money and resources, not about being wealthy. This includes financial planning for the present and the future and living within your means.

This program was delivered by various external financial experts in FY25 to over 848 colleagues. Over 5,060 hours were invested in these financial programs. Our Financial Program consisted of a five-module program and a special workshop dedicated to planning our holiday budgets. We covered subjects like investments, family and children's budgets, eliminating debts, savings and how to increase our income, our financial personalities and many more useful topics. We also had an internal PPC Talk about our benefits, the changes we had to make, and ensured that everything was clear for our colleagues.

Social wellbeing programs

Social wellbeing is achieved when we are able to create and maintain healthy relationships with the people around us. Positive social relationships can provide us with comfort and support in difficult times, increasing our resilience and ability to cope with life's challenges.

These initiatives brought colleagues together through various internal events, from team buildings to quarterly team gatherings and volunteering events, that involved smaller or larger teams. During FY25, over 1,300 colleagues got involved in over 30 programs within this pillar, such as team social gatherings, team buildings, monthly meetings, Christmas parties (in Bucharest and local offices), and thematic workshops organized at Christmas, during March, for Easter, and at Halloween. These events took place in the Bucharest office, as well as in the local offices in Constanța, Timișoara, Cluj, Iași, and Moldova. Over 15,000 hours were invested in these programs, which were part of the social wellbeing pillar.

Emotional wellbeing

Emotional wellbeing is the ability to produce positive emotions, moods, thoughts, and feelings, and adapt when confronted with adversity and stressful situations.

Emotional wellbeing was not only supported through the 1-on-1 therapy sessions provided by external therapists and psychologists, through a third-party platform (Wellington) to ensure confidentiality, but also through several other thematic workshops covering topics such as bullying, managing anxiety, and the neuroscience of smartphone use, which addressed various emotional and mental health topics. Furthermore, we also continued BeBrainFit, a Neuromindfulness Program a to 845 colleagues since it was launched in the summer of 2021. In 2025, the program was also awarded the Pioneering Award at the Corporate Wellbeing Awards.

Overall, during FY25, over 8,100 hours were invested across all Emotional Wellbeing programs, in which more than 660 participants took part.

Physical wellbeing

Physical wellbeing is practicing self-care for the needs of your body. This includes physical activity, balanced nutrition, getting adequate sleep, and avoiding harmful behaviors.

To support employees' health and wellbeing, workspaces are designed with ergonomic chairs, natural materials, light color schemes, and by maximizing access to natural lighting. In addition, messages and guidelines on improving workstation ergonomics are available to all KPMG employees.

Furthermore, the firm implements various programs aimed at preventing health related issues and supporting early identification and timely assistance, contributing to a proactive approach to employee health, wellbeing and safe working practices.

These programs covered over 1,200 unique employees. Over 6,800 hours were invested in the Spine Therapy Program (run by an external provider, Restartix), in the weekly chair massage sessions organized in the Bucharest, Constanța, Cluj and Timisoara offices, the Nutrition Program consisting of 12 workshops, Yoga and Pilates sessions at the office, the Step Challenge, as well as wellbeing workshops on topics such as food waste, diabetes and breast cancer awareness. We also supported sports events (we have a football team of 30 KPMG players) that encourage colleagues to make time for physical exercise in their routine.

Spiritual wellbeing

Spiritual wellbeing is defined as expanding a sense of purpose and meaning in life, including one's morals and ethics.

These programs help our colleagues to broaden their cultural horizons and general knowledge through several sessions led by cultural personalities, philosophers, historians and other prominent personalities in the form of Inspirational Talks, Travel Talks, Roundtable discussions with more than 600 colleagues participating. Moreover, several colleagues who achieved exceptionally high performance and showed outstanding dedication were able to participate in study trips in Romania, in Vâlcea and Sibiu. Our projects, coordinated mainly by our colleagues from Timișoara, ***Supporting the cultural capital – Timișoara*** also represent an outstanding accomplishment. During FY25, our colleagues organized guided tours for more than 70 clients and KPMG staff from the local offices in Timișoara and Bucharest. The events were: *KPMG: Celebrating 30 Years – A Reflection on Balance in the TikTok Era* and KPMG in Romania – Timișoara - *Where Art and Transfer Pricing Sketch Amicable Solutions* – at the Banat Museum. KPMG in Romania was also the official Partner for this Project.

Kindness wellbeing

Kindness Wellbeing is the power of generosity over the wellbeing of each of us and others outlined in the Prosperity section.

Since CSR has become an essential element of our practices and values, we present the pillars upon which our CSR initiatives are built, education programs, environmental campaigns and community activities.

The main objective was and continues to be to give life to the KPMG values "together", "for better" by offering employees the opportunity to donate their knowledge, energy and time.

Open Performance Development (OPD)

(GRI 404-3, ESRS S1-13)

Our Open Performance Development (OPD) framework supports a mutually beneficial performance relationship between the firm and our people. It offers structured access to training, mentorship, and performance tracking tools that enable employees to build competencies, take on new challenges, and develop strong professional networks. The framework also guides our assessment of key performance areas, including goal achievement, skills development, collaboration, and adaptability.

01 Values

Does the employee reinforce the company's values in their professional activities and daily performance?

02 Competencies

Does the employee demonstrate the competencies expected of someone at their level and within their function?

03 Contributions

Does the employee contribute to the business objectives specific to their role, and against any key metrics that are applicable to their level and function?

04 Capabilities

Is the employee working towards achieving new capabilities, whether for the current position or for the next one?

The performance development process at KPMG in Romania and Moldova is designed to ensure alignment between individual objectives and the firm's strategic priorities, while maintaining the quality standards expected by our clients, regulators, and the broader public. It also links performance directly to reward and promotion decisions and supports the development of future leaders.

The process begins with goal setting at the start of the financial year, includes one or two progress discussions, and concludes with a year-end review. All employees (100%) with at least six months of active service within the financial year participate fully in this process. Each employee sets two financial goals and one development goal; all directly tied to the firm's growth strategy. To reinforce our commitment to professional development, the development goal carries the same weight as financial goals in the overall rating.

Every employee is supported by a Performance Manager - typically at least two levels more senior - who guides their development, provides feedback, and helps shape their career path.

Performance ratings inform all annual reward and promotion decisions, and the previous three years' ratings are considered for leadership appointments. In FY25, 100% of employees completed the performance process.

The same process covers the members of the governance body (GRI 2-18).

In FY 25 we started working on the Global Career Architecture (GCA), a skills-based framework which supports career growth for all employees, and brings transparency, predictability, fairness and equity. We aim for the GCA to underpin all People processes, including performance, reward, succession, and resource planning.

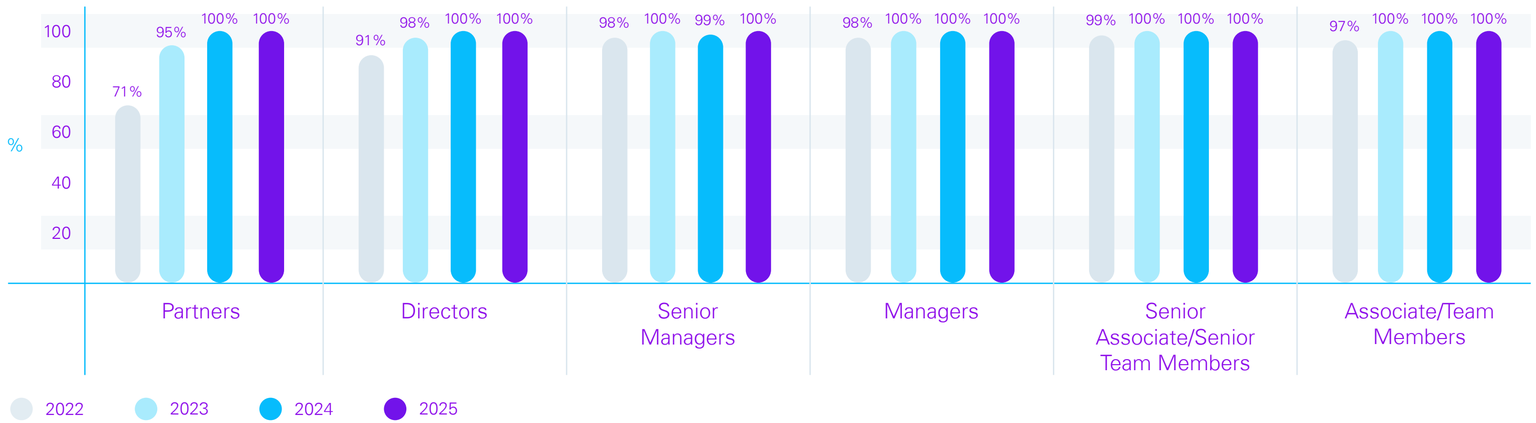
As part of our preparation for deploying Global Career Architecture across all functions, at the beginning of FY25, we initiated a structured pilot phase with selected teams from each area of the business. Drawing on the feedback gathered during this phase, we refined the role profiles and aligned our performance model to ensure full consistency with the updated framework.

Throughout the year, we maintained regular communication with our people to ensure clarity, transparency, and engagement in relation to these changes. In addition, we provided targeted training to our Performance Managers, equipping them to effectively apply the new role profiles in performance and development discussions.

In parallel, we enhanced our Competency Matrix feedback tool to reflect the revised expectations and capabilities outlined in the Global Career Architecture. These enhancements ensure a unified, structured approach to performance and development and support the firm-wide rollout scheduled for 1 October 2026.

In FY26, we will prioritize GCA implementation in reward and recruitment to prepare for the EU Pay Transparency Directive.

Employees covered by a predefined and standardized performance appraisal process (by employee category)



Between 2022 and 2025, KPMG in Romania and Moldova significantly improved the coverage of employees by a predefined and standardized performance appraisal process across all categories. Overall coverage rose from 92.33% in 2022 to 98.83% in 2023, reached 99.87% in 2024, and we achieved full coverage (100%) in 2025. This reflects KPMG in Romania and Moldova's progress towards ensuring that all employees, from Associates to Partners, are evaluated through a consistent and standardized performance management framework.

