



UN Global Compact

December 2019



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The document provides an overview of how KPMG has implemented the Ten Principles of the UN Global Compact (UNGC) across our business and service lines. As in previous years, this document compliments our 2019 Global Annual Review, our International Transparency Report, home.kpmg/citizenship and individual firm websites.

This document is intended to provide a snapshot of how our firms have aligned to the principles. It is not exhaustive.

| Principle | Commitment | Systems, Procedures and Values | Professional Services | Performance Highlights from FY '19 | Thought Leadership |
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| Human Rights | | | | | |
| <p>1. Businesses should support and respect the protection of internationally proclaimed human rights;</p> <p>2. and make sure that they are not complicit in human rights abuses.</p> | <p>KPMG International and KPMG member firms recognize that human rights are an integral part of corporate citizenship and we respect and support the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights: Implementing the United Nations' Protect, Respect and Remedy Framework'.</p> <p>KPMG International has a Human Rights Statement, in line with international best practice.</p> | <ul style="list-style-type: none"> — Global Human Rights Statement — KPMG Core Values — Global Code of Conduct — Certain member firms' Supplier Code of Conduct — Global Quality & Risk Management manual — People, Performance and Culture manual | <ul style="list-style-type: none"> — Human Rights and Social Impact Services — Business and Human Rights Services — International Development Assistance Services — Sustainability Services — Risk Consulting — Forensic Services — Indigenous Client Services | <ul style="list-style-type: none"> — Following the issuance of a Human Rights Statement in 2012, KPMG has worked towards implementing the statement in the current reporting period. — We have not identified any instances of KPMG member firms causing or contributing to any adverse human rights incidents. — KPMG in the UK's Modern Slavery and Human Trafficking Statement — KPMG Australia's Human Rights Policy, aligned with the KPMG International Business and Human Rights Statement, based on leading practice and designed with assistance of human rights subject matter experts. — KPMG Banarra's management of the KPMG Global Network on Business and | <ul style="list-style-type: none"> — KPMG Australia's Australian Council of Superannuation Investors, 'Modern Slavery: Rights Risks and Responsibilities – A Guide for Companies and Investors (February 2019) — KPMG Australia's Modern Slavery: Is Your Business Ready to Respond? A Guide for Business (January 2019) — KPMG Australia's Seventy years on, human rights matters more than ever to business (December 2018) — KPMG Australia's What we've learned talking to 150 directors about trust and modern slavery, March 2019 — KPMG Australia's There is no single lever to create change so what is needed to put a stop to modern slavery?, January 2019 |



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| | | | | Human Rights and annual training for the Network on Business and Human Rights in the Netherlands following the UN Forum on Business and Human Rights in Geneva. | |
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| Principle | Commitment | Systems, Procedures and Values | Professional Services | Performance Highlights from FY '19 | Thought Leadership |
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| Labor Standards | | | | | |
| <p>3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>4. the elimination of all forms of forced and compulsory labor;</p> <p>5. the effective abolition of child labor;</p> | <p>KPMG International and KPMG member firms do not use forced, compulsory or child labor.</p> <p>KPMG International and KPMG member firms support freedom of association and, where applicable, recognize the right to collective bargaining.</p> | <ul style="list-style-type: none"> — Global Human Rights Statement — Global Code of Conduct — Global People, Performance and Culture team — Global Inclusion & Diversity team — Certain member firms' Supplier Code of Conduct — KPMG UK's Modern Slavery and Human Trafficking Statement — KPMG Australia's Human Rights Policy | <ul style="list-style-type: none"> — Human Rights and Social Impact Services — Business and Human Rights Services — Sustainability Services — Risk Consulting — People and Change Management Consultancy — Modern slavery risk advisory | <ul style="list-style-type: none"> — KPMG in the UK issued a Modern Slavery and Human Trafficking statement meeting the requirements of the UK Government's Modern Slavery Act 2015. — KPMG Australia's Human Rights Policy, which includes an explicit modern slavery risk commitment. | <ul style="list-style-type: none"> — The Future of HR 2020 |
| <p>6. and the elimination of discrimination in respect of employment and occupation.</p> | <p>Our people want to work for an organization that encourages and respects individuals, and this is one of our Core Values across the KPMG network. Our drive to create a global culture of inclusion and diversity is fundamental to who we are, and critical to retaining our best people.</p> | <ul style="list-style-type: none"> — Global Code of Conduct — Global People, Performance and Culture team — Global Inclusion & Diversity team — KPMG Australia's Human Rights Policy | <ul style="list-style-type: none"> — Human Rights and Social Impact Services — Sustainability Services — Risk Consulting — People and Change Management Consultancy | <ul style="list-style-type: none"> — KPMG Australia's Human Rights Policy. — Stonewall Top 100 Employers (51st) 2019 — Jan Hales named in the Timewise Power 50 Returners Category 2019 — KPMG in the UK finished top two of the Social Mobility Employer Index | <ul style="list-style-type: none"> — KPMG in the UK publishes its Gender Pay Gap report — Gender pay gap reporting: are you preparing for the proposed legislation? |



