



Our Impact Plan 2022

Summary version of the Sustainability Report of KPMG Brazil





Summary

This is the summary version of the Sustainability Report of KPMG Brazil 2022.

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[Click here to access the full version.](#)



Presentation

About this report

It is with great pleasure that we present the sustainability report of KPMG Brazil, covering our activities during the year 2022.

To prepare this report, we followed the structure of our global initiative – **KPMG: Our Impact Plan**. That global plan brings together all our commitments in environmental, social and governance (ESG) aspects presented in four categories – Governance, People, Planet and Prosperity, as suggested by the Stakeholder Capitalism Metrics, launched by the International Business Council (IBC) of the World Economic Forum.

We also followed the GRI Standards to present our performance indicators, which are referenced throughout the text.

We are committed to moving forward in reporting data relating to the operations of KPMG Brazil, in line with the guidelines of KPMG Global, and we also reaffirm our commitment to the principles of the Global Compact and the fulfillment of the United Nations Sustainable Development Goals (SDGs).



To learn more about the references used in this report, [click here](#).



To learn more about these metrics, access the [KPMG global website here](#).





Message from the Chairman

The year 2022 was very challenging for us. We started with an expectation of growth, but the scenario changed at an enormous speed. As a result, we adapted to protect the Firm so that we can continue to put into practice our strategy of being leaders in the transition to a low-carbon, circular, regenerative and inclusive economy.

We grew very significantly in all our business areas, which showed the resilience of the Firm and our teams in the face of challenges. We continued to invest in the development and well-being of our people and in inclusion, diversity and equity. We also focused on integrating ESG (environmental, social and governance) aspects into our offerings, to improve our internal management and support our clients in their change processes.

One of our learnings from the last cycle was that we need to ensure that our team gets the best out of the new model of hybrid work, which had a big boost in 2022 with the inauguration of three digital offices and our new headquarters office in São Paulo. Another was understanding that, in this universe in which relations coexist in virtual and face-to-face spaces, we need to strengthen interaction between our professionals and between them and our clients.

We present here the main actions we carried out in 2022 to help Brazilian society and our clients to be successful in a business environment marked by change.

Enjoy your reading!

Charles Krieck

Chairman at KPMG Brazil and South America



Highlights of the year

Governance



38%

of women in leadership positions

+18%

FY2021

Holding of the 1st in-person shareholders' meeting

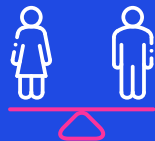
after the pandemic (the last one took place in 2019),
with the presence of the Global Chairman of KPMG

People

5,990

professionals

+21%

FY2021

50%

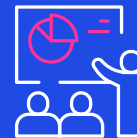
Men

50%

Women

R\$ 16.7 MM

invested in learning
and development



+ 598 K

training hours

+81%

FY2021



PLANET

100%



of electricity in the offices in Brazil generated from renewable sources

76%



increase in the demand for sustainability services

100%



replacement of plastic cups with paper cups in all offices

-48%



in prints made

PROSPERITY

R\$ 2 bn

in revenues
+17.6% FY2021



84%



client satisfaction rate
same rate as FY2021

R\$ 4.5 MM

in direct investment in community and pro bono projects
+55% FY2021

R\$ 3.8 MM

invested in events to share knowledge in various formats

177



publications in magazines, research and studies



30,092

mentions in the press, with the participation of 180 KPMG spokespersons

14

recognition awards





Awards

KPMG has been recognized over time by important national and international awards related to topics such as sustainability, human rights, management, innovation, advisory and auditing.



In FY2022, among the most recent awards received by the Firm, with a focus on innovation and talent, the following stand out:

International

Oracle Partner

Partner of the year Supply Chain.

Leaders League 2022

Leader in Forensics and Complex Investigations Highly recommended in Litigation Support - Accounting and Finance.

ServiceNow 2022

Americas Transformation Partner of the Year. IT Workflow Partner of the Year.

Forrester Wave Leader

One of the leading companies in CX Strategy Consulting 2022. Leader in data management services.

ALM Pacesetter Research: Cybersecurity 2022-2023

Reference leader in providing cybersecurity services.

IDC MarketScape - Worldwide Incident Readines Services 2021 Vendor Assessment

Services 2021 Vendor Assessment World leader in cyber incident response services.

