



# Appendix: Indices, explanations and data

2022 KPMG U.S. Impact Plan



# Part 1: Introduction

## Reporting approach

The information within the 2022 U.S. Impact Plan represents a consolidation of our past reporting efforts, including the [2020 KPMG Community Impact and KPMG U.S. Foundation, Inc. Report](#), [2021 U.S. DEI Transparency Report](#), and our [2020 Audit Quality Report](#). The consolidation of our reporting allows us to represent how we have integrated our commitments and efforts into our business priorities and operations to meet stakeholder expectations and outline a path for future activation. You can learn more about our approach to reporting [here](#).

We have prepared the metrics in the plan in accordance with the World Economic Forum (WEF) International Business Council (IBC) Stakeholder Capitalism core metrics. The reporting tables below share our response to the WEF IBC metrics and include links to where data can be found within our plan or supporting documentation. This document also contains a data appendix representing a consolidation of the data tables included in the plan itself.

## Disclose or explain

Our disclosure approach was guided by the findings of our materiality assessment. You can read more about that assessment and how it informed our reporting process [here](#).

Following the WEF IBC protocol, we have applied a “disclose or explain” approach for all of the core metrics. Where possible, we have shared information addressing the broader theme of metrics to which we are currently unable to respond directly. The following categories outline our rationale for areas of omission listed as “not reported” in the table:

- **Materiality:** Our stakeholder materiality assessment did not identify certain topics as the most material issues for our stakeholders and firm. Therefore, we have not prioritized capturing this data in this year’s plan.
- **Data definitions, collection, and methodological advancement:** For certain topics, there are limitations in the availability of the current data or we are advancing the methodological approach to collection and analysis. We are committed to refining these areas in the years ahead and will reevaluate our disclosure accordingly.
- **Additional considerations:** We have excluded reporting on topics where there are outstanding privacy, internal business, and policy considerations that limit current data collection or publication.





# Part 2: Indices and explanations

## People

Theme	Metric & Description	Source	Our Impact
<b>Dignity and equality</b>	<p><b>Diversity and inclusion (%)</b> Percentage of employees per employee category, by age group, gender, and other indicators of diversity (e.g. ethnicity).</p>	GRI 405-1b	Appendix—People: Diversity, Equity, and Inclusion (p. 6 - 11) <a href="#">People: Together, for better</a>
	<p><b>Pay equality (%)</b> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.</p>	Adapted from GRI 405-2	We annually benchmark salaries to inform salary ranges, consider competitive developments, and promote equitable compensation. At KPMG, compensation is based on relevant factors such as skills, performance, job responsibilities, level of experience in role, and applicable geographic and market considerations. <a href="#">People: Caring for our people</a>
	<p><b>Wage level (%)</b> Ratios of standard entry-level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.</p>	GRI 202-1, Adapted from Dodd Frank Act, US SEC Regulations	Not reported
	<p><b>Risk for incidents of child, forced, or compulsory labor</b> An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.</p>	GRI 408-1b, GRI 409-1	In line with KPMG International’s commitments, Global Code of Conduct, and our Code of Conduct, we expect all our clients and suppliers to respect internationally recognized human rights and the principles concerning fundamental rights and labor standards set out in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. <a href="#">People: Supplier diversity</a>
<b>Health and well-being</b>	<p><b>Health and safety (%)</b> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organization facilitates workers’ access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.</p>	GRI:2018 403-9a&b, GRI:2018 403-6a	Through our comprehensive Total Rewards, Resources for Living Employee Assistance Program, and the KPMG Foundation Employee Relief Fund we offer quality resources to support the unique well-being needs of everyone within our diverse and evolving firm. <a href="#">People: Caring for our people</a>
<b>Skills for the future</b>	<p><b>Training provided (#, \$)</b> Average hours of training per person that the organization’s employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full-time employee (total cost of training provided to employees divided by the number of employees).</p>	GRI 404-1, SASB HC 101-15	Appendix—Learning and development (p. 11) <a href="#">People: Succeeding here</a>

Theme	Metric & Description	Source	Our Impact
<b>Climate change</b>	<p><b>Greenhouse gas (GHG) emissions</b> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.</p> <p><b>TCFD implementation</b> Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement—to limit global warming to well below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C—and to achieve net-zero emissions before 2050.</p>	<p>GRI 305:1-3, TCFD, GHG Protocol</p> <p>Recommendations of the TCFD; CDSB R01, R02, R03, R04 and R06; SASB 110; Science Based Targets initiative</p>	<p>Appendix—Planet: GHG emissions (p. 15) For more detailed information visit our <a href="#">GHG emissions statement</a>. <a href="#">Planet: Our carbon footprint</a></p> <p>In 2020, KPMG International committed to a science-based target (SBT) aligned with a 1.5°C trajectory. The KPMG International carbon-reduction target was validated by the Science Based Targets Initiative (SBTi) in 2021, committing the global network to reduce emissions by 50 percent by 2030. As a U.S. firm, we are committed to doing our part to meet these targets for our own operations. Additionally, we are working with KPMG International and other member firms to develop a TCFD report that we plan to issue later this year. <a href="#">Planet: Our carbon footprint</a></p>
<b>Nature loss</b>	<p><b>Land use and ecological sensitivity</b> Report the number and area (in hectares) of sites owned, leased, or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).</p>	<p>GRI 304-1</p>	<p>Appendix—Planet: Biodiversity (p. 15) <a href="#">Planet: Protecting nature and biodiversity</a></p>
<b>Freshwater availability</b>	<p><b>Water consumption and withdrawal in water-stressed areas</b> Report for operations where material: megaliters of water withdrawn, megaliters of water consumed, and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.</p>	<p>SASB CG-HP140a.1, WRI Aqueduct water risk atlas tool</p>	<p>Appendix—Planet: Biodiversity (p. 15) <a href="#">Planet: Protecting nature and biodiversity</a></p>

Theme	Metric & Description	Source	Our Impact
Employment and wealth generation	<p><b>Absolute number and rate of employment</b></p> <ol style="list-style-type: none"> <li>Total number and rate of new employee hires during the reporting period, by age group, gender, and other indicators of diversity and region.</li> <li>Total number and rate of employee turnover during the reporting period, by age group, gender, and other indicators of diversity and region.</li> </ol>	Adapted, to include other indicators of diversity, from GRI 401-1a&b	Appendix—People: Hiring (p. 10-11) <a href="#">People: Getting here</a>
	<p><b>Economic contribution</b></p> <ol style="list-style-type: none"> <li>Direct economic value generated and distributed (EVG&amp;D), on an accruals basis, covering the basic components for the organization’s global operations, ideally split out by: —Revenues —Operating costs —Employee wages and benefits —Payments to providers of capital —Payments to government —Community investment.</li> <li>Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.</li> </ol>	GRI 201-1, GRI 201-4	Appendix—Prosperity: Economic contribution (p. 16) Appendix—Prosperity: Community investment (p. 16-17) <a href="#">KPMG U.S. 2022 Impact Plan: Prosperity</a>
	<p><b>Financial investment and contribution</b></p> <ol style="list-style-type: none"> <li>Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company’s investment strategy.</li> <li>Share buybacks plus dividend payments, supported by narrative to describe the company’s strategy for returns of capital to shareholders.</li> </ol>	As referenced in IAS 7 and US GAAP ASC 230	Not reported
Innovation of better products and services	<p><b>Total R&amp;D expenses (\$)</b></p> <p>Total costs related to research and development.</p>	US GAAP ASC 730	Not reported
Community and social vitality	<p><b>Total tax paid</b></p> <p>The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.</p>	Adapted from GRI 201-1	Not reported