Diversity, Equity, and Inclusion: Non-Discrimination

(GRI 405, GRI 406 ESRS S1-16)

Our DEI policy reflects our commitment to fostering an inclusive and equitable workplace where diversity is valued, and all employees feel respected, supported, and empowered to contribute to their fullest potential.

KPMG in Romania and Moldova maintains a zero-tolerance approach to any form of discrimination or harassment and is deeply committed to equal treatment, fairness, and respect for all employees, regardless of whether they are engaged on temporary, part-time, or full-time contracts. This commitment is rooted in our global Code of Conduct, which serves as the foundation for our workplace culture.

Non-Discrimination and Grievance Mechanisms

To ensure these values are lived every day, KPMG conducts mandatory annual training for 100% of our employees on the prevention of discrimination and harassment. We are committed to maintaining this total coverage for training year on year, indefinitely, as a core component of our professional development.

Our dedication to a safe and inclusive environment is backed by robust internal and external grievance channels, which allow for the confidential reporting of any concerns. We are pleased to report that during the 2025 reporting period; zero incidents of discrimination or harassment were recorded. Consequently, no remediation plans were required during this interval (GRI 406-1). Moving forward, we remain focused on proactive prevention and the continuous refinement of our [Guide for Preventing and Combating Discrimination and Harassment in the Workplace] to ensure our workplace remains a benchmark for inclusion. To reinforce these commitments, the Guide for Preventing and Combating Discrimination and Harassment in the Workplace is part of Employee Handbook and non-compliance may lead to disciplinary actions.

Equality in the Lifecycle of Employment

KPMG applies a comprehensive definition of discrimination and harassment across all its processes, supported by a dedicated team of DEI Ambassadors. From recruitment to performance evaluation and promotion, all processes are transparent and merit based. We reinforce non-discriminatory practices by promoting fairness and integrity in every career milestone.

Furthermore, we take active steps to ensure equal pay for equal work. This is achieved through our structured skills matrix, which allows us to define remuneration based on objective competencies, professional experience, and performance, effectively removing subjective bias from the compensation process. We also support the inclusion of employees with disabilities and underrepresented groups by providing accessible facilities and operational resources.

Over the past year, our colleagues have participated to a series of events featuring activities specifically designed to educate and raise awareness about the eight key topics embraced by KPMG in Romania and Moldova: cultural diversity, racial diversity, sex/gender diversity, disability, parents at work, neurodiversity, body size diversity, and socioeconomic background diversity. The following actions have been implemented:

Body size diversity

In alignment with our DEI pillar, we continued to promote inclusive, supportive, and no stigmatizing approaches to health and wellbeing through our Body Size Diversity initiatives. During FY25, over 440 colleagues participated in our comprehensive Nutrition Program, which addressed essential topics such as the principles of a healthy diet, nutritional strategies for weight reduction, and approaches supporting hormonal balance and reproductive health.

Additionally, our webinars on bullying and diabetes awareness reached more than 420 colleagues, fostering open dialogue and increasing understanding of key health challenges that affect people of all body types.

These efforts underscore our commitment to embracing and respecting individuals of all body sizes, while encouraging colleagues to take care of their health in ways that feel positive, supportive, and empowering, never judgmental. By creating safe spaces for education and discussion, we reinforce a culture where everyone feels valued, included, and supported in their wellbeing journey.

Cultural diversity

As part of our ongoing commitment to the DEI pillar, we hosted an Inspirational Talk with a distinguished Japanese delegation, bringing together over 100 colleagues. This event not only celebrated cultural exchange but also reinforced our dedication to creating a workplace where diverse perspectives are valued, shared, and integrated into how we learn and grow together.

Parents at work

Family-friendly programs are offered as a distinct category, supporting work-life integration, while flexible work arrangements are available to accommodate individual needs.

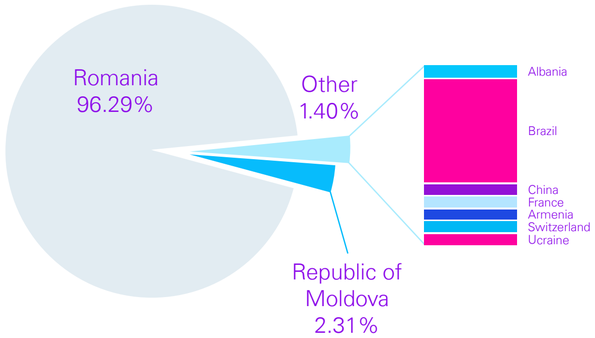
Aligned with our commitment to the DEI pillar, we organized a series of family-centered activities under the Parents at Work initiative. In June, more than 30 colleagues brought their children aged between 3 and 10 to take part in an English for Kids Bootcamp with English Kids Academy, followed by a lively Kids Party & LEGO Coders Workshop.

These activities not only supported working parents and fostered a sense of community but also reflected our company's dedication to encouraging employees who are parents to spend more quality time with their children, strengthening the balance between professional and family life in an inclusive and supportive environment.

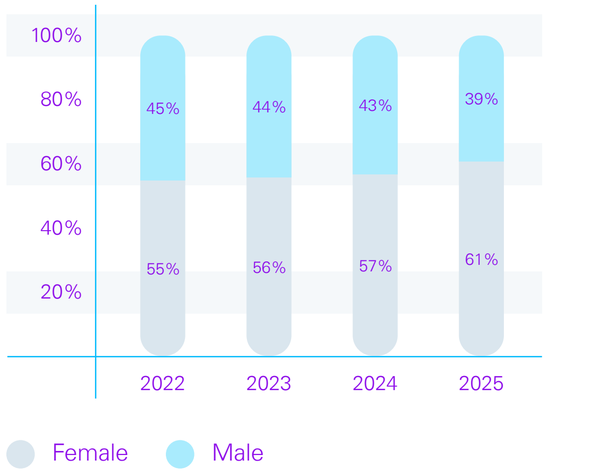
Socioeconomic background

Grounded in our commitment to creating a more equitable community, our Socioeconomic Background pillar reflects our belief that we strengthen our DEI commitment by creating meaningful opportunities for colleagues to support, uplift, and empower individuals from underserved socioeconomic backgrounds, building a community where everyone has access to care, education, and dignity. Initiatives are described in detail in the Prosperity chapter.

In terms of employee composition, KPMG in Romania and Moldova is characterized by diversity, comprising seven different nationalities in FY25.



Gender diversity in top management and management positions, Romania & Republic of Moldova

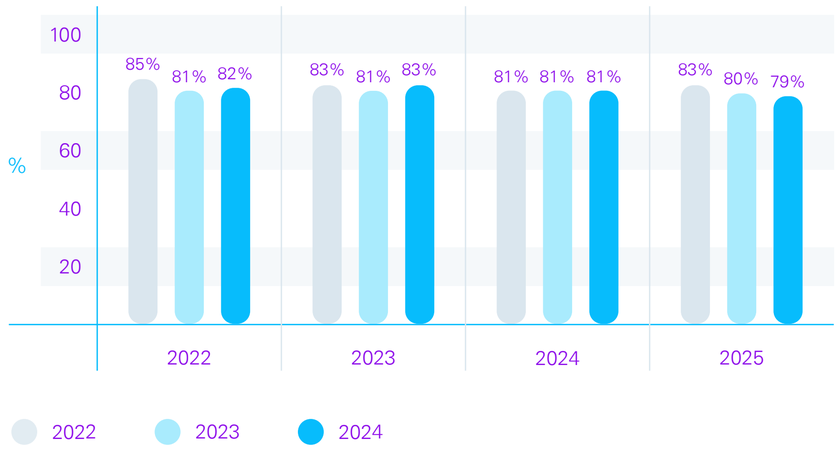


The Global People Survey (GPS)

(GRI 2-29)

To measure the health of our culture, we conduct an annual Global People Survey across 19 focus areas, including Leadership, Inclusion & Diversity, and Well-being. These areas are aggregated into three core satisfaction indexes: Engagement, Trust, and Growth. The Global People Survey is a tool which aims to gather feedback from our employees on 19 areas: Engagement, Trust, Growth, Career Growth, Collaboration, Communication, Corporate Citizenship, Inclusion & Diversity, Innovation, Leadership, Learning, Performance, Quality & Risk, Reward & Recognition, Values, Vision & Strategy, Well-being, Work Environment & Enablement, Audit Quality, Intention to stay. The 19 areas are grouped around 3 satisfaction indexes: Engagement, Trust, Growth.

In 2025, we achieved an **83% response rate.** While this is a slight decrease from 87% recorded between 2022 and 2024, it remains comfortably above our **80% internal target.**



Despite a modest decline in the Engagement Index to 79%, our overall results consistently meet or exceed our long-standing 80% benchmarks, confirming a sustained culture of trust and professional development.

The survey is conducted annually, on an ongoing basis, at KPMG Global level, in September-October at the end/beginning of the financial year.

Other stakeholders are consulted as part of our annual double materiality assessment or client satisfaction survey (for detailed information please consult the Materiality assessment and Governance chapters).

GRI 2-25, ESRS S1-17

KPMG in Romania and Moldova is committed to maintaining a transparent workplace where employees feel empowered to voice concerns. Our Global People Survey (GPS), conducted annually and entirely anonymously, serves as an integral grievance mechanism, allowing employees to raise concerns in relation to general working conditions, remuneration, or other workplace issues.

In addition to the KPMG International Hotline, dedicated local confidential reporting channels are available 24/7. These include a designated mailbox (speakup@kpmg.com) and a digital SpeakUp reporting form, providing secure avenues for whistleblowing and conflict resolution.

Beyond these automated systems, employees are encouraged to address grievances relating to working conditions, discrimination, harassment, or other sensitive topics through direct communication with designated HR representatives. This ensures that concerns are formally documented, tracked, and addressed with the necessary professional support. Furthermore, every function is supported by a dedicated People, Performance, and Culture (PPC) Business Advisor, who acts as a formal resource and channel through which grievances can be voiced. These advisors ensure that staff have direct access to guidance, fostering an environment where workplace concerns are addressed promptly and effectively.