Source Global Research

Leader of the Perceptions of Risk Firms 2021 ranking.

Microsoft Partner of the Year Awards

Business Applications category, Dynamics 365 Finance – 2022.

National

Modern Consumer Award for Excellence in Customer Service

Strategic Consulting category.

IT Media/FIAP - 2022

Among the 100 most innovative companies in the use of IT.

Confab Award 2021-2022

One of the market leaders in the Brazilian fiscal and tax sectors.

Visão Agro Magazine Award

Outstanding company in the areas of transformation and production in the sugar-energy sector.

Agro Visão Centro-Sul Award

Audit of the bioenergy sector category, 21/22 cycle.

Business Initiative for Racial Equality Award

One of the best companies in diversity practices and actions with #Impulse, a KPMG and HULT/EF program that aims to accelerate the promotion of racial equality in the labor market.



KPMG

KPMG is a global Organization of independent firms that provide professional Audit, Tax and Advisory services to companies, governments, startups, public-sector agencies, not-for-profit organizations and capital markets institutions. It operates in 145 countries and territories, with more than 265 thousand partners and professionals working in member firms around the world – in Brazil, we are almost six thousand professionals.

Each KPMG member firm is an independent legal entity licensed by KPMG International, a private English company limited by guarantee, being legally and financially responsible for its own obligations and liabilities.



Driven by its purpose – to Inspire Confidence and Empower Change, KPMG is one of the four largest companies in its segment worldwide and a reference in the sectors in which it operates, due to a set of attributes: the vanguard of the services it offers to the market, the seriousness on how their professionals work, the integrity of their conduct and concern to build a better future by sharing knowledge with clients and with the most varied sectors of society.

We have been sharing value and inspiring trust in the capital market and in communities for over 100 years, transforming people and companies and generating positive impacts that contribute to the attainment of sustainable changes in clients, governments and civil society.

What we do

We provide professional services, based on principles of ethics and excellence, in three areas:

Audit

We evaluate and assure the information generated by our clients through independent auditing services, based on exclusive methodologies and technologies. This way, we contribute to the quality of information in decision-making.

Tax

We help our clients to meet tax demands, as well as to be prepared to respond to changes in their businesses, applying our knowledge and long-term vision to help them make decisions that generate value for their business and society.

Advisory

We support companies' strategic decisions and project development in strategic planning, ESG, mergers and acquisitions, risk management and compliance, improvement of financial and operational performances, business transformation, innovation and technology, through multidisciplinary approaches. We are also managed service providers.

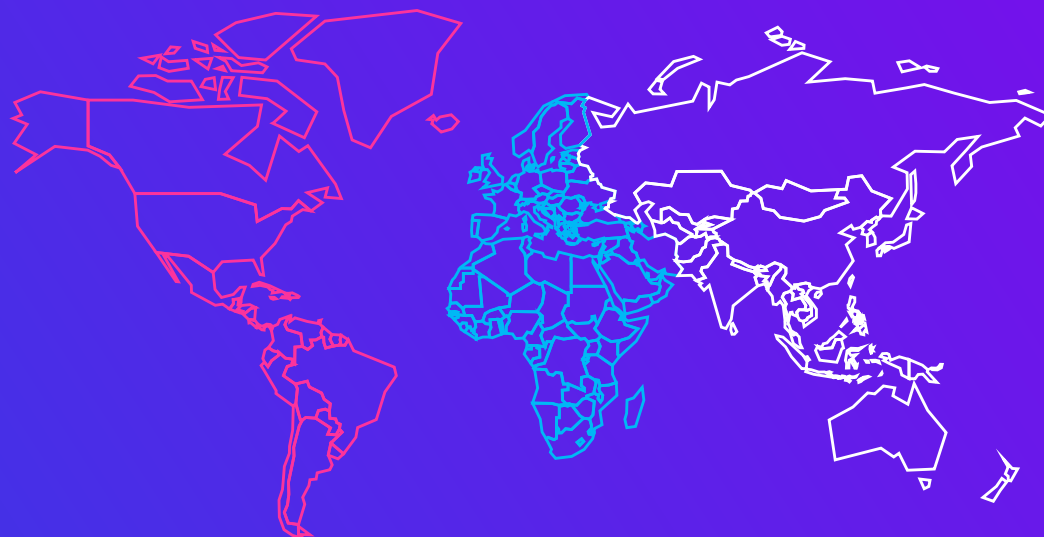


Priority sectors in Brazil

- Agribusiness
- Consumer and Retail Market
- Education and not-for-profit organizations
- Energy and natural resources
- Financial services
- Infrastructure, government and health
- Industrial markets
- Technology, media and telecommunications