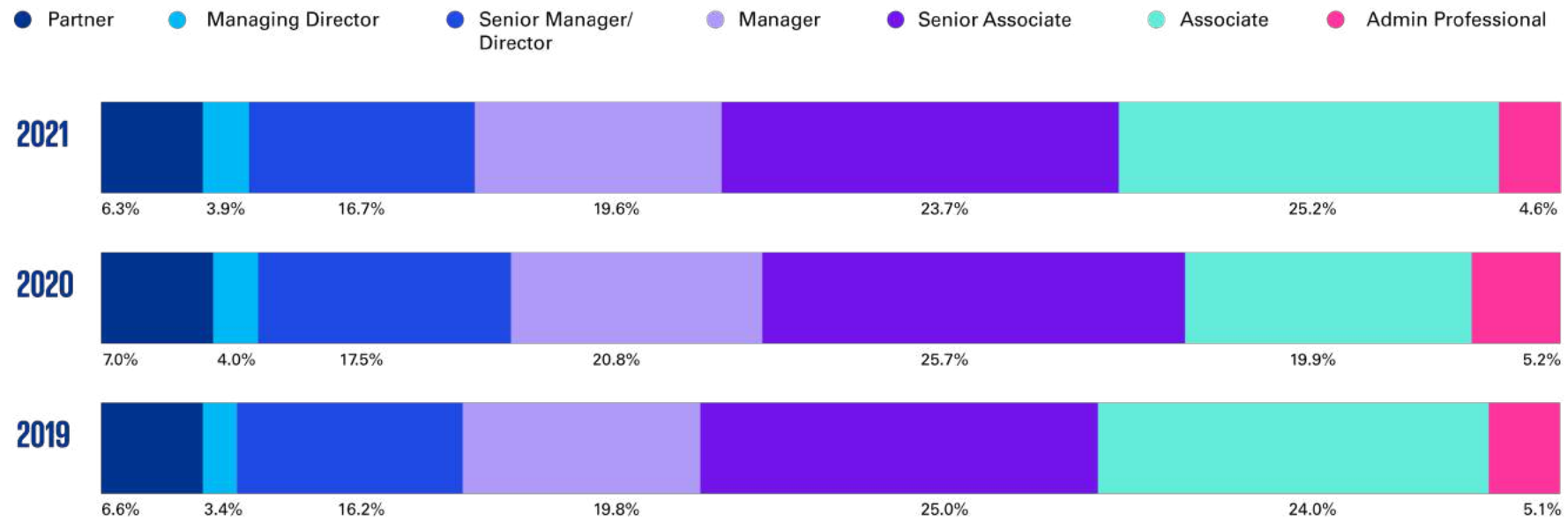
# Principles of Governance

Theme	Metric & Description	Source	Our Impact
<b>Governing purpose</b>	<p><b>Setting purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p>	The British Academy and Colin Mayer, GRI 102-26, Embankment Project for Inclusive Capitalism (EPIC) and others	"Inspire Confidence. Empower Change" <a href="#">Principles of Governance: Driven by purpose</a>
<b>Quality of governing body</b>	<p><b>Governance body composition</b> Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; and stakeholder representation.</p>	GRI 102-22, GRI 405-1a, IR 4B	Appendix—Principles of Governance: U.S. Board of Directors & Management Committee (p. 18) <a href="#">Principles of Governance: Governance oversight: the Board</a>
<b>Stakeholder engagement</b>	<p><b>Material issues impacting stakeholders</b> A list of the topics that are material to key stakeholders and the company, how the topics were identified, and how the stakeholders were engaged.</p>	GRI 102-21, GRI 102-43, GRI 102-47	Our ESG efforts have been, and will continue to be, informed by the results of a stakeholder materiality assessment that was conducted to better understand the ESG topics where KPMG can make the most impact. <a href="#">KPMG U.S. ESG Materiality Assessment 2022</a> <a href="#">About this report: Guided by materiality</a>
<b>Ethical behavior</b>	<p><b>Anti-corruption</b> 1. Total percentage of governance body members, employees, and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.</p> <p><b>Protected ethics advice and reporting mechanisms</b> A description of internal and external mechanisms for: 1. Seeking advice about ethical and lawful behaviour and organizational integrity; and 2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.</p>	GRI 205-2, GRI 205-3  GRI 102-17	Ethics training is mandatory for all partners and professionals, with 3 hours required each quarter to support ethical decision-making. <a href="#">Principles of Governance: Ethical behavior</a>  To foster a culture of integrity, we promote a speak-up culture where everyone feels comfortable raising concerns they may have. We also develop an ethics training curriculum and resources that support our people's decision making. <a href="#">Principles of Governance: Ethical behavior</a>
<b>Risk and opportunity oversight</b>	<p><b>Integrating risk and opportunity into business process</b> Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time, and the response to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship.</p>	EPIC, GRI 102-15, World Economic Forum Integrated Corporate Governance, IR 4D	Our governance approach is grounded in the maintenance of an effective risk management and quality control framework to sustain high quality and integrity standards; meet legal, regulatory, and professional requirements; and protect the brand and reputation of KPMG. <a href="#">Principles of Governance: Managing risk</a>