A fundamental pillar of our grievance procedure is our strict non-retaliation policy. Employees are fully protected when grievances are submitted via formal channels, ensuring that staff can voice concerns without fear of negative consequences. This reinforces a culture of openness and trust. Additionally, confidentiality is prioritized throughout the process; all employee information and complaint details are handled securely and discreetly to safeguard personal privacy.

To ensure awareness of these protections, 100% of our employees participate every year in mandatory annual training that includes modules on the prevention of discrimination and harassment, as well as instructions on using the available reporting channels. During the 2025 reporting period, there were no identified incidents of discrimination or harassment, nor were any corrective actions or remediation plans required.

Planet

Danube Delta, Romania

Targets

01
Calculate our carbon footprint

02
Follow our SBTi decarbonization plan

03
Additional actions

Environmental management system

For many years, KPMG in Romania has had an environmental management system certified according to ISO 14001[2] to monitor and improve continually our measures and activities. This system allows us to review continuously and, where necessary, improve our business processes in relation to their environmental impact. This framework is aligned with GRI 2-23 and ESRS 2 in relation to corporate conduct and policy commitments[3].

Each year, KPMG in Romania implements, adjusts and refines its Environmental Management System measures, as part of an ongoing effort to maintain high standards in relation to the protection of our environment.

The Environmental Policy establishes the governance framework for managing environmental impacts and integrating environmental considerations into business operations and decision-making processes.

The environmental strategy, objectives and targets are established by KPMG International and cascaded to local KPMG offices. Local KPMG offices are responsible for the implementation of the strategic vision and objectives, and for reporting progress back to KPMG International.

In alignment with the outcomes of the DMA, climate change mitigation and energy are identified as material environmental topics. The Policy supports the identification, management and monitoring of environmental issues, including greenhouse gas emissions and energy consumption associated with office operations and business travel.

Although water (GRI 303 and ESRS E3) and waste (GRI 306 and ESRS E5) were not assessed as material in the 2025 DMA, the Policy also addresses resource efficiency and waste reduction principles. Relevant information on water consumption and waste management continues to be monitored and voluntarily disclosed.

The Environmental Policy also outlines the organization's qualitative environmental objectives and the principles guiding the improvement of environmental performance, including the reduction of resource consumption, energy use and waste generation through the application of resource efficiency and circular economy principles.

The Policy supports the establishment and monitoring of measurable environmental targets and key performance indicators. These targets are operationalized through the company's ESG strategy (Our ESG Plan), which defines the organization's environmental ambitions and the related quantitative targets and monitoring indicators, including those related to greenhouse gas emissions and energy consumption associated with office operations and business travel.

Every year we have an external ISO 14001 audit, conducted by the certifying entity in Romania. This represents an excellent opportunity for KPMG in Romania to assess its performance and follow recommendations, as part of our commitment to environmental management and continuous improvement.

Based on the DMA conducted in accordance with ESRS requirements, the material environmental impacts, risks and opportunities (IROs) identified are related to Climate Change, specifically climate change mitigation and energy. These topics are addressed in this chapter.

As a consulting and audit company with office-based operations, our main environmental impacts are associated with energy consumption in offices and Scope 3 greenhouse gas emissions (GRI 305-3), primarily generated by business travel, employee commuting and purchased goods and services.

From an impact perspective (GRI 201-2 and ESRS E1-9), our positive

[2] ESRS E1-2

[3] For Moldova, we plan to implement the system in FY 2026.

contribution arises from supporting clients in managing climate-related risks, reducing emissions and advancing decarbonization strategies through advisory and assurance services. At the same time, our own operations generate GHG emissions (Scopes 1, 2 and 3), which may have negative environmental effects if not properly managed.

From a financial perspective, transition-related risks may arise from regulatory developments, energy price volatility and increasing stakeholder expectations. However, opportunities are linked to the growing demand for ESG advisory services, the transition to renewable energy and improved energy efficiency, which may generate both reputational and long-term financial benefits.

As a provider of environmental, social and governance services, we have a responsibility to look at the impact of our operations and play our part in the global decarbonization effort.

Our focus has been on reducing emissions and collecting more accurate data to support this effort and understand where we need to focus our energy in the years ahead. Our Bucharest building has a BREEAM certification with an Excellent score for Office buildings and WELL Platinum certification. It offers numerous features designed to improve our employees' health, well-being, job satisfaction and commitment, while protecting the planet's natural resources.

Decarbonization is critical to our collective net-zero efforts, and our KPMG global goals are aligned with the 1.5 °C Paris Agreement objective, with a near-term Science Based Target Initiative SBTi approved target to decarbonize our global business and to become a net-zero organization.

Although Planet related aspects are not deemed significant by our stakeholders in Romania and Moldova, due to the nature of our activity, we view this topic as highly relevant to the worldwide efforts to mitigate climate change.

By undertaking impactful work and offering valuable insights and resources to our clients, we play a role in shaping business models, products, and services that combat climate change and assist in lowering carbon emissions.

Our Energy, Sustainability & Climate Change Services support the transition to a decarbonized society by assisting clients in reducing their adverse environmental impact. We play a significant role in influencing the renewables sector by offering guidance to all parties involved.

We believe that a key element in our efforts to address our impact on the environment is for each of our employees to be informed and conscious of our goals. During the financial year, we continued to upskill our workforce for the ESG agenda, by further expanding the selection of online courses for our employees for their so-called "ESG journey". More information about the training programs can be found in the People section.

Carbon emission figures

In accordance with ESRS E1-6 and GRI 305-1, 305-2, 305-3, our emissions are reported as follows. Per GRI 305-5, we include the previous years to provide a transparent comparison against our baseline.

Total Emissions (tCO_2e)	2020	2021	2022	2023	2024	2025
Scope 1 emissions (gross)	159	157	105	79	79	86
Scope 2 emissions (location-based) (gross)			190	190	129	170
Scope 2 emissions (market-based) (gross)	300	289	119	157	115	91
Scope 3 emissions	175	282	2,2725	3,727	1,892	3,390
Total (Market based)			**2,949**	**3,964**	**2,086**	**3,566**
Total (Location based)			**3,020**	**3,996**	**2,100**	**3,646**

Total emissions by scope and emission source (tCO_2e)		2022	2023	2024	2025
Scope	**Activity / Emission Source**				
1	Stationary combustion	88	56	58	68
1	Mobile combustion	18	23	21	18
1	Fugitive emissions	-	-	-	-
2	Purchased electricity - Location Based	190	190	129	170
2	Purchased electricity - Market Based	119	157	115	91
3	Purchased goods and services	2,426	3,306	743	1,583
3	Capital goods	-	-	-	-
3	Fuel and energy-related Activities	113	126	56	65
3	Transportation and distribution	-	-	-	-
3	Waste generated in operations	47	43	57	55
3	Business travel	127	236	216	511
3	Employee commuting	12	16	819	1,175
3	Upstream leased assets	-	-	-	-
3	Downstream transportation	-	-	-	-
3	Processing of sold products	-	-	-	-
3	Use of sold products	-	-	-	-
3	End-of-life treatment of sold products	-	-	-	-
3	Downstream leased assets	-	-	-	-
3	Franchises	-	-	-	-
3	Investments	-	-	-	-
	TOTAL EMISSION (Location Based)	**3,020**	**3,996**	**2,100**	**3,646**
	TOTAL EMISSION (Market Based)	**2,949**	**3,964**	**2,086**	**3,566**

As part of our commitment to sustainability, KPMG in Romania and Moldova calculates its carbon footprint in alignment with KPMG International, using a consistent approach applied throughout the KPMG network, based on the GHG Protocol methodology.
Year by year, since we initiated this approach, we have made efforts to improve the accuracy of our data collection and to use emission factors from reliable sources to reflect the impact of our activities in an accurate manner. In 2025, we further refined this process to ensure full transparency across our operations.

Scope 1 Emissions

(GRI 305-1 and ESRS E1-6)

In 2025, Scope 1 emissions amounted to 86 t CO_2eq, representing an increase of 9% compared to prior year . This trend was primarily driven by stationary sources (building heating), which rose by 17% compared to 2024. Conversely, emissions from mobile sources continued to decline by 14% in 2025 compared to 2024, reflecting our ongoing efforts to optimize our vehicle fleet.

Scope 2 Emissions

(GRI 305-2 and ESRS E1-6)

In relation to indirect emissions from purchased energy, we observed enhanced efficiency through our market-based approach, which decreased by 21% in 2025. This reduction demonstrates the continued benefits of sourcing renewable energy at our Bucharest headquarters, which is the biggest office of the six we have. In contrast, location-based emissions increased by 32%to 170 tCO_2e, reflecting higher office attendance, the carbon intensity of the national energy mix, and the use of the emission factor provided by the International Energy Agency (IEA).

Scope 3 Emissions

(GRI 305-3 and ESRS E1-6)

Scope 3 emissions from our supply chain and other business-related activities remain the most significant component of our footprint. In 2025, these emissions totaled 3,390 tCO_2e (market-based).