KPMG International



265,000

professionals work in member firms worldwide

48,5% are women

145



countries in the five continents

USD 34.64 billion

in revenue FY2022

Americas

66,892

professionals

Revenue:

US\$ 13.71

billion

Europe, Middle East and Africa

142,368

professionals

Revenue:

US\$ 14.62

billion



Asia Pacific

56,386

professionals

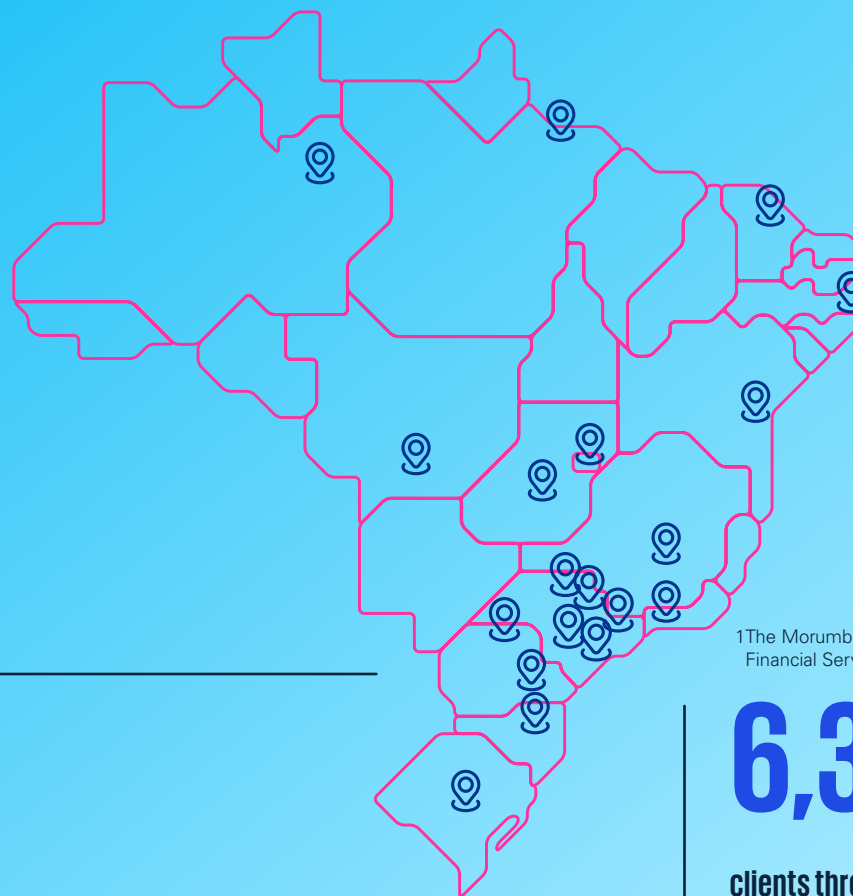
Revenue:

US\$ 6.31

billion



KPMG in Brazil



Offices

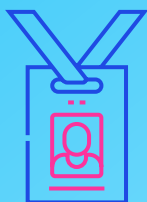
- Belém
- Belo Horizonte
- Brasília
- Campinas
- Cuiabá
- Curitiba
- Florianópolis
- Fortaleza
- Goiânia
- Joinville
- Londrina
- Manaus
- Porto Alegre
- Recife
- Ribeirão Preto
- Rio de Janeiro
- Salvador
- São Carlos
- São José dos Campos
- São Paulo (head office)¹
- Uberlândia

Digital offices

- Passo Fundo
- São José do Rio Preto
- Vitória

¹The Morumbi unit, in São Paulo, will be maintained to allocate the Financial Services areas (Audit G2 and Tax Financial Services).