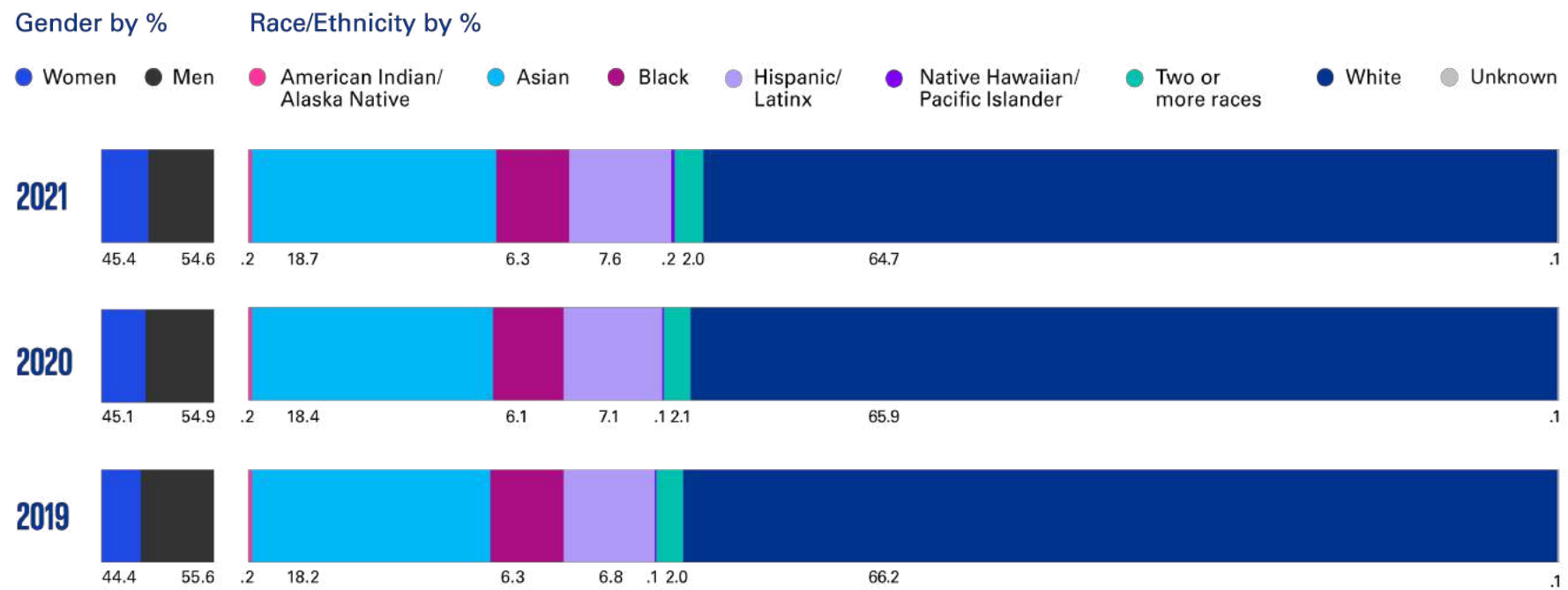
# Part 3: Data

## People: Diversity, equity, and inclusion

### Our people by employee category



### Firmwide

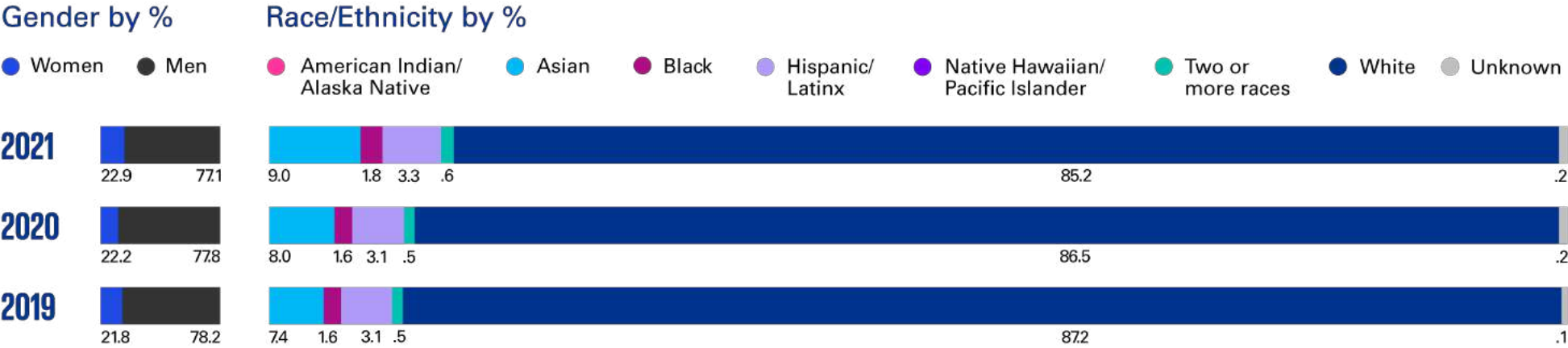


Unless otherwise noted on the chart, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, and employees whose race/ethnicity is Unknown make up <0.1%.