Scope 3 Emissions – Upstream

KPMG in Romania and Moldova's Scope 3 emissions are primarily concentrated Upstream, as our business model relies on purchased goods, travel, and commuting. The following categories were identified as relevant:

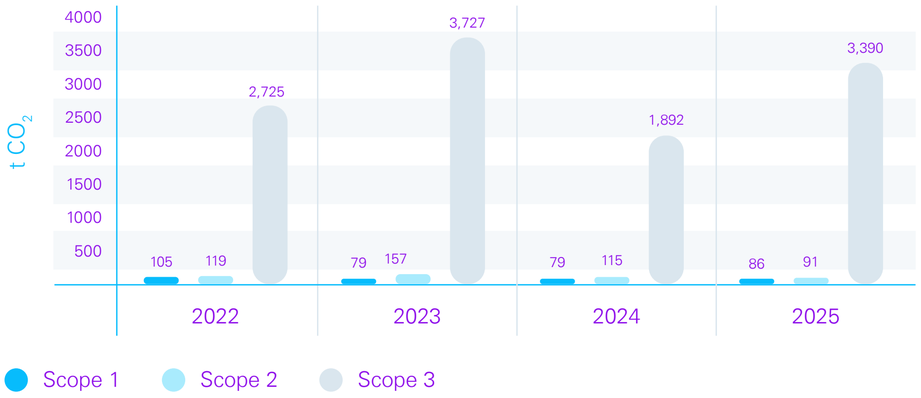
- Purchased Goods and Services (Cat. 3.1): The increase to 1,583 tCO_2e reflects our business volume and improved traceability of operational expenditures. In line with the global alignment mentioned previously, this category reflects the transition to the more granular GHG Protocol methodology adopted across the KPMG network. Consequently, the figures show volatility as we move away from our previous local calculation tools toward this unified and more robust global approach (GRI 305-3).
- Fuel and Energy-Related Activities (Cat. 3.3): These emissions amounted to 65 tCO_2e (Location-Based). While the Market-Based value is reported as zero due to our specific energy mix and the use of RECs/Green Certificates, we continue to monitor the transmission and distribution losses associated with our energy consumption.
- Waste Generated in Operations (Cat. 3.5): Emissions totaled 55 tCO_2e, showing stability compared to 2024 (57 tCO_2e) and reflecting our ongoing efforts to manage office resources efficiently.
- Business Travel (Cat. 3.6): We observed a significant increase in this category, reaching 511 tCO_2e. This rise is primarily driven by a growing trend towards more physical interactions and international travel, as well as increasing business activities compared to previous years. Additionally, the increase is influenced by the inclusion of Well-to-Tank (WTT) emissions associated with business travel.
- Employee Commuting (Cat. 3.7): This remains a major category at 1,175 tCO_2e. This confirms the consolidation of our hybrid working model and the accuracy of our expanded calculation methodology, which now includes all regional offices.

Scope 3 Emissions – Downstream

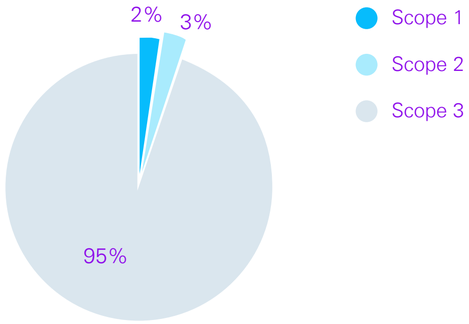
Downstream emissions (Categories 3.9 - 3.15) have been identified as non-material or zero. As a professional services firm, KPMG in Romania and Moldova does not produce, transport, or process physical goods, nor does it have significant downstream leased assets or franchises that would generate measurable emissions in these categories.

In conclusion, while our total market-based emissions amounted to 3,566tCO_2e in 2025 following the minimum levels recorded in 2024, this result reflects both our business growth and a significantly more granular and precise reporting process.

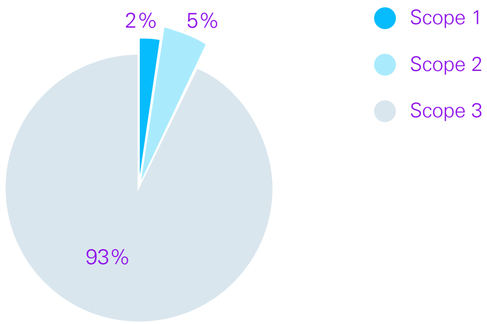
Total GHG emissions - by scope [market-based]



Percentage of FY25 emissions by scope - Market based



Percentage of FY25 emissions by scope - Location based



While the company does not maintain a standalone budget line item exclusively labeled for GHG reductions, financial resources for decarbonization initiatives are integrated into our annual Operational Expenditure (OPEX) and Capital Expenditure (CAPEX) planning. This approach ensures that emission reduction measures, such as energy efficiency upgrades and renewable energy procurement are embedded into our core business strategy and are adequately funded.

Waste generation

(GRI 306, ESRS E5)

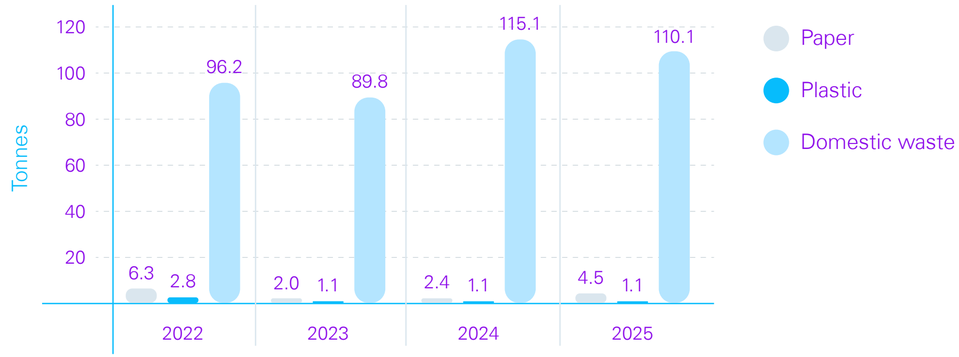
Given the nature of our business activity, 95.2% of our waste in 2025 was classified as general waste.

During the reporting year, the total quantity of generated waste slightly decreased by 2.9% compared to the previous year, mainly due to the results of internal awareness and education campaigns promoting responsible consumption and waste prevention.

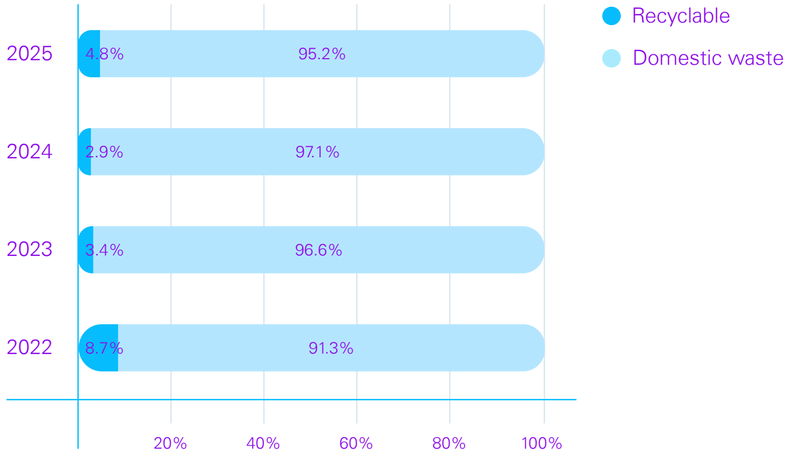
Based on the initiative to reduce single use plastic in the guest areas in the office, between 2022 and 2025 the amount of plastic waste decreased from 2.8t to 1.1t, a 60.7% reduction.

The same rationale applies for the variation in paper waste generation. In our offices, waste is sorted into plastic, paper, metal and other recyclable fractions, and the collected quantities are sent to recycling facilities.

Waste generation



Percentage of waste generated, by type



As part of our ongoing commitment to sustainability and community engagement, KPMG in Romania has implemented a series of impactful initiatives across the country.

In Bucharest, we launched eco-friendly workshops in local schools, educating students on how to celebrate a sustainable Christmas. This initiative, a cooperative venture by KPMG in Romania and the NGO Nature Talks, aims to instil eco-conscious values in children from an early age, fostering a generation that prioritizes environmental responsibility.

Meanwhile, our offices in Cluj-Napoca and Iași underwent significant eco-friendly revamps. By replacing old furniture with sustainable alternatives crafted from recycled materials, we not only reduced our environmental footprint but also supported local NGOs through the sale and donation of the replaced items. These revamped spaces now feature dedicated recycling units, encouraging responsible waste disposal among employees.

Additionally, our Eco Day event with the NGO Viitor Plus at the Bucharest office provided an engaging platform for employees to learn about waste management through interactive activities, reinforcing the importance of recycling and sustainability.

Our "Save Your Spring-cleaning" initiative further promotes the ethos of reduce, reuse, and recycle, with events like the Wardrobe Swap and KPMG Bazaar offering opportunities for employees to exchange and donate items, thereby reducing waste.

We offer employees the opportunity to acquire phones, laptops, furniture, and other equipment at a low price in order to encourage recycling and reuse.

In addition, at KPMG in Romania and Moldova we have implemented a common check-in platform where employees can book desks, parking spaces, and transport with the company minibus which promotes a resource sharing culture. There also is a centralized purchasing department which ensures that we purchase only the needed quantities for supplies.

Employees and subcontractors are regularly informed through emails, verbal communication, and meetings, during which specific measures for reducing internal waste are promoted, such as printing only when necessary and reusing plastic folders and hard-cover files.

In line with our sustainability goals, we continue to phase out plastic bottles in favor of glass alternatives across our offices, a move that significantly reduces plastic waste and promotes a healthier environment. As a result of these measures, the amount of plastic waste was reduced from 2.8 tonnes in 2022 to 1.1 tonnes in 2025.

During the reporting year, KPMG in Romania and Moldova did not register any hazardous waste.

Toner cartridges from office printers are collected and managed by a third party that is offering printing as a service and batteries are collected by a specialized company too.

Cleaning materials and related chemicals are procured, used and managed by the contracted cleaning services provider, including the management of any related waste streams.

Water usage

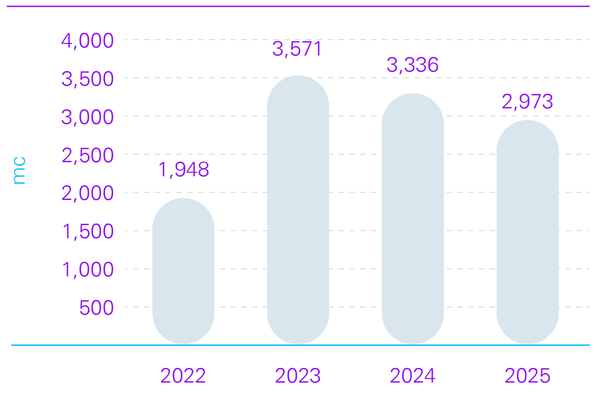
(GRI 303-3, ESRS E3)

Overall water withdrawal decreased by 11% in 2025 compared to 2024.