5,990



professionals

64% in São Paulo

13% in Rio de Janeiro

23% in the other offices



21 regional offices, located in

21 cities in **14** states in Brazil and the Federal District



3 digital offices, in 3 states (São Paulo, Rio Grande do Sul and Espírito Santo)

6,320



clients throughout Brazil (public, private and social organizations)

R\$ 2 billion

in revenue



Material topics in 2022

KPMG’s material topics in Brazil are those classified as the most relevant due to their impact on our stakeholders and society in general. In FY2022, we considered as material the same topics identified in the materiality analysis conducted in FY2021, based on consultation with our priority stakeholders (internal and external), on social issues identified by the leadership as most important in connection with our business and on topics defined by KPMG Global (Our Impact Plan).

Materiality survey

The materiality analysis of KPMG Brazil carried out in FY2021 had four stages: identification of the Firm’s stakeholders; selection of priority stakeholders for the materiality survey (civil society, suppliers, educational institutions, clients, employees and third parties); consultation with priority stakeholders through interviews and questionnaires; and identification of material topics and their subtopics, based on the responses received and its connection with the Firm’s global themes.



Topics identified as material by KPMG in Brazil (FY2021 and FY2022)

- | | |
|------------------------------------|---|
| 1. Ethical commitment | 8. Employment and wealth generation |
| 2. Purposeful governance | 9. Community vitality |
| 3. Quality of governance bodies | 10. Innovation for better products and services |
| 4. Stakeholder engagement | 11. Climate change |
| 5. Dignity and equality | 12. Loss of biodiversity |
| 6. Health and well-being | 13. Water management |
| 7. Skills for future employability | |



Materiality Matrix





Governance

• *Putting our values at the heart of everything we do*

It is based on our values that, throughout our history, we have created trust in the market and in society, protecting the public interest, while we promote change for a better future for our professionals, clients and other stakeholders.

In order to remain firm on this path, we always act driven by our purpose and our values, considering the economic, environmental and social impacts of our activities. We also aligned our financial and social performance with the concept of Stakeholder Capitalism and other public commitments focused on sustainable development, in addition to maintaining a robust governance structure, which conducts and oversees all our activities.





Purposeful business

- *Always act with a clear purpose*

Our values

Our purpose “Inspire confidence. Empower Change” is the reason why KPMG exists and must guide all our strategies and decisions. Our values reflect who we are and what we believe. They guide our day-to-day behavior, informing how we act, the decisions we make, how we work with each other and with our clients, as well as how we interact with all of our stakeholders.