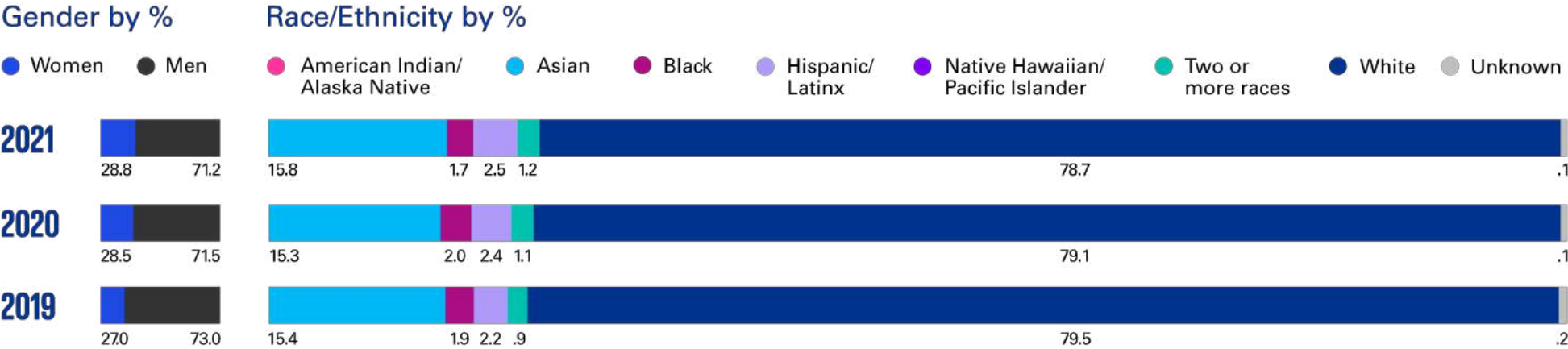


# People: Diversity, equity, and inclusion

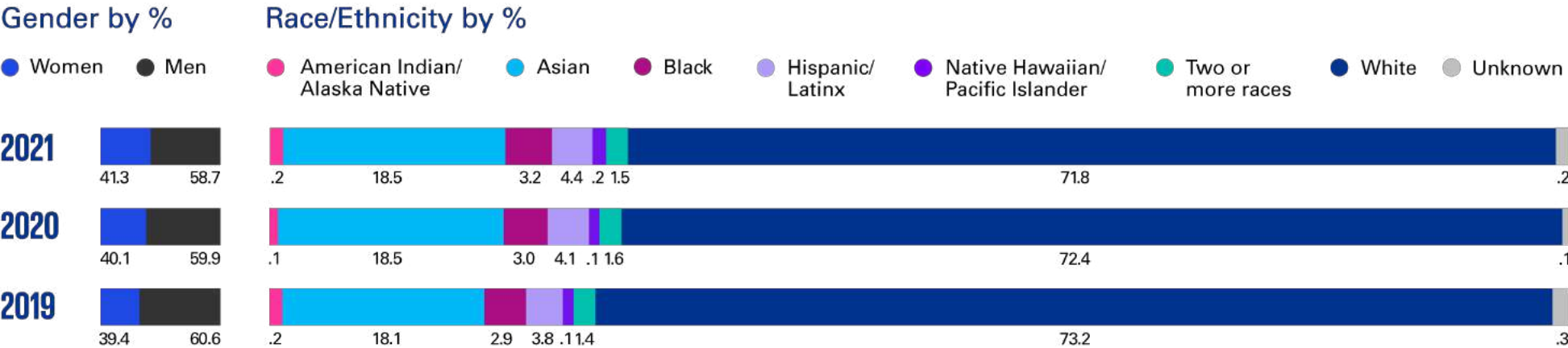
## Partner



## Managing Director



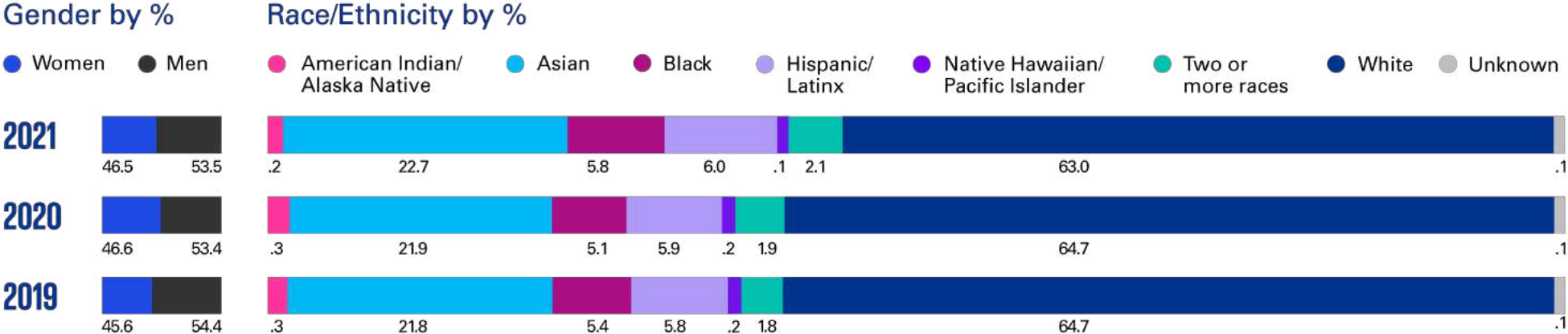
## Senior Manager/Director



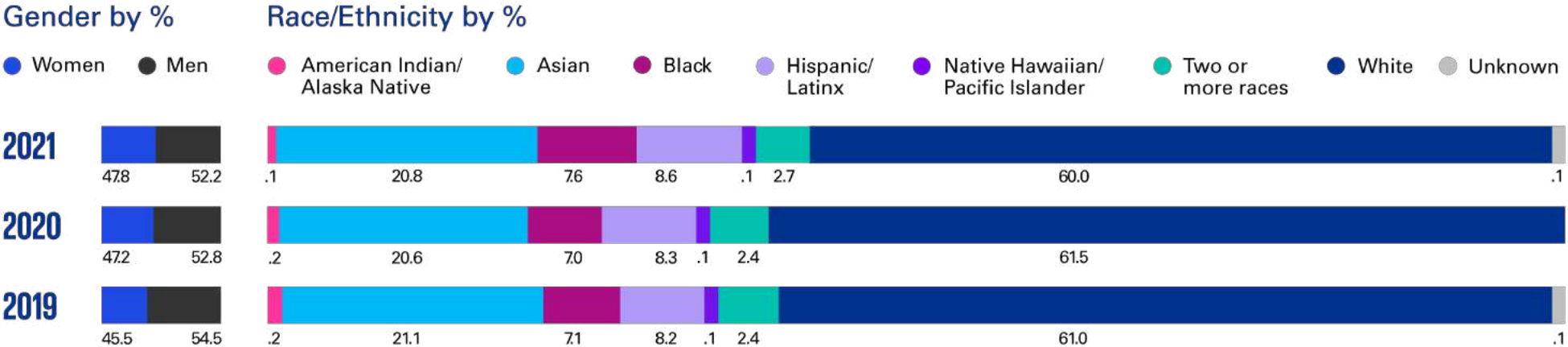


# People: Diversity, equity, and inclusion

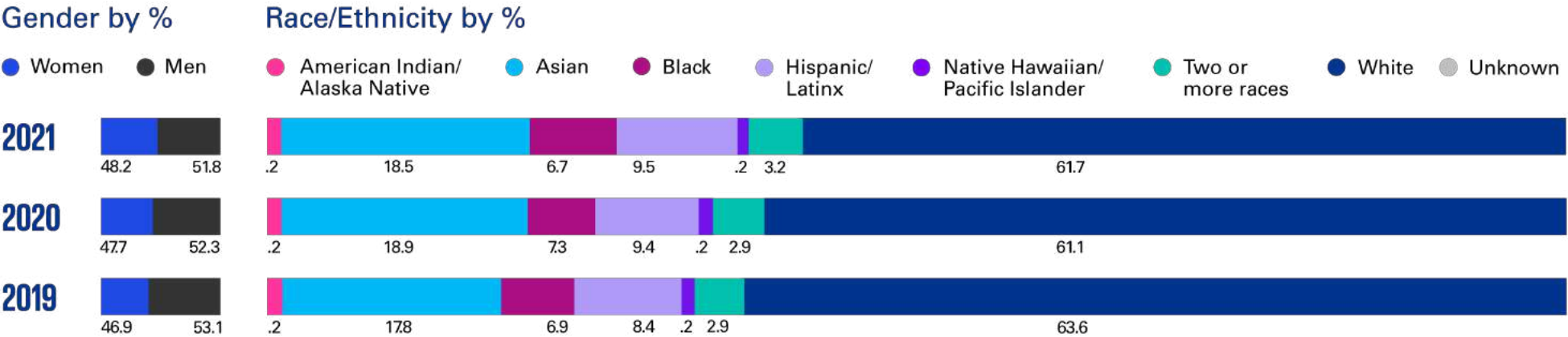
## Manager



## Senior Associate

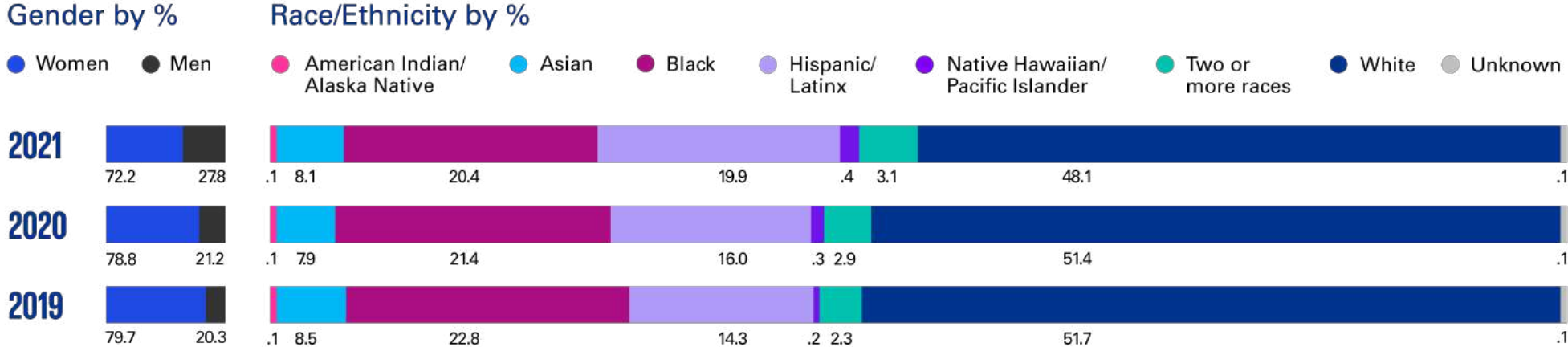


## Associate



# People: Diversity, equity, and inclusion

## Administrative Professional



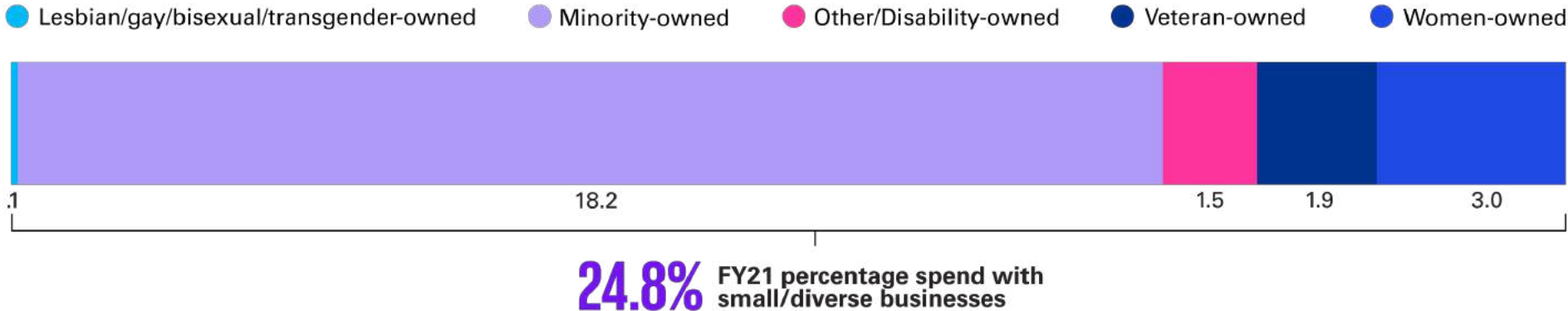
Unless otherwise noted on the chart, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, and employees whose race/ethnicity is Unknown make up <0.1%.

<b>LGBTQ+:<sup>1</sup></b>	2021: 1.7%	2020: 1.6%	2019: 1.5%
<b>Military service:<sup>1</sup></b>	2021: 3.6%	2020: 3.1%	2019: 3.1%
<b>People with disabilities:<sup>1</sup></b>	2021: 2.8%	2020: 2.1%	2019: 2.0%

This data is denoted differently from the data included in our [2021 U.S. DEI Transparency Report](#) due to a recategorization of partners and professionals on unpaid leaves of absence or currently working in other markets, reflecting a slight decrease in our firmwide headcount (from 35,588 to 35,266). Additionally, employee level categories are denoted differently from those reported by KPMG International.