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| | KPMG International is a signatory of the UN's Women's Empowerment Principles . | | | <ul style="list-style-type: none"> — 2019 Social Mobility Awards: KPMG in the UK was a finalist in three categories: Organization of the Year (Highly Commended), Community Program of the Year and KPMG's Leticia Oladele was nominated for Rising Star of the Year — KPMG in the US named in 100 best companies for working mothers by Working Mother magazine — KPMG China named among 'Best Companies to Work For in Asia 2018 - China | |
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| Environment | | | | | |
| <p>7. Businesses should support a precautionary approach to environment challenges;</p> <p>8. undertake initiatives to promote greater environmental responsibility;</p> <p>9. and encourage the development and diffusion of environmentally friendly technologies.</p> | <p>KPMG International and KPMG member firms are dedicated to managing our environmental impacts proactively and we are committed to working together across borders to make an even bigger difference.</p> <p>KPMG International has a global ambition to reduce our net greenhouse gas emissions by 10 percent per full-time equivalent by 2020 in relation to a 2016 baseline. We also seek to have 60% of our purchased electricity to come from renewable sources by 2020.</p> | <ul style="list-style-type: none"> — Global Climate Response — Select member firms have Environmental Management Systems certified to ISO 14001. — Sustainable Procurement Programs and Supplier Codes of Conduct (Select KPMG member firms). | <ul style="list-style-type: none"> — Sustainability Services — Global Energy Services — Human Rights and Social Impact Services — Climate Risk Services — Dynamic Risk Assessment Services | <ul style="list-style-type: none"> — KPMG continues to make significant progress in reducing our environmental impact. Our most recent results show a 33% reduction in net emissions per full-time equivalent (2007 – 2018) and securing 46% of our purchased electricity from renewable sources. — KPMG continues to participate in the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) – promoting the | <ul style="list-style-type: none"> — Reducing for carbon footprint — The ESG journey: Lessons from the boardroom and C-suite — The next steps in non-financial information reporting — Offshore wind: Ireland's economic and social opportunity — How corporates are going green — Future of energy — Mobility 2030 — Sustainable Fashion |



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| | KPMG International is an active and engaged member of the World Business Council for Sustainable Development on climate change issues. | | | inclusion of climate-related risks in corporate reporting. — KPMG continued to be a member of the City of London Green Finance Initiative. | |
| Anti-corruption | | | | | |
| 10. Businesses should work against corruption in all its forms, including extortion and bribery. | <p>KPMG International and KPMG member firms are committed to achieving a high standard of ethical behavior in everything that we do.</p> <p>‘We act with integrity’ is one of our Core Values and is reflected in the Global Code of Conduct.</p> | <ul style="list-style-type: none"> — Global Code of Conduct — Anti-bribery Policy — Ethics and Compliance — Acceptance and Continuance of Clients and Engagements — KPMG International Hotline — Global Quality & Risk — Management manual — KPMG International Transparency Report | <ul style="list-style-type: none"> — Financial and other audit and assurance — Forensic: Third party risk management — Risk Consulting — Anti-Bribery and Corruption Services | <ul style="list-style-type: none"> — Bribery and Anti-Corruption website | <ul style="list-style-type: none"> — What does an effective compliance officer look like in 2019 and beyond? |

About KPMG International

KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. We operate in 147 countries and territories and have more than 219,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

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