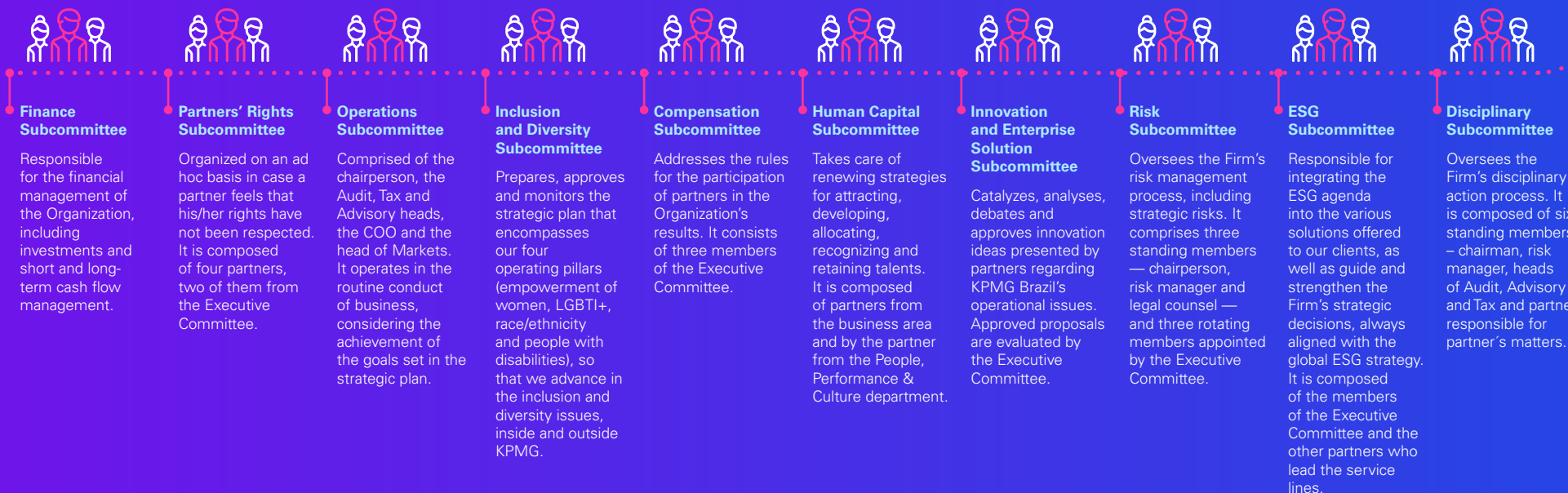
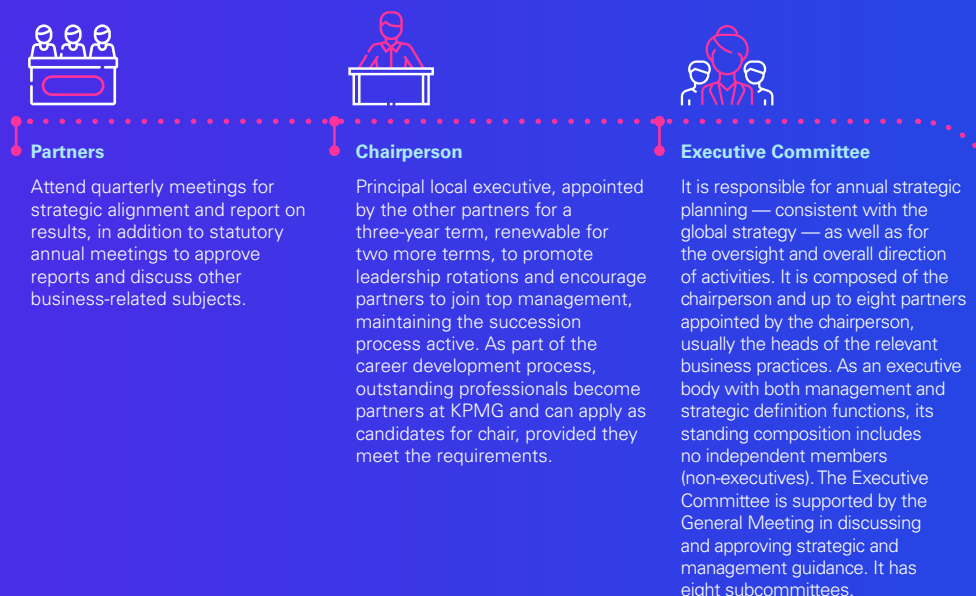


Governance Structure

KPMGI has a structure to guide and oversee the activities of member firms. Our local governance structure adheres to the same standards, adding our own bodies for management coordination and oversight, in compliance with Brazilian laws.

The annual strategic planning is the responsibility of the Chairperson and the Executive Committee of KPMG Brazil. Based on this strategy, other bodies assume responsibility for assessing and overseeing specific topics:

- **Impacts on the economy:** Finance, ESG and Risk Subcommittees.
- **Impacts on the environment:** Executive, ESG and Risk Subcommittees.
- **Impacts on people:** Inclusion and Diversity, ESG and Risk Subcommittees.



Value creation

Inputs



Business model



Outputs

- Increased public trust and better relationships with key stakeholders
- Continued business growth and higher levels of client satisfaction
- Become an even more digital enterprise – offering greater efficiency and more insights for customers
- Greater confidence in financial markets and corporate reporting
- Creation of skilled labor and with greater employability
- Better business decision-making between the companies
- Higher operating revenue and profit
- Greater efficiency, innovation and secure use of data
- Contribution to continued economic growth

Benefits to society



- Greater confidence in financial markets and corporate reporting
- Creation of skilled labor and with greater employability
- Better business decision-making between the companies
- Greater efficiency, innovation and secure use of data
- Contribution to continued economic growth

Click on the buttons to find out more

Click here to close all.



In everything we do, we are committed to inspiring trust and empowering change



Public commitments

In addition to endorsing the global commitments undertaken by KPMG International, we are signatories to several national initiatives, aligned with our values, to demonstrate our commitment to a more inclusive and prosperous future for all.