<sup>1</sup>Self-identification in these diverse groups is voluntary. We continue to enhance our voluntary self-identification process and further integrate these updates across our firm.

## Supplier diversity



Percentage of supplier diversity spend is the total spend with small and diverse suppliers (following DiversityInc criteria), including Tier 1 and Tier 2 spend, divided by addressable firm spend. Non-addressable spend, such as taxes and intercompany payments, is excluded.



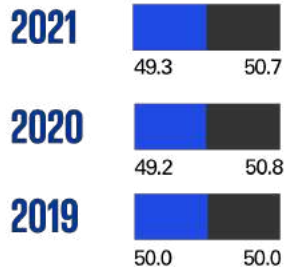
# People: Hiring

## Joining us today

### Interns

Gender by %

● Women ● Men



Race/Ethnicity by %

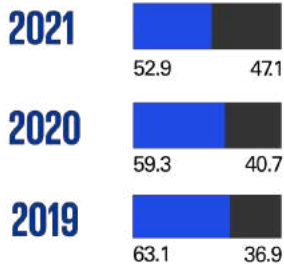
● American Indian/Alaska Native ● Asian ● Black ● Hispanic/Latinx ● Native Hawaiian/Pacific Islander ● Two or more races ● White ● Unknown



### Embark interns

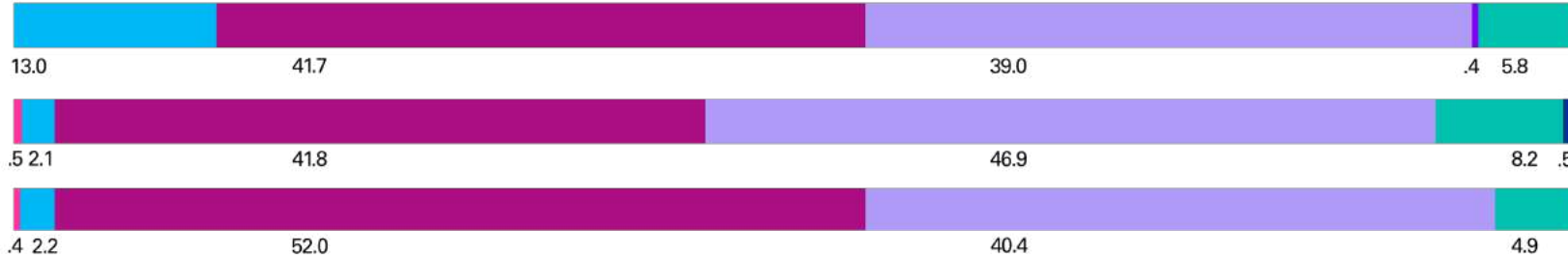
Gender by %

● Women ● Men



Race/Ethnicity by %

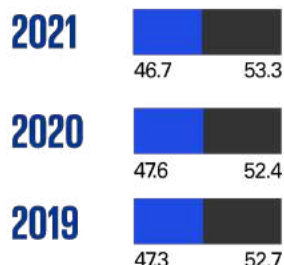
● American Indian/Alaska Native ● Asian ● Black ● Hispanic/Latinx ● Native Hawaiian/Pacific Islander ● Two or more races ● White ● Unknown



### University hires

Gender by %

● Women ● Men



Race/Ethnicity by %

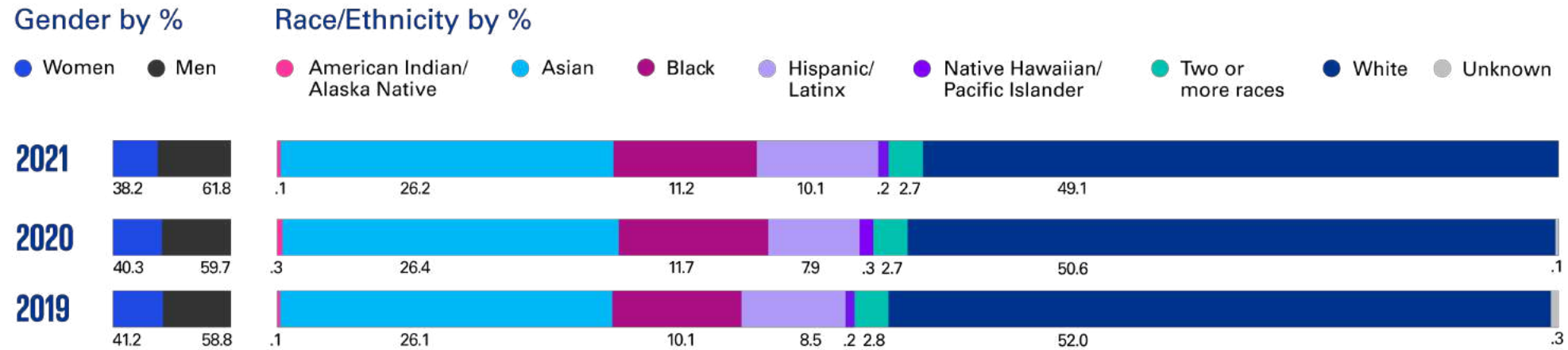
● American Indian/Alaska Native ● Asian ● Black ● Hispanic/Latinx ● Native Hawaiian/Pacific Islander ● Two or more races ● White ● Unknown



# People: Hiring

## Joining us today

## Experienced hires



Unless otherwise noted on the chart, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, and employees whose race/ethnicity is Unknown make up <0.1%. Statistics in this table reflect KPMG's hires in the calendar years 2019–2021 to better align with varying school calendars and graduation dates.