The decrease in 2025 is driven by reduced quantities of water used for irrigation purposes at the Bucharest office.

Given that KPMG in Romania and Moldova operates exclusively in office-based environments, all water withdrawn is subsequently discharged into the municipal sewage systems. Consequently, our water consumption is considered zero.

Total water withdrawal



Energy consumption

(GRI 302)

At KPMG in Romania and Moldova, we recognize that energy efficiency is a key lever in reducing our operational carbon footprint. Since we operate in leased premises, we collaborate closely with building managers to implement and maintain energy-saving measures.

In 2025, we continued to prioritize the use of green energy and the optimization of our office infrastructure through the following initiatives:

- Using on-site photovoltaic panels (green energy) at our Bucharest headquarters.
- Maintaining reduced temperature presets during non-working hours and using occupancy sensors for LED lighting.
- Infrastructure Optimization: Applying energy-saving settings across our IT infrastructure and HVAC systems.

Energy Mix and Total Consumption[4]

Within our operations, direct fuel consumption is derived from office heating (natural gas) and the use of the corporate fleet (petrol and diesel). In 2025, our fuel consumption was as follows:

- Natural gas: 362 MWh (used for stationary heating);
- Petrol: 6,514 liters;
- Diesel: 252 liters.

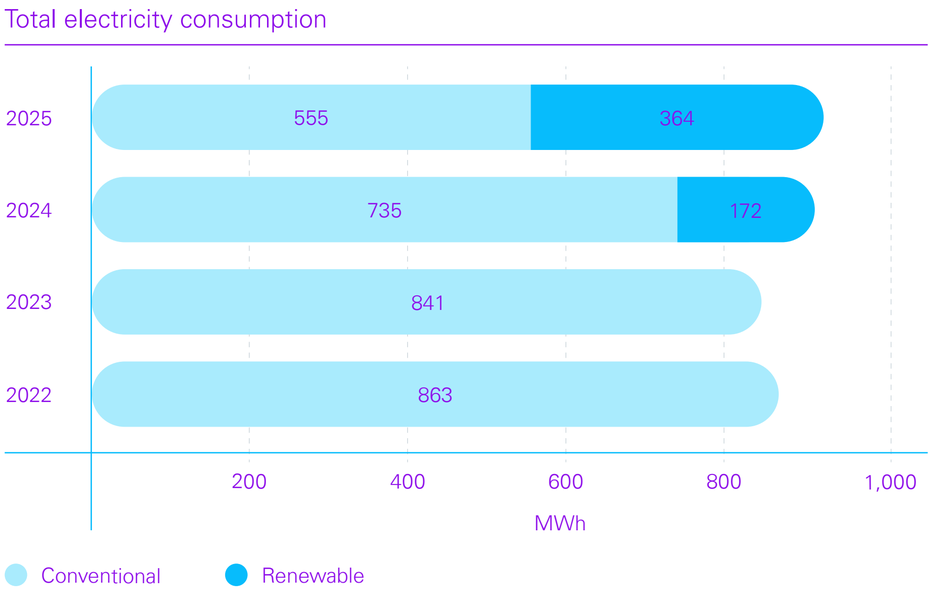
To provide a consolidated view of our energy profile, all aforementioned sources have been converted into Megawatt-hours (MWh) and categorized by source type in the table below:

Energy Source	Consumption (MWh)	Share (%)
Fossil	643	48%
Nuclear	151	11%
Total Renewable (on-site + grid mix)	552	41%
Total Energy Consumption	1,346	100%

In 2025, our Bucharest headquarters and Timișoara office (6MWh) generated a total of 364 MWh through on-site photovoltaic panels, representing a key contribution to our energy mix. Relative to the organization's total electricity consumption of 919 MWh in 2025, our self-generated energy accounted for 40% of our electricity needs.

This represents visible progress compared to 2024, when the renewable energy share stood at 19%. The efficiency of our internal generation system, combined with the purchase of green energy from the national grid, led to an increase in the total renewable energy share to 41% within our overall energy mix (including both fuels and electricity) in 2025.

[4] This is the first year when we have calculated and disclosed this, so there are no data from previous years to be reported.



Energy Intensity

(GRI 302-3)

To monitor resource efficiency in relation to both the scale of our operations and our economic performance, starting in 2025, we have introduced energy intensity reporting using two key benchmarks: headcount (FTE) and turnover.

This dual approach allows us to evaluate our progress in decoupling business growth from energy consumption. In 2025, based on total energy consumption of 1,346 MWh, we recorded the following intensity metrics:

Intensity per employee (MWh / FTE)	1.11
Intensity per turnover (MWh / Million EUR)	15.49

As 2025 marks the first year we are reporting these specific metrics, the current figures will serve as a baseline for monitoring our performance and setting reduction targets in the coming years.

Mobility – Business travel

Business travel is a key part of our business model. Personal contact with our clients remains important. In financial year 2025, we saw a higher number of business trips compared to previous years. Nevertheless, the number of business journeys is below the pre-Covid level. This trend is not just due to a changed way of working, in which virtual meetings have replaced many business trips, but also because of measures supporting - and especially making people more aware of - the use of environmentally friendly means of transport. Business travel currently accounts for 15% of our total market-based emissions. We intend to transform the travel behavior of our employees over the long term by raising awareness and through motivation.

Specifically, we have encouraged the usage of electric and hybrid cars. 32.1% of our car fleet in FY25 was made up of battery electric vehicles and plug -in hybrids. We support this trend with measures such as an increasing supply of EV charging stations at our office locations and including in the leasing offer more alternatives for electric and hybrid cars.

Prosperity

Apuseni Mountains, Romania

Targets

01
Volunteer Program

02
Donation Program

Economic performance and indirect contribution - Driving purposeful business practice and good corporate citizenship

In the financial year 2025, KPMG in Romania and Moldova continued to deliver on its commitment to contribute positively to the local community. Through a combination of financial investment, professional expertise, and the dedication of our people, we achieved the following milestones:

- Financial Footprint: EUR 32 million in total taxes paid and 62% of goods and services sourced from local suppliers.
- Direct Community Investment: Approximately EUR 469,000 dedicated to CSR and environmental initiatives.
- Our People's Contribution: 23,000 volunteer hours and 3,400+ pro-bono professional hours offered by over 690 colleagues.
- Social Reach: More than 65 NGOs and Associations supported, reaching over 2,100 direct beneficiaries.
- Educational Impact: Over 1,100 students supported through MySMIS initiatives and 551 students reached through direct knowledge-sharing programs.

Based on our double materiality analysis, KPMG in Romania and Moldova has identified "Contributing Positively to the Local Community" as a material topic. Our assessment recognizes that while our professional services drive financial stability and market trust, our operational presence and expertise also create significant social and environmental ripple effects across the Romanian landscape. We manage these impacts by aligning our CSR and educational initiatives with national recovery goals such as the UN SDG's explained in our Corporate Sustainability strategy chapter, and the specific needs of our local stakeholders, ensuring that our growth contributes to a resilient and inclusive economy. To ensure these initiatives remain relevant, we engage in ongoing dialogue with local NGOs and academic partners to identify emerging social needs.

Direct Economic Value Generated and Distributed

(GRI 201-1)

External conditions shifted and evolved over the financial year 2025, requiring businesses to remain agile in an environment prone to macroeconomic uncertainty and geopolitical instability. Despite these precarious market conditions, the combined efforts of our 1,213 employees led to a solid financial position. This stability allows us to ensure that the value we generate is distributed fairly across our stakeholders, including employees, suppliers, and the Romanian and Moldovan states.

Our commitment to national fiscal stability, a key component of our Direct Economic Value Distributed, is reflected in our tax contributions. In FY2025, total taxes paid by the firm, its Partners, and staff amounted to EUR 32 million. This includes profit tax, VAT, payroll tax, local tax, and tax payable by partners on the generated income. We maintain a strict policy of transparency, having neither received from nor made any financial contributions to the government or political parties[5].

Furthermore, we apply a sustainability strategy to our procurement with a focus on contributing positively to the local community in Romania and Moldova by favoring local suppliers. In FY2025, we obtained 61% of our goods and services from Romanian sources and 39% from the external market. We select our subcontractors based on performance and the standards outlined in our Suppliers' Code of Conduct, ensuring our spending supports the local business ecosystem and reinforces regional

[5] ESRS G1-5

economic resilience. The economic value retained by the firm after distribution is reinvested into local infrastructure and professional development to ensure long-term business continuity (GRI 201-1-a).

A key highlight of our value distribution remains the EUR 469,000 invested directly into the CSR activities and community projects detailed below.

While we track the number of participants and hours invested, we also monitor the qualitative impact of our community engagement. In FY2025, no negative impacts on local communities were identified through our grievance mechanisms or stakeholder dialogues. We remain committed to adjusting our strategy based on the feedback received from the 65+ NGOs we support to ensure our contributions create lasting, positive change.

Significant Indirect Economic Impacts

(GRI 203-2)

We strongly believe that the nature of our work enables us to make further contributions to Romania's economic progress. Our management approach to indirect impact is centered on the "professional multiplier effect," where our core business expertise acts as a catalyst for market transparency and the development of national human capital.

I. Strengthening the Foundations of the Economy

Through our Audit and Assurance practice, we help enhance confidence in financial and non-financial information by supporting transparency and quality in reporting. Through our Deals and Tax & Legal practices, we help clients navigate transactions, regulatory requirements and legal frameworks in a way that supports informed decision-making and sustainable value creation. In doing so, we contribute more broadly to the functioning of the economy and to outcomes that matter for businesses, employees, governments and suppliers. In a rapidly evolving landscape, our consulting practice leverages our knowledge to help businesses succeed, implementing innovative solutions to complex problems and helping Romania prosper.