KPMGI commitments we endorse

Development and Environment

- UN Global Compact
- UN Sustainable Development Goals
- The Carbon Price Communiqué
- World Business Council for Sustainable Development
- Climate Disclosure Standards Board
- Paris Pledge | COP 21
- The Carbon Call

Diversity

- Women's Empowerment Principles – UN Women
- Women Corporate Directors (WCD)

Human Rights

- Guiding Principles on Business and Human Rights

Ethics and Integrity

- Partnership Against Corruption Initiative / World Economic Forum

Commitments signed by KPMG Brazil

Development and environment

- Global Compact Brazil Network

Diversity

- HeforShe – UN Women
- Fórum de Empresas e Direitos LGBTI+
- Iniciativa Empresarial pela Igualdade Racial
- Coalizão Empresarial pelo fim da violência contra mulheres e meninas
- Movimento Mulher 360

Human rights

- Ethos Human Rights

Act transparently with integrity and accountability

- *Act legally, ethically and in the public interest*



Ethics and integrity are the pillars that keep us as one of the most reliable firms in our segment for the market, our clients, our professionals, our business partners, governments and regulatory bodies, the press and the communities in which we operate.

Supported by a robust set of principles, policies and processes, the culture of integrity permeates the entire KPMG network, converting our values into ethical actions and behaviors on a daily basis, from leadership to our teams. This involves communicating transparently, practicing zero tolerance for corruption and bribery, choose clients in line with our principles and ensure our independence.

Oversight of socioeconomic compliance

- Policy commitments aligned with KPMG Global
- Global Code of Conduct
- Formal Enterprise Risk Management (ERM) process
- Monitoring of socioeconomic compliance
- Ethical communication and marketing
- Channel for reporting about our behavior (KPMG Hotline or Direct Line)
- Trainings
- Client privacy protection
- Privacy Program

Anti-corruption system of KPMG Brazil

- Quality Compliance Evaluation Program (KQCE)
- Trainings
- Contracts
- Code of Conduct
- Communication to business partners
- Control of unfair competition, trust and monopoly practices
- Prohibition of contributions to political parties
- Different channels for reporting on corruption



Human Rights

• *Respecting human rights*

We have a public commitment to respect human rights, expressed in the International Business and Human Rights Statement of KPMG Global organization. This statement, in line with the UN Guiding Principles on Business and Human Rights, reinforces our longstanding support for the UN Global Compact.

Thus, human rights permeate the due diligence procedures included in KPMG's global risk and quality management and people and culture policies.

At KPMG Brazil, we maintain alignment with this global commitment, following the guidelines described in the Global Code of Conduct, in the KPMG Contractor's Code of Conduct, in the Global Quality & Risk Management Manual and in the KPMG Integrity Policy.



People

• *Creating a caring, inclusive, Purpose-led and Values-driven culture for our people*

Taking care of our professionals and promoting their continuous development is fundamental so that we can put into practice our agenda of change and transformation towards a more prosperous and inclusive future for all.

Therefore, in KPMG Brazil we invest in maintaining a work environment that values the diversity, health, well-being and confidence of our people, in addition to offering opportunities for everyone to improve their skills, expand their knowledge and grow in their careers, serving our clients with ever-increasing excellence. We also make sure we listen to our teams' perceptions and points of view in order to move even further in that direction.



Inclusion, diversity and equity (IDE)

- *Have an inclusive culture built on trust*

Promoting respect and empathy has been our approach to providing a welcoming, safe and discrimination-free environment, which favors the plurality of opinions and guarantees the rights of all people, allowing each one the right to exist and be unique: Come As You Are. Fostering Inclusion, Diversity and Equity allows us to do what is right, creating the conditions for all our professionals to become their best versions and enjoy recognition and prosperity.

Our Inclusion, Diversity & Equity Committee (CIDE) values respect for all people and didactically bases its goals and action plans on five pillars, four with themes: KNOW (gender), Voices (LGBTQI+), Buddies (people with disabilities) and Ebony (race and ethnicity) and a pillar of Synergy to work on both intersectionality and themes not embraced by the other pillars. Each pillar is led and builds its actions through volunteer leaders, always with the participation of representatives of the groups that empower, to guarantee a place of speech (representativeness), effective actions and positive impact, which materialize the protagonist attitude that KPMG decided to embrace in the Inclusion, Diversity & Equity topic not only within the Firm, but before the market and society.





