

Public Interest Committee

Activity report

For the year ended
30 September 2025



KPMG. Make the Difference.

Areas of oversight

- The firm's strategy, including integration following the merger of the UK and Switzerland member firms as well as key business developments such as the use of artificial intelligence and digital strategy, the progress on the transition to One Advisory and enhancing service delivery.
- The firm's risk management and internal controls framework and compliance with regulations, including its implementation of the International Standard of Quality Management (ISQM1) and preparation for the introduction of new PCAOB quality control standard QC1000.
- The monitoring of the firm's operation and financial resilience. Including financial performance of the business and budgets, the implementation of EMpowered and the firm's compliance with the FRC's Principles for Operational Separation.
- The firm's people policies and the impact of initiatives and procedures for training, IDE and remuneration. This included oversight of the partner balanced scorecard.
- The firm's culture, including overseeing initiatives taken by the firm and progress against key performance indicators to ensure that the appropriate culture exists throughout the organisation.
- Compliance with the firm's Code of Conduct. This included regular private updates from the Ethics Partner and updates from the Head of Ethics and Independence, including the number of cases reported to the firm's independently run Speak Up whistleblowing hotline and ensuring appropriate ethical standards and behaviour.
- Any matters relevant to the public interest with respect to the multi-disciplinary services provided by the firm or others within the professional services industry, including updates on audit quality, the lessons learned, and any actions taken from regulatory investigations and tribunals and considering public interest risk in Advisory.
- The impact of wider network issues beyond the UK firm, which included updates from the Global CEO, the Global Head of Audit and the Global Head of Risk and Regulatory.
- The firm's engagement with its stakeholders, including investors, audit committee chairs and regulators.
- The monitoring of the firm's ESG strategy including an overview of progress against strategy and targets.

In numbers

- The Public Interest Committee is made up of independent non-executives.
- Two independent non-executives joined the Committee this year, increasing its membership to six as of 30 September 2025. With two others retiring as they reached the end of their tenure. From 1 October 2025 membership will return to four.
- During the reporting period, the Public Interest Committee held four formal meetings.

Looking ahead to FY26

- Continue to engage with the Audit Non-Executives and their oversight of the Audit practice.
- Monitor the integration of KPMG UK and KPMG Switzerland, and the impact on governance arrangements, business operations, resilience and quality management.
- Monitor the firm's progress in relation to commitments made to regulators, as well as any developments from UK and overseas regulators.
- Oversee the execution of the firm's Culture Plan.
- Monitor how the firm manages operational and financial resilience.
- Engage with the global network and continue to inform the UK firm's consideration of network risk.
- Monitor the firm's use of AI and the impact of developments in technology.
- Monitor the firm's responses to the Audit and Corporate Governance reforms.