We acknowledge that as a large professional services firm, we attract top-tier talent. We mitigate this concentration by "exporting" knowledge back into the market, ensuring that our presence replenishes rather than depletes the national talent pool.

II. Empowering Talent through Education and EU-Funded Initiatives

A core pillar of our contribution to the local community is the modernization of the Romanian labor market. In FY2025, we implemented several EU-funded initiatives (MySMIS) to provide structured practical learning thus contributing to the UN SDG Goal no. 4.

Project Snapshots

MySMIS 311334

In partnership with Colegiul Economic Francesco Saverio Nitti in Timișoara, this 36-month project (December 2024 - November 2027) focuses on raising the quality and relevance of vocational and technical education. A total of 264 students will participate in internships, competitions and certification exams, developing essential competencies such as entrepreneurship and digital skills.

MySMIS 311335

This initiative supports 300 students from less developed regions by offering internships across KPMG's offices in Bucharest, Cluj-Napoca, Constanța, Iași and Timișoara. Running from January 2025 to June 2027, the program targets students in Bachelor's, Master's and Doctoral programs, providing exposure to real-world professional environments aligned with their fields of study.

MySMIS 311348

Delivered together with Colegiul Economic "Virgil Madgearu" in Bucharest, this 36-month project (December 2024 - November 2027) enables 268 students to complete internships at KPMG in Romania. Participants receive stipends, engage in professional competitions and can obtain competency certificates, strengthening their readiness for their future careers.

MySMIS 311689

Aiming to enhance the relevance of professional training for 300 students from less developed areas, this project provides internship opportunities across various KPMG offices in Romania. The program runs from December 2024 to May 2027 and includes components dedicated to entrepreneurship and to updating qualifications in line with the green economy and climate transition requirements.

Together, these projects reaffirm KPMG in Romania's commitment to building future talent, supporting educational institutions and contributing to a better alignment between education and the evolving demands of the labor market.

This systemic impact is complemented by the involvement of 192 KPMG colleagues in programs like Cyber Days, Teach for Romania, and our mentorship program for ASE professors. By strengthening the mentoring capabilities of university teachers, we ensure that our expertise reaches thousands of students beyond our own workforce.

Beyond these projects, our employees brought their knowledge to 551 students across Romania, while 80 KPMG volunteers mentored 91 high school students for a total of 852 hours. We also invested in the academic ecosystem through the KPMG Professorship at the University of Bucharest and a mentorship program for ASE professors in partnership with the EMCC, aimed at strengthening the mentoring capabilities of university teachers.

Additional projects snapshots

- During the summer holiday, KPMG in Romania and Moldova organized traineeship programs for high school students from 29 schools in Bucharest, Constanța, Cluj, Piatra Neamț, Ploiești, Otopeni and Târgoviște. As a result, 80 KPMG volunteers mentored 91 high school students for a total of 852 hours.
- Moreover, 14 colleagues from KPMG in Romania were actively involved in a mentorship program created for ASE professors in partnership with the European Mentoring and Coaching Council. The main objective of this initiative is to strengthen the mentoring capabilities of university teachers, thereby empowering them to better support students in developing their transversal skills.
- KPMG Professorship - Sponsorship of a well-established scholar in the field of governance and administrative sciences, with dual affiliation to a Romanian and Western university. Currently the KPMG Professor is based at the University of Bucharest. The fellows receive a monthly stipend equivalent to a standard merit-based scholarship offered by the University and become part of a mentorship program.

- Sponsorship of projects run by 13 students' associations, universities and professional bodies including:
  1. The Association of Law Students in Bucharest,
  2. The Association of Administration and Business Students,
  3. The Association of Students in Accounting and Management Informatics,
  4. The Association of Graduates of the Academy of Economic Studies in Bucharest (ASE Alumni),
  5. The Association of Mathematics and Computer Science Students,
  6. Timisoara West University Foundation,
  7. Ovidius University Constanta,
  8. The League of Romanian Students Abroad,
  9. The European Law Students' Association,
  10. The Association of Students of the Faculty of Foreign Languages and Literatures (ASLS),
  11. Ratio Cluj,
  12. The Association of Students of the University of Bucharest,
  13. The Association of Economics Students from Romania.

- Every year, we offer apprenticeship opportunities to students from different Romanian and international universities in Bucharest, Cluj-Napoca, Constanta, Timisoara, Iasi and the United States of America through KPMG's partnership with Indiana University.

III. Community Resilience and Environmental Stewardship

Our indirect impact extends to the social safety net through the involvement of over 690 colleagues in CSR programs. We believe in building lasting social infrastructure, such as our project with the Climb Again Sports Club to build the first sport-educational center for children with special needs in Gruiu, Arges.

Our colleagues also dedicated 3,400 pro-bono hours to 17 associations, including legal services for the Renasterea Foundation and support for The Social Incubator, which helps vulnerable youth leaving foster care transition to independent living. We addressed digital literacy through our Global Cyber Day, reaching 301 students, and supported public health through blood donation campaigns that collected 59 liters of blood from 130 eligible donors.

Finally, we recognize that economic progress is inseparable from environmental health. Together with "Plantăm fapte bune în România," we contributed to the planting of 61,000 trees, an effort involving 392 hours of volunteering from our staff. We also sponsored the "Școala de Mediu" by Nature Talks, delivering sustainability workshops to over 1,000 students. Through these combined efforts, we ensure that as KPMG in Romania and Moldova grows, we contribute to a more equitable and balanced future for Romanian and Moldovan society.

Project Snapshots

Tree Planting Campaign

We were pleased to take part, with our friends from *Plantăm fapte bune în România,* in tree planting campaigns. During 2024 and 2025, a total of 61,000 trees were planted by KPMG in Romania and other companies based in Bucharest, Cluj and Timișoara. 49 KPMG employees, 3 companions, and 5 employees' children got involved in this volunteering activity, out of the 80 funded through sponsorship contracts (the remaining trees were planted using mechanized methods or with the help of day laborers). A total of over 392 hours were invested. Moreover, in April 2025, around 30 colleagues, together with their children, joined forces and participated in the planting campaign organized by *Antreprenorești* in Cocorăștii Mislii, an activity which was part of their project *Adoptă un sat*. These initiatives contribute to the restoration of local ecosystems and enhance climate resilience in the regions where we operate, directly supporting Romania's environmental capital.

Școala de Mediu by NGO Nature Talks

KPMG in Romania was the sponsor of an environmental project organized by the NGO Nature Talks, designed for children aged 8-12 years old. The project consists of delivering a series of free workshops on the topics of recycling, food waste, pollution, and sustainable behaviors during summertime. Over 1,000 high school students from 13 schools attended the program in 2024-2025 in 3 different cities (Bucharest, Timisoara and Cluj). At the beginning of 2025, they shared with us their latest accomplishment: their program *Școala de Mediu* won the Excellence in Environmental Education prize, with their project reaching 25,000 high school students at that time. By investing in the environmental literacy of the next generation, we are fostering long-term behavioral changes that support the transition to a circular economy in Romania.

Participation in Bucharest (half) Marathon

By tradition, every year a KPMG in Romania team runs for a good cause. During FY2025, we partnered with United Way to support them in their projects, *Aventură prin lectură* and InnoMate (Innovation for the future), designed to create learning opportunities, a favorable learning environment for children in vulnerable communities, as well as counseling and training sessions for teachers. In October 2024, 50 colleagues from KPMG in Romania accepted the Marathon running challenge and supported United Way through their participation in this competition. This was followed by the Half Marathon in May, in which 49 colleagues were involved. Our participation directly facilitates access to quality education for underprivileged children, addressing the systemic issue of social inequality within our local communities.

Race for the cure

During FY2025, we partnered with Renasterea Foundation to support them in their journey of raising awareness of the high incidence of breast cancer among women in Romania and highlighting the importance of frequent medical check-ups.

26 KPMG in Romania runners supported the cause, as well as our KPMG Legal practice which provided pro-bono legal services. This contribution supports the local healthcare infrastructure by promoting preventative health measures and providing essential legal security to non-profit healthcare advocates.

Blood Donation Campaign at KPMG premises

Every year, we host several blood donation campaigns at the KPMG premises. KPMG in Romania and Moldova employees know that blood is a scarce and precious resource, with no other substitute. Consequently, through the blood donation campaign, we give the precious gift of life. We give blood to save lives as part of our support for our communities. For the 3 campaigns organized in FY25, there were 130 eligible donors out of 174 volunteers, and the result was that 59 liters of blood were collected. This initiative provides a direct, vital contribution to the Romanian national health system, particularly in addressing the chronic shortage of blood supplies.

Cyber Day in Schools

The annual KPMG in Romania Global Cyber Day initiative aims to educate young people on the importance of cyber security and internet risks. Since 2019, during October, we have hosted in-person and virtual classroom sessions that address topics such as social media, online identity protection, cyberbullying, online gaming, and cyber threats. Because of the nature of our business, we have a detailed understanding of how crucial information protection is. Consequently, we want to educate young people on these issues and help our communities to avoid digital threats. In FY25, we reached 301 students and teachers. By transferring our core professional expertise in cybersecurity to the community, we are reducing the vulnerability of young people to digital risks and enhancing the overall digital safety of the local education sector.

Charity “Football for change” and “Tennis for Good Deeds” Events organized by the NGO The Social Incubator

9 KPMG in Romania football enthusiasts and 5 tennis players quickly responded to the first call to enroll in charity tournaments organized by the NGO The Social Incubator. Through their involvement, they supported vulnerable young people leaving foster care at 18 in getting their first job and facilitated their transition to independent living. The funds raised help provide these teenagers with the resources they need to become responsible adults, access vocational counselling and psychotherapy, and receive support to cover medical and housing expenses.

The Social Incubator’s mission is to support vulnerable young people across Romania in their social and professional integration. Our support for The Social Incubator addresses the critical "aging out" gap in the Romanian welfare system, providing significant indirect economic impact through the social and professional integration of marginalized youth.