Our diversity profile

5,990

professionals

+21% FY2021



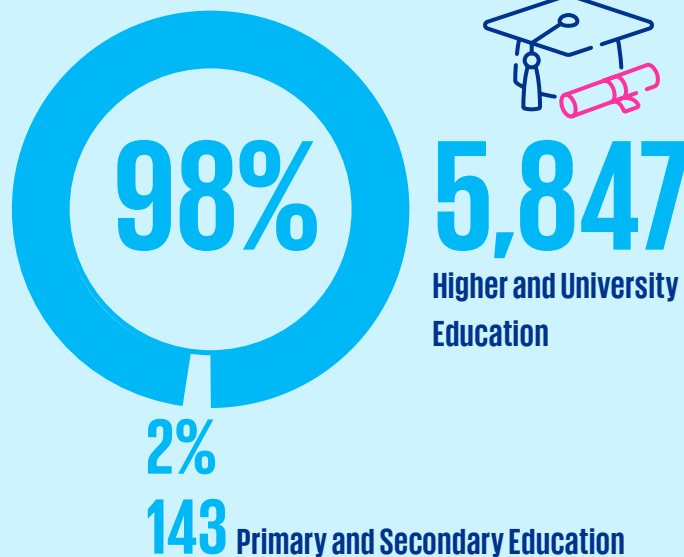
By age group

3,476 up to 30 years-old

2,382 between 31 and 50 years-old

132 over 51 years-old

By level of education



104

outsourced*



67

women



37

men

* Outsourced workers assigned to infrastructure support services. KPMG contracts companies that supply labor, with employees under the CLT regime.

By gender



50%

women



50%

men

Minority groups

1% People with disabilities



28% Black*



*Includes blacks and browns, according to the Brazilian Institute of Geography and Statistics (IBGE).

1% Foreigners





• Foster an educated and empathetic workforce

To serve our customers with excellence, we focus on attracting and retaining the best talents. With this objective, we invest in the development of our professionals starting from the selection processes and offer several opportunities for career growth.

Promotions

In recognition of their dedication, effort and engagement, 39.8% of our professionals were promoted in 2022.

Professionals promoted

Position	Men	Women	Total FY2022	Total FY2021	Total FY2020
Staff	996	1,092	2,088	1,914	2,004
Staff to manager	76	84	160	195	121
Manager to senior manager	50	43	93	130	86
Senior Manager to partner	21	18	39	61	40
Total	1,143	1,237	2,380	2,300	2,251

Note: promotions carried out in FY2022 were defined according to certain criteria, such as performance review, length of service, length of experience in the function, in addition to the budget foreseen in the area. These criteria may differ from year to year, hence there are variations.

Trainee program

Called KPMG Young Talents, our trainee program offers opportunities for university students from different courses to work throughout Brazil. Considered one of the most attractive in the market, its objective is to hire the best talents, always considering a focus on diversity.

Trainee program			
Trainees	FY2022	FY2021	FY2020
Number of candidates	51,806	38,960	43,000
Number of hires	1,437	592	248
Candidate per job opening	36	66	173





• *Defend equal opportunities*

Performance review

The performance reviews define promotions and salary progression at KPMG Brazil.

	Total number of professionals who received formal performance review and oversight*			Percentage of professionals who received regular performance and career development reviews			
	Men	Women	Total	Men	Women	ww	
Technical	Trainees	57	57	114	86%	85%	86%
	Staff	1,349	1,347	2,696	98%	98%	98%
	Managers	505	360	865	98%	98%	98%
	Partners	314	90	404	93%	94%	93%
Administrative	Trainees	0	6	6	0%	0%	0%
	Staff	201	467	668	94%	98%	97%
	Managers	42	97	139	98%	98%	98%
	Partners	57	30	87	97%	91%	95%
Total			4,979			97%	

Note: *In FY2022, the performance review was not considered mandatory for professionals who joined KPMG after May 1st, 2022 and who returned from leave for more than six months after that date. It was also not required from professionals with a fixed-term employment contract, interns and young apprentices.



97%

of our professionals received performance and career development reviews in 2022

Ratio of base salary of women to men*

Category	FY2022		FY2021	
	Technical	Administrative	Technical	Administrative
Interns	1.00	1.00	1.00	1.00
Trainees	1.00	1.00	1.00	1.00
Staff	0.93	0.91	1.02	0.93
Managers	0.93	0.93	0.98	0.93
Partners	0.96	0.90	0.91	0.98
Average	0.94	0.94	0.99	0.94

Note: *Uses the average of the base salary of each category, by gender, and considers the woman's salary/ man's salary ratio.