# People: Learning and development

## Training provided

**>40hrs**

The average hours of training employees receive

**\$3,800+**

Average training and development expenditure per full-time employee

**47,000**

Total hours of DEI training our people completed

## Average hours of training per level

**51**

Partner

**43**

Managing Director

**39**

Senior Manager/Director

**35**

Manager

**39**

Senior Associate

**59**

Associate

**28**

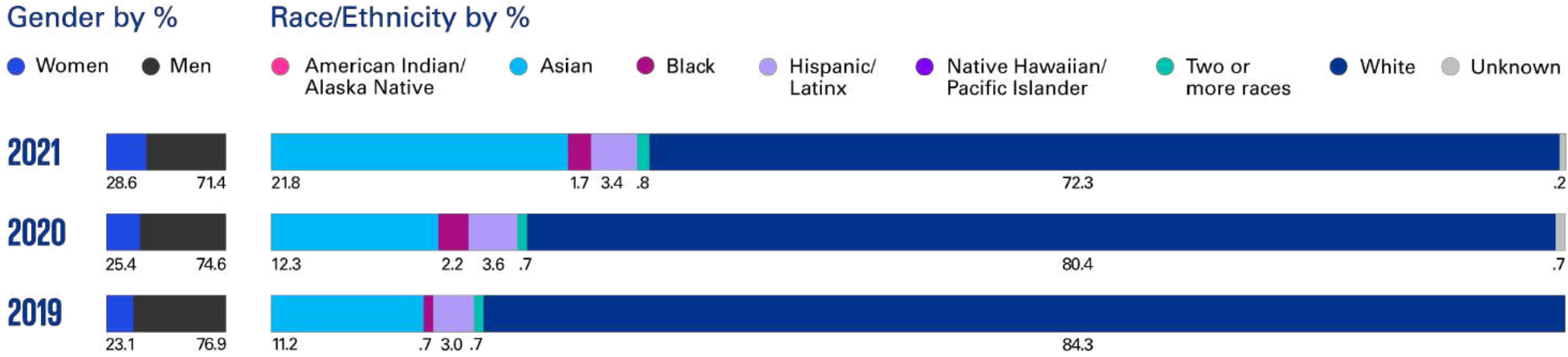
Admin Professional



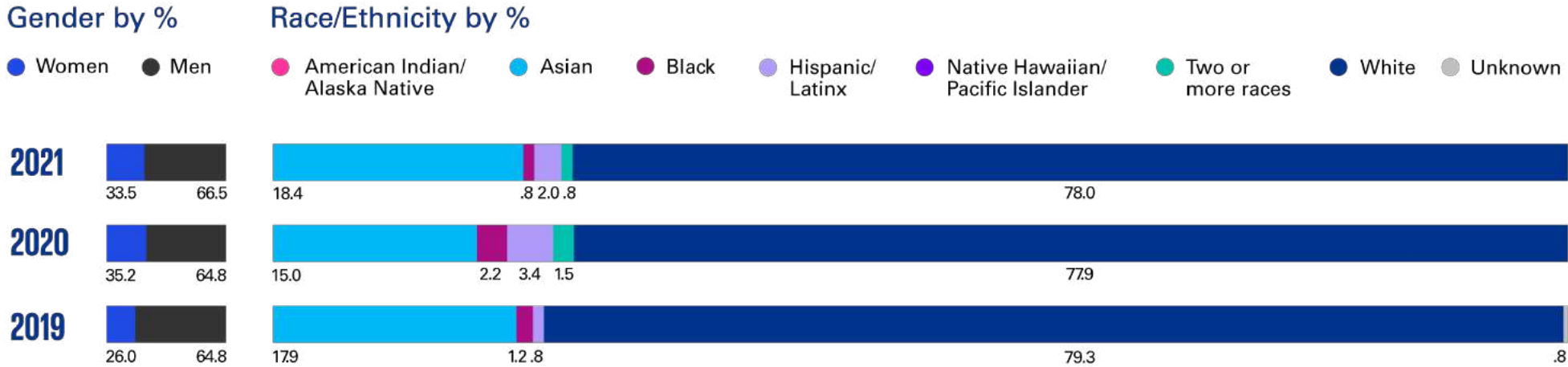
# People: Promotions

## Promotions by level

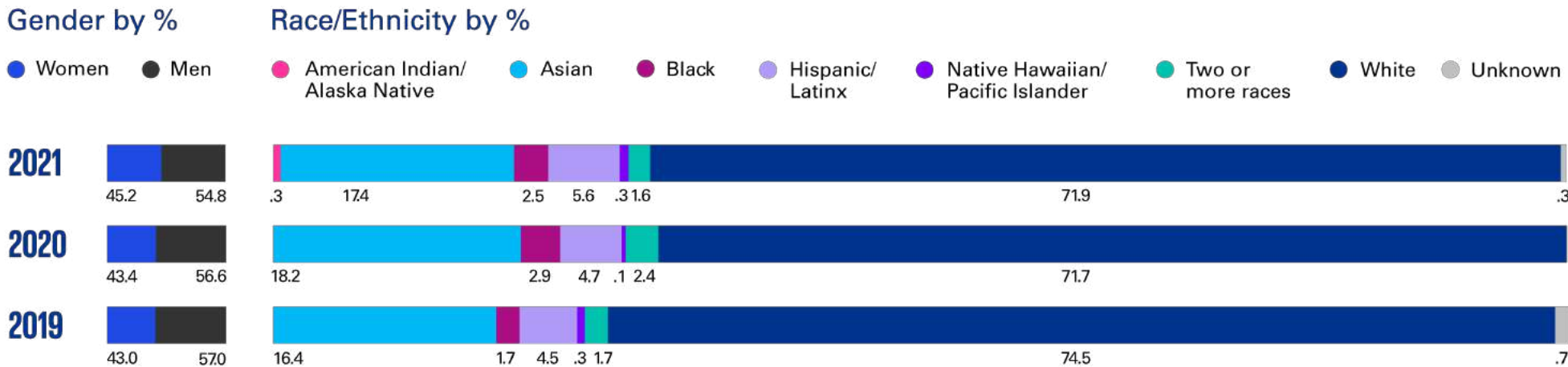
### Partner



### Managing Director



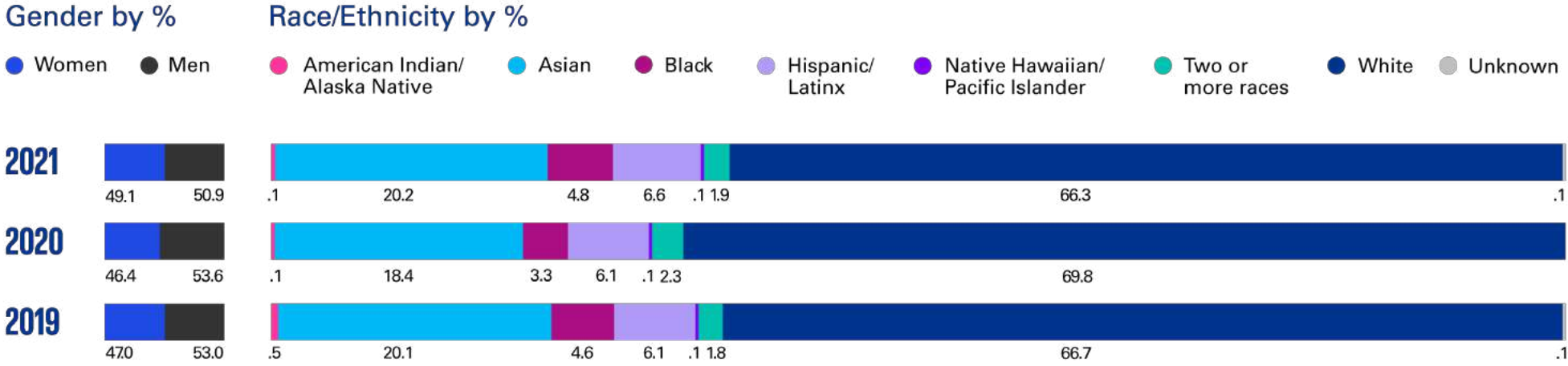
### Senior Manager/ Director



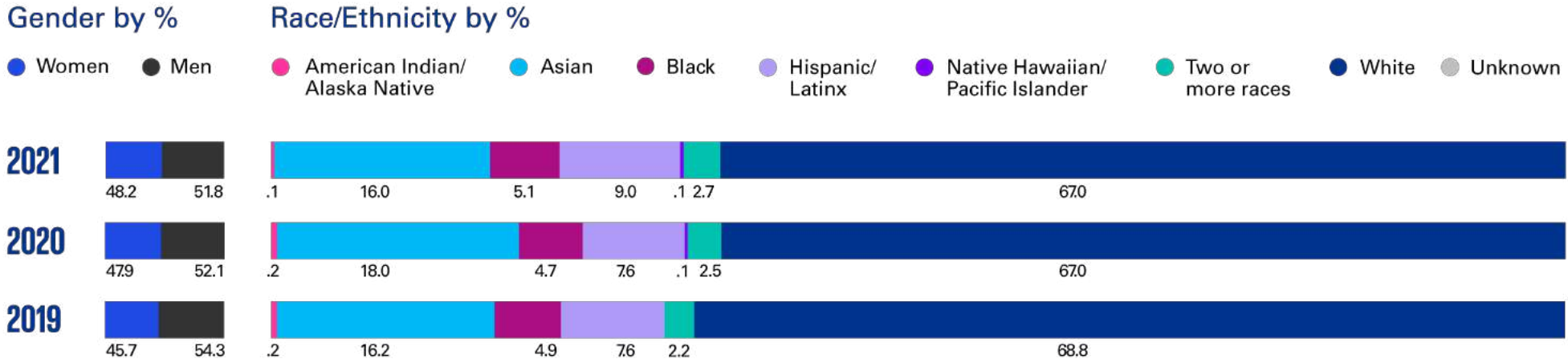
# People: Promotions

## Promotions by level

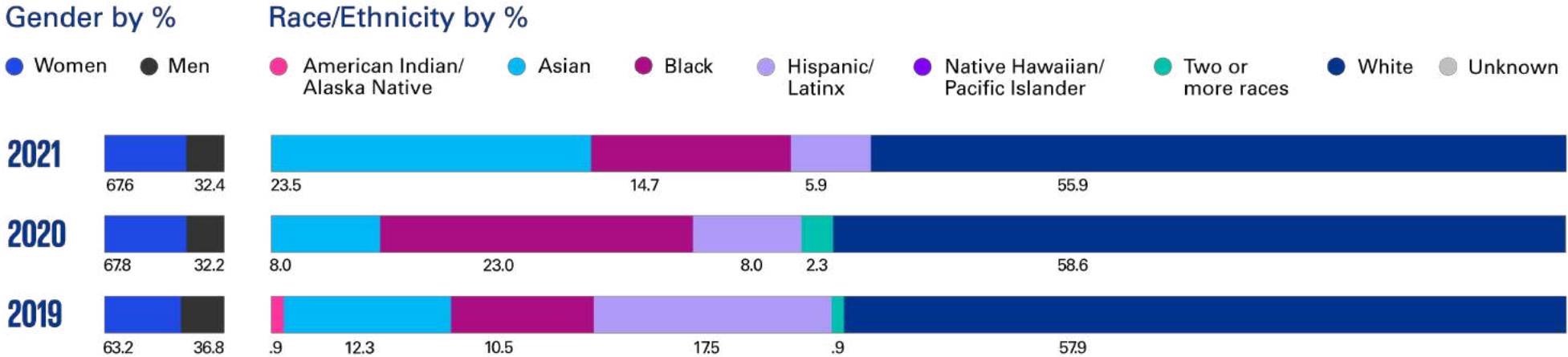