Sky Run

On 9 November, 23 KPMG in Romania employees climbed 31 floors, with a total elevation gain of 108 meters and 620 stairs in the tallest building in Bucharest – SkyTower. KPMG in Romania contributed to this charity race, which supported four NGOs with a total of EUR 20,000 raised: Climb Again Association, Mia's Children Association, SOS Children Villages Romania, and Autism Voice Association. We joined forces and climbed over 30 floors, making an impact that is only possible when we are #together. This event allows us to pool resources for multiple social pillars, including disability rights, child protection, and neurodiversity support, strengthening the capacity of the local NGO sector.

Santa's Elf Campaign

Every year, we join forces for a purpose: to bring the Christmas light into every child's eye and every old person's soul. We acknowledge that not everyone has the same resources to live. We also know that lack of resources is an issue that has many negative effects, including on opportunities, as well as on physical or emotional health. As a result, our Christmas campaign is part of our philanthropic program that ensures a more equitable and balanced future for our society. A total of over 80 colleagues managed to bring a little joy to over 180 beneficiaries (children, old people and individuals from Balaceanca Hospital), via five NGOs and partners - *Inocenti* Foundation, Teach for Romania, *Fabrica de Daruri,* Climb Again, United Way and Ecoxtrem. Beyond immediate relief, this campaign fosters social cohesion and addresses the emotional well-being of vulnerable populations across the community.

Fighting for disability – Climb Again

During September, our team consisting of 20 KPMG staff gathered their forces to recondition and build the camp at Gruiu, Arges, in a project initiated by the Climb Again Sports Club Association. The Climb Again Gruiu Center has a very special story; their sport-educational center project is the first center of its kind to be built alongside the community and dedicated to children and young people with special needs in Romania. This activity offered the chance to approximately 300 children from disadvantaged or disabled backgrounds to train with specialized athletes and to take part in a community which offers them multisensory, personal development and creative workshops, accommodation services, a climbing center and a lot more. Our involvement in this project represents a long-term investment in social infrastructure that empowers individuals with disabilities, directly contributing to a more inclusive and productive society.

Other community project supported during the year by KPMG in Romania and Moldova were:

- Christmas Campaigns in December, March and Easter Fairs and volunteering events;
- Football charitable event;
- Wardrobe Swap at the office;
- Back to School Campaign;
- Christmas and Easter Activities with Elderly People;
- Timotion running event Color Run in Constanta and Iasi;
- Tennis for Good Deeds;
- Run For Life;
- Carpathia Trails;
- Maratonul Nisipului in Constanta;
- Obciniada Sport Event in Bucovina, Gura Humorului; A total of 322 unique colleagues participated in these activities;
- Eco Office – delivered by the NGO *Viitor Plus* on different subjects (ZERO Plastic workshop, Let's RRRecycle) and meetings with Eco-ambassadors;
- CCIFI Challenge organized by CCIFER;
- Clean Day in Scorțeni with the NGO *Prietenii Satului*.

Over 430 unique colleagues were involved in these activities.

- Webinars and business presentations for the NGO Junior Achievement and Buff Kids;
- High school apprenticeship programs;
- Reading activities with children from United Way;
- Mentoring Program at the Bucharest University of Economic Studies (ASE).

A total of 192 unique colleagues were involved in these activities.

UN Development Goals

Goal		Sub-Goal		Indicators | Targets	How we target this	Page in the report
Goal 3	Ensure healthy lives and promote well-being for all at all ages	3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	3.4.1 Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease 3.4.2 Suicide mortality rate	Our internal well-being program	Pages 50-52
		3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	3.8.1 Coverage of essential health services (defined as the average coverage of essential services based on tracer interventions that include reproductive, maternal, newborn and child health, infectious diseases, non-communicable diseases and service capacity and access, among the general and the most disadvantaged population) 3.8.2 Proportion of population with large household expenditures on health as a share of total household expenditure or income	Taxes paid to support the state health care system and access to private medical services for our employees	Page 68
Goal 5	Achieve gender equality and empower all women and girls	5.1	End all forms of discrimination against all women and girls everywhere	5.1.1 Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex	Our hiring, rewarding and evaluation policies	Pages 40-41, 44, 52
		5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	5.5.1 Proportion of seats held by women in (a) national parliaments and (b) local governments 5.5.2 Proportion of women in managerial positions	Our hiring, rewarding and evaluation policies	Pages 40-41, 44, 52

Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.1	Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries	8.1.1 Annual growth rate of real GDP per capita	Our hiring, rewarding and evaluation policies	Pages 40-41, 44, 52
		8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead	8.4.1 Material footprint, material footprint per capita, and material footprint per GDP 8.4.2 Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP	Our efforts to reduce water and paper consumption and decrease emissions	Pages 63-65
		8.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	5.5.1 Proportion of seats held by women in (a) national parliaments and (b) local governments 5.5.2 Proportion of women in managerial positions	Our hiring, rewarding and evaluation policies	Pages 54-55
Goal 10	Reduce inequality within and among countries	10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	10.2.1 Proportion of people living below 50 per cent of median income, by age, sex and persons with disabilities	Our hiring, rewarding and evaluation policies	Page 40, 42-43
		10.5	Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations	10.5.1 Financial Soundness Indicators	Via our work and services as well as our governance model	Pages 28-38
Goal 12	Ensure sustainable consumption and production patterns	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	12.2.1 Material footprint, material footprint per capita, and material footprint per GDP 12.2.2 Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP	Our Planet commitments	Pages 5-6
		12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	12.5.1 National recycling rate, tons of material recycled	Our Planet commitments	Pages 60-65

Goal 12	Ensure sustainable consumption and production patterns	12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	12.6.1 Number of companies publishing sustainability reports	Our own report as well as the reports published by our clients	Our Impact Report
Goal 13	Take urgent action to combat climate change and its impacts	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	13.3.1 Extent to which (i) global citizenship education and (ii) education for sustainable development are mainstreamed in (a) national education policies; (b) curricula; (c) teacher education; and (d) student assessment 13.3.2 Number of countries that have communicated the strengthening of institutional, systemic and individual capacity-building to implement adaptation, mitigation and technology transfer, and development actions	Our ESG related training programs	Pages 45-49
Goal 17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	17.14	Enhance policy coherence for sustainable development	17.14.1 Number of countries with mechanisms in place to enhance policy coherence of sustainable development	Our participation in international and national bodies promoting sustainable development	Pages 9, 16

Finexpert-Boscolo Audit & Advisory
Member Crowe Global
5 Popa Petre Street
Bucharest, Romania
Main +40 (0) 31 228 51 15
www.crowe.ro

INDEPENDENT LIMITED ASSURANCE REPORT ON KPMG'S IMPACT PLAN 2025

TO THE SHAREHOLDERS OF KPMG ROMANIA SRL

We have been engaged to perform a limited assurance engagement on KPMG Romania Combined sustainability information as presented in the report "KPMG's: Our Impact Plan 2025" for the period 1 October 2024 to 30 September 2025 ("Sustainability Information").

Our assurance engagement extends to all the information within the scope of assurance linked to or from the Sustainability Information within the report Impact Plan 2025. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than KPMG Romania for our work, for this independent assurance report, or for the conclusions we have reached.

OUR LIMITED ASSURANCE CONCLUSION

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that KPMG Romania's Combined Sustainability Information included in the "KPMG: Our Impact Plan 2025" is not prepared, in all material respects, in accordance Global Reporting Initiative 2021 Standards (GRI Standards).

KPMG ROMANIA'S RESPONSIBILITIES

The management of KPMG Romania SRL is responsible for preparing the Report "KPMG's: Our Impact Plan 2025" and the information and statements within it. They are responsible for the identification of stakeholders and material issues, for defining objectives with respect to sustainability performance, and for establishing and maintaining appropriate performance management and internal control systems from which reported information is derived.

Also, KPMG Romania is responsible for:

- Selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account GRI volunteer standards.
- The preparation of the Sustainability Information in accordance with the GRI Standards;

Finexpert – Boscolo Audit SRL is a member of Crowe Global, a Swiss verein (Finexpert – Boscolo). Each member firm of Crowe Global is a separate and independent legal entity. Finexpert – Boscolo, its subsidiaries and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global.

© 2026 Finexpert – Boscolo

Finexpert-Boscolo Audit & Advisory
Member Crowe Global
5 Popa Petre Street
Bucharest, Romania
Main +40 (0) 31 228 51 15
www.crowe.ro

- Designing, implementing, and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.

OUR RESPONSIBILITIES

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the evidence we have obtained;
- Reporting our conclusion to the KPMG Romania governance;

PROFESSIONAL STANDARDS APPLIED

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management 1 "Quality Management for Firms that Performs Audits or Reviews of Financial Statements or Other Assurance or Related Services Engagement", issued by IAASB, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

SUMMARY OF THE WORK WE PERFORMED AS THE BASIS FOR OUR ASSURANCE OPINION

A limited assurance engagement involves performing procedures designed to obtain sufficient appropriate evidence to support our limited assurance conclusion on the Sustainability Information. The nature, timing and extent of the procedures performed depend on our professional judgement, including the assessment of the risks of material misstatement in the Sustainability Information, whether arising from fraud or error.

Finexpert – Boscolo Audit SRL is a member of Crowe Global, a Swiss verein (Finexpert – Boscolo). Each member firm of Crowe Global is a separate and independent legal entity. Finexpert – Boscolo, its subsidiaries and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global.

© 2026 Finexpert – Boscolo

Finexpert-Boscolo Audit & Advisory
Member Crowe Global
5 Popa Petre Street
Bucharest, Romania
Main +40 (0) 31 228 51 15
www.crowe.ro

In performing our risk assessment procedures, we obtained an understanding of the processes and internal controls relevant to the preparation of the Sustainability Information in order to design assurance procedures appropriate in the circumstances. A limited assurance engagement also includes:

- Evaluating the suitability in the circumstances of KPMG Romania's use of the GRI Standards, as the basis for preparing the Sustainability Information;
- Evaluating the appropriateness of measurement and evaluation methods, reporting policies used and the limitedness of estimates made by KPMG Romania;
- Evaluating the disclosures and overall presentation of the Sustainability Information.