### Manager



### Senior Associate



### Associate

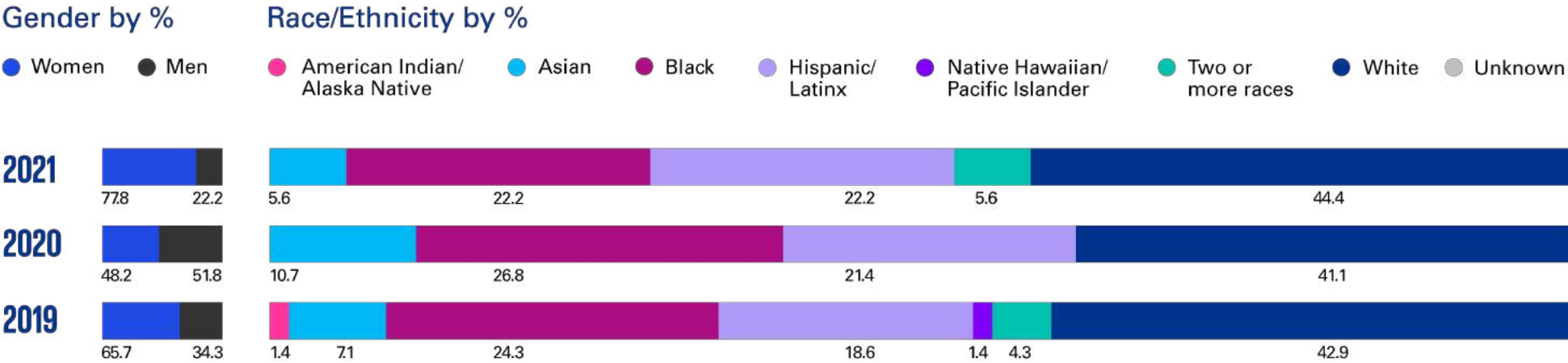




# People: Promotions

## Promotions by level

### Administrative Professional



Unless otherwise noted on the chart, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, and employees whose race/ethnicity is Unknown make up <0.1%.

# Planet: GHG emissions

## Our carbon footprint

		FY19	FY20	FY21
Scope 1 GHG Emissions	tCO2e	6,756	4,687	3,449
Scope 2 GHG Emissions (location-based)	tCO2e	17,629	20,249	13,680
Scope 3 GHG Emissions	tCO2e	758,215	647,544	854,697
<b>Carbon Emissions Reported</b>	tCO2e	<b>782,600</b>	<b>672,480</b>	<b>871,826</b>
Scope 1 and 2 carbon emissions per individual <sup>2</sup>	tCO2e	0.7	0.7	0.5

<sup>2</sup>This represents the reported Scope 1 and 2 carbon emissions per individual at KPMG.  
 For more information, visit our [GHG emissions statement](#).

# Planet: Biodiversity

## Biodiversity & water stress overlap

**72%**

of our real estate (53 offices) are in the vicinity of key biodiversity areas

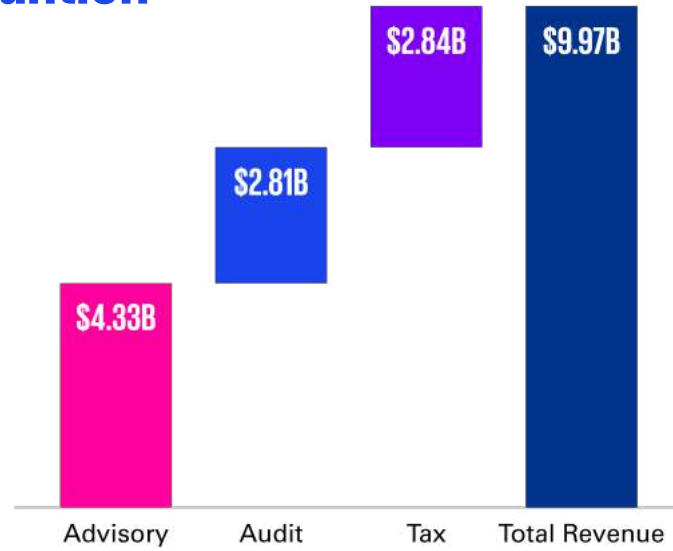
**55%**

of our real estate (32 offices) are near water-stressed areas

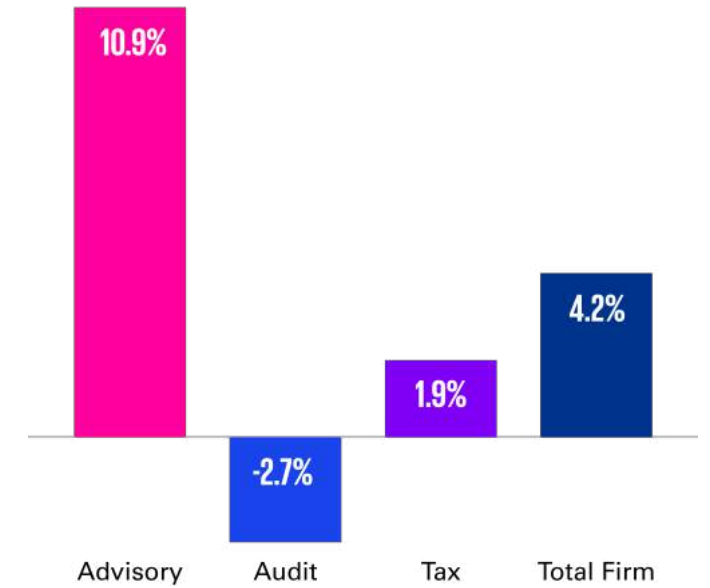


# Prosperity: Economic contribution

## Revenue by function

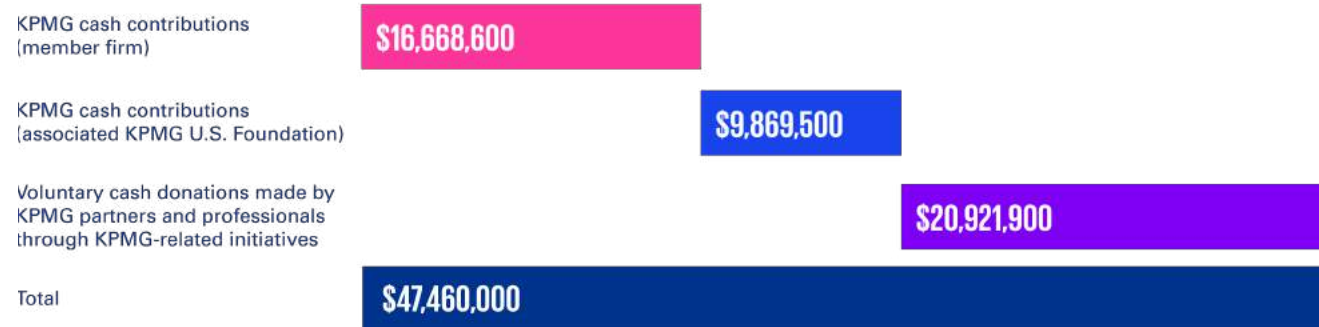


## Annual growth percentage by function

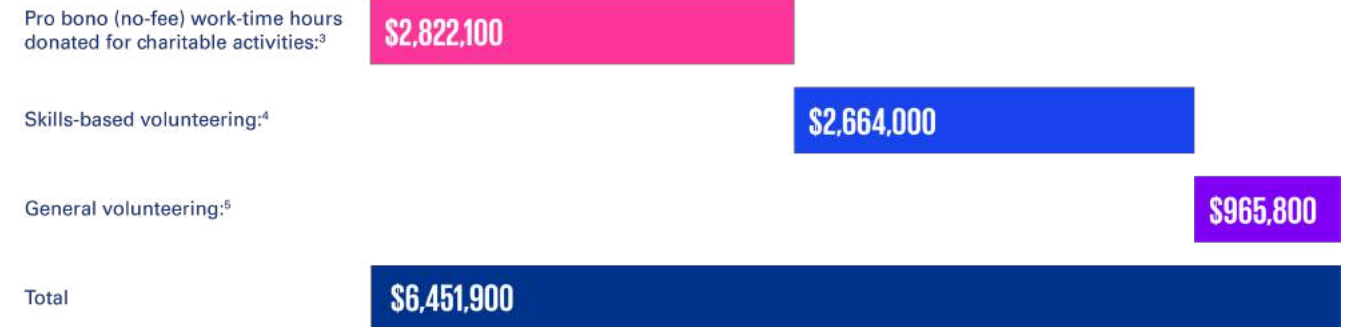


# Prosperity: Community investment

## Community investment



## Volunteer activity and pro bono services



<sup>3</sup>This was calculated by applying the average standard KPMG bill rate per hour to the hours of engagement.

<sup>4</sup>This was calculated by applying an average internal cost per service per hour to the number of hours recorded.

<sup>5</sup>This was calculated by applying the value of volunteer time defined by Independent Sector to the number of hours recorded.

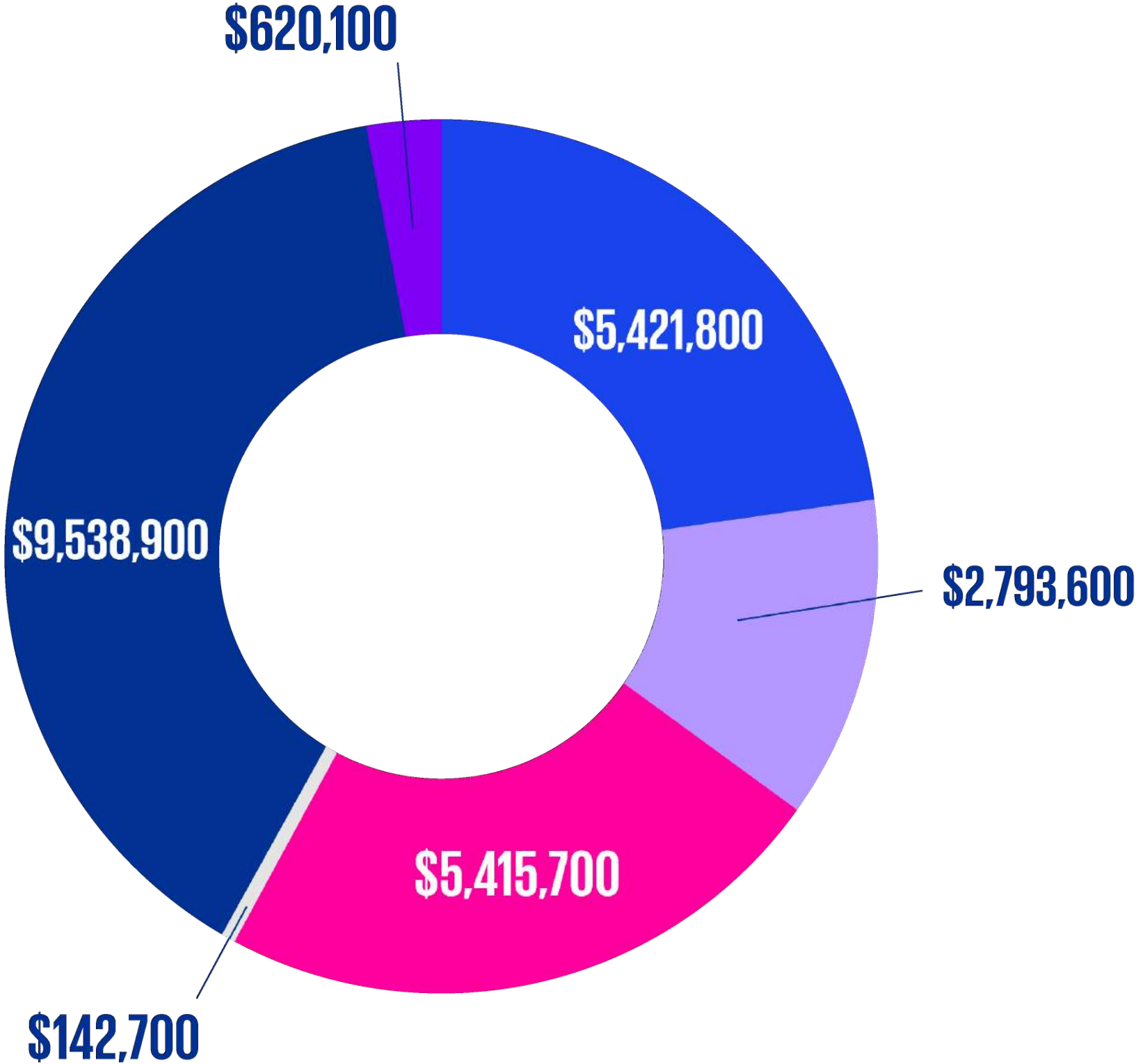
# Prosperity: Community investment

## Lifelong learning contributions

- Firm giving
- KPMG Foundation giving
- KPMG Foundation higher education matching gifts
- Partner and professional donations and fundraising
- Pro bono services
- Other

**TOTAL = \$23,932,800<sup>6</sup>**

<sup>6</sup>Financial contributions to nonprofit organizations support priority programming for lifelong learning.



# Principles of Governance: U.S. Board of Directors & Management Committee

## Board membership<sup>7</sup>

15

Member Directors

2

Executive board members  
Paul Knopp and Laura Newinski

3

Independent directors  
Linda Addison, Roel Campos,  
and Janet Wolfenbarger

## Board of Directors

50%

Members from  
underrepresented groups

33%

Women

17%

People of Color

## Management Committee

55%

Member Directors

45%

Women

27%

People of Color

<sup>7</sup>Member directors and executive board members are not mutually exclusive.