To form our conclusions, we undertook the steps outlined below:

1. Interviewed a selection of KPMG Romania's process owners to understand the current status of sustainability activities and the progress made during the reporting period.
2. Inspected selected group level documents relating to sustainability aspects of KPMG Romania's performance to understand the progress made across the organization and test the coverage of topics within the Report.
3. Carried out the following activities to review sustainability data samples and processes:
    a. Reviewed disaggregated sustainability data reported by a sample of KPMG Romania areas of activity to assess whether the GRI Standards data had been collected, consolidated and reported accurately.
    b. Evaluated assumptions used by the Company against supporting evidence
    c. Tested whether sustainability data had been collected, consolidated, and reported appropriately at the group level.
4. Evaluated whether the material Impacts, Risks and Opportunities (IROs) identified through KPMG Romania's Double Materiality Assessment (DMA) were appropriately reflected in the report "KPMG: Our Impact Plan 2025" and assessed the consistency of the related disclosures with the reporting criteria applied by the Company.
5. Reviewed information or explanations about selected data, statements, and assertions within the Report regarding KPMG Romania's sustainability performance.

Finexpert – Boscolo Audit SRL is a member of Crowe Global, a Swiss verein (Finexpert – Boscolo). Each member firm of Crowe Global is a separate and independent legal entity. Finexpert – Boscolo, its subsidiaries and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global.

© 2026 Finexpert – Boscolo

Finexpert-Boscolo Audit & Advisory
Member Crowe Global
5 Popa Petre Street
Bucharest, Romania
Main +40 (0) 31 228 51 15
www.crowe.ro

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Roberto Falato

Registered with the Chamber of Auditors in Romania

With authorization no. 2192/2007

Registered with the Authority for Public Supervision of the Statutory Audit Activity

With authorization no. AF 2192

Finexpert – Boscolo Audit and Advisory SRL

Popa Petre Street, No.5, District 2, Bucharest

Registered with the Chamber of Auditors in Romania

With authorization no. 334/2002

Registered with the Authority for Public Supervision of the Statutory Audit Activity

With authorization no. FA 334

July 13, 2026

Bucharest, Romania

Finexpert – Boscolo Audit SRL is a member of Crowe Global, a Swiss verein (Finexpert – Boscolo). Each member firm of Crowe Global is a separate and independent legal entity. Finexpert – Boscolo, its subsidiaries and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global.

© 2026 Finexpert – Boscolo

GRI Content Index

GRI Standards	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosure 2021	Disclosure 2-1: Organizational details	Page 8			
	Disclosure 2-2: Entities Included in the organization's sustainability reporting	Page 8			
	Disclosure 2-3: Reporting period, frequency and contact point	Page 15			
	Disclosure 2-4: Restatement information	Page 15			
	Disclosure 2-5: External assurance	Page 15			
	Disclosure 2-6: Activities, value chain and other business relationships	Pages 10-11			

GRI 2: General Disclosure 2021

Disclosure 2-7 Employees	Pages 8, 40-41	Non guaranteed hours of employment Temporary employees	Not applicable	No legal support for this type of working contract We had no such employees during the reporting period
Disclosure 2-8: Workers who are not employees	Page 41	Workers who are not employees	Not applicable	We do not have this type of worker
Disclosure 2-9: Governance structure and composition	Pages 12-13			
Disclosure 2-10: Nomination and selection of the highest governance body	Page 13			
Disclosure 2-11: Chair of the highest governance body	Page 12			
Disclosure 2-12: Role of the highest governance body in overseeing the management of impacts	Page 25			
Disclosure 2-13: Delegation of responsibility for managing impacts	Page 25			
Disclosure 2-14: Role of the highest governance body in sustainability reporting	Page 26			
Disclosure 2-15: Conflict of interest	Page 26			

GRI 2: General Disclosure 2021

Disclosure 2-16: Communication of critical concerns	Page 26	
Disclosure 2-17: Collective knowledge of the highest governance body	Page 13	
Disclosure 2-18: Evaluation of the performance of the highest governance body	Page 53	
Disclosure 2-19: Remuneration policies	Page 44	
Disclosure 2-20: Process to determine remuneration	Page 44	
Disclosure 2-21: Annual total compensation ratio	Page 44	
Disclosure 2-22: Statement on sustainable development strategy	Pages 5-6	
Disclosure 2-23: Policy commitments	Pages 29-31	
Disclosure 2-24: Embedding policy commitments	Pages 32-37	
Disclosure 2-25: Processes to remediate negative impacts	Pages 37, 57	
Disclosure 2-26: Mechanisms for seeking advice and raising concerns	Page 38	

GRI 2: General Disclosure 2021	Disclosure 2-27: Compliance with laws and regulations	Page 38	
	Disclosure 2-28: Membership associations	Page 13	
	Disclosure 2-29 Approach to stakeholder engagement	Page 56	
	Disclosure 2-30: Collective bargaining agreements	Page 45	
GRI 201	Economic Performance	Pages 68-69	
GRI 202	Market presence	Pages 8, 10	
GRI 203	Indirect economic impacts	Pages 69-73	
GRI 204	Procurement practices	Pages 36, 68	
GRI 205	Anti-corruption	Page 29	
GRI 206	Anti-competitive behavior	Pages 29, 54	
GRI 207	Tax	Page 68	

GRI 301	Materials			Not material	
GRI 302	Energy	Pages 65-66			
GRI 303	Water and effluents	Page 65			
GRI 304	Biodiversity			Not material	
GRI 305	Emissions	Pages 60-62			
GRI 306	Effluents and waste	Pages 63-64			
GRI 308	Supplier environmental assessments			Not performed	
GRI 401	Employment	Pages 41-44			
GRI 402	Labor/Management relations	Pages 41, 46			
GRI 403	Occupational Health&Safety	Page 45			
GRI 404	Training and Education 2016	Pages 45-47, 50-52			

GRI 405	Diversity and Equal Opportunity	Pages 54-55			
GRI 406	Non-discrimination	Page 54			
GRI 407	Freedom of association and collective bargaining			Not applicable	
GRI 408	Child labor			Not applicable	
GRI 409	Forced or compulsory labor			Not applicable	
GRI 410	Security practices			Not applicable	
GRI 411	Right of Indigenous People			Not applicable	
GRI 413	Local communities			Not applicable	
GRI 415	Public policy	Page 29			
GRI 416	Customer Health and safety			Not material	
GRI 417	Marketing and labelling			Not material	
GRI 418	Customer privacy	Pages 30-38			

Acknowledgements

The Impact Report was developed through close collaboration between our teams and partners across KPMG in Romania and Moldova. We would like to extend our sincere thanks and warm appreciation to the following members for their valuable contributions:

- **Roxana Suciu**
- **Bogdan Vlad**
- **Nicoleta Rusu**
- **Antonela Ghindă**
- **Maria Stancu**
- **Alina Gheuca**
- **Cristina Guțu**

Special thanks to:

Florin Andrei
Ionela Boanțu
Narcis Borcan
Cosmin Burac
Georgiana Ciocodeica
Donna Danila
Ana Maria David
Cătălin Dică
Maria Dorofte
Nina Ender
Ștefania Epure
Raluca Frățilă
Sorina Gavrilescu
Nicoleta Goagă
Sabina Ivănescu
Bogdan Letia
Elena Luca
Ionela Moisi
Dan Morar
Mark Percival
Roberta Pîrvu
Ruxandra Popa
Vasile Răzvan
Svetlana Spac
Ileana Stana
Diana Vintila

Ramona Jurubiță

Country Managing Partner
KPMG in Romania

René Schöb

Partner,
Head of Tax & Legal
KPMG in Romania

Tudor Grecu

Partner,
Head of Advisory
KPMG in Romania

Adela Ciucioi

Partner,
Head of Audit
KPMG in Romania

Cezar Furtună

Partner,
Audit
KPMG in Romania

Inga Țîgai

Partner,
Tax
KPMG in Romania

Ori Efraim

Partner,
Audit
KPMG in Romania

Aura Giurcăneanu

Partner,
Audit
KPMG in Romania

Laura Toncescu

Partner,
Head of KPMG Legal - Toncescu și Asociații

Angela Manolache

Partner,
Advisory
KPMG in Romania

Andreea Vasilescu

Partner,
Audit
KPMG in Romania

Horațiu Mihali

Partner,
Audit
KPMG in Romania

Alin Negrescu

Partner,
Tax
KPMG in Romania

Daniel Pană

Partner,
Tax
KPMG in Romania

Mădălina Racovițan

Partner,
Tax
KPMG in Romania

Nicoleta Rusu

Partner,
Audit
KPMG in Romania

Antonela Ghindă

Board Member,
KPMG in Romania

Raluca Soare

Partner,
Audit
KPMG in Romania

Daniela Strusevici

Partner,
Audit
KPMG in Romania

Alexandru Șoaică

Partner,
Audit Delivery Academy
KPMG in Romania

Gabriel Tănase

Partner,
Technology & Cyber Security
KPMG in Romania

Robert Maxim

Board Member,
KPMG in Romania

Ioana Rizea-Popp

Partner,
Audit
KPMG in Romania

Irina Rubeli

Partner,
Audit
KPMG in Romania

Mihaela Ionescu

Partner,
Markets
KPMG in Romania

Andreea Niculae

Partner,
Advisory
KPMG in Romania

Bogdan Vlad

Partner,
Audit
KPMG in Romania

CONTACT

Corina Constantin

Associate Partner,
Energy, Sustainability and Climate Change
KPMG in Romania

Roxana Suciu

Director,
Energy, Sustainability and Climate Change
KPMG in Romania

KPMG in Romania

Soseaua Bucuresti-Ploiesti nr. 89A,
Sector 1, Bucuresti 013685
T: +40 372 377 800
F: +40 372 377 700
E: kpmgro@kpmg.ro

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

www.kpmg.com

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 on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

©2026 KPMG România SRL, a Romanian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.