Examples for interpreting the 2022 data:

Technical Team:

- Interns: 1.00 - means that the base salary of women is 100% of the base salary of men, that is, the same.
- Staff: 0.93 means that the base salary of women is 93% of the base salary of men, that is, it is 7% lower.





Health and well-being

- *Protect the health of our people — both physically and mentally — and enable them to be effective and productive*

Health and safety at work

Occupational risks at KPMG Brazil are managed by the Safety Labor and Occupational Health area through the health management system of the Health and Safety service provider (SOC). Additionally, all of our offices use the risk management program (PGR-NR01) for assessment, risk classification and control measures.

Other health actions

#gestação&saúde Program: KPMG pregnant women program for beneficiaries and dependents with exemption from co-payment for prenatal care and for newborns up to 1 year old.

Dr. KPMG 0800: 24-hour service and medical appointments via videoconference.

Nutritional coaching: guidance on adopting better eating habits and qualitative diet choices for a healthier, balanced diet, available at Dr. KPMG 0800

Sports coaching: monitoring by specialists in physical conditioning for guidance in sports practice and the adoption of healthier habits, available at Dr. KPMG 0800.

2nd medical opinion: assessment by a medical team with national and international experience to review diagnoses and treatments, answer questions and offer alternatives and new recommendations, available at Dr. KPMG 0800.

Benefits*

As a way of rewarding our professionals for the quality of their work and engagement, we offer more than 20 benefits. The main benefits are:

- Gym
- Medical assistance
- Odontalgic assistance
- Childcare assistance (for female professionals and male employees who have sole custody of the child)
- Wedding corporate gift
- Birth corporate gift
- Check-up (for partners and partners-directors)
- Parking
- Incentive to undergraduate and graduate courses (managers and senior managers)
- Incentive to language courses
- Financial aid for professionals with fluency in English
- Kfleet (vehicles for managers and senior managers)
- Private pension
- Life insurance
- Class association subsidy
- Food ticket
- Meal ticket
- Transportation ticket
- Gift voucher
- Gift on Children's Day**

Notes

* Benefits may vary by category/function.

• KDSC professionals are not eligible for benefits related to education: undergraduate; postgraduate studies; languages; fluency additional; class association subsidy.

• For parking, categories from supervisor to partner are eligible. In the Rio de Janeiro office, only starting from manager.

** For all children, up to 10 years old, of professionals under the CLT regime.

Parental leave

KPMG Brazil is part of the *Empresa Cidadã* (Citizen Company) program, which grants six months of maternity leave and 20 days of paternity leave to professionals.

	FY2022		FY2021	
Return Rate	Women	Men	Women	Men
Total number of employees who took maternity/paternity leave	140	62	123	56
Total number of employees who returned from leave	96	61	64	51
Total number of employees who should return	102	62	67	54
Return to work rate of employees who took maternity/paternity leave	94%	98%	96%	94%
Retention Rate	Women	Men	Women	Men
Total number of employees who returned from leave in 2021	64	51	63	64
Total number of employees retained 12 months after returning from leave	46	36	48	46
Retention rate	72%	71%	76%	72%

Note: the calculation of the retention rate is always done for the previous year, to project the 12 months and verify the professionals who remained in the Firm for 1 year. All CLT professionals at KPMG in Brazil are entitled to parental leave.



Continuous learning

• *Develop a continuous learning culture*

In order to be able to exceptionally develop our talents and always deliver the best, be prepared to deal with market uncertainties and enhance the attractiveness of our brand, KPMG Brazil maintains an environment of continuous learning.

Training in 2022



Average hours of training per year, per employee - Overall

Operation	Category	Total	Total hours attended	Average
Técnico	Trainees	1,361	183,559	135
	Staff	2,278	255,388	112
	Managers	794	65,798	83
	Partners	409	29,662	73
	Technical Subtotal	4,842	534,408	110
Administrativo	Interns	3	60	20
	Trainees	3	152	51
	Staff	892	50,1670	56
	Managers	141	9,019	64
	Partners	89	4,823	54
	Admin. Subtotal	1,128	64,223	57
Total		5,970	598,631	100

Note: in FY2022, 20 professionals (7 men and 13 women) did not undergo training due to leave.

R\$ 16.7 million

Investments in learning and development



Planet

- *Reducing our impact on the environment to build a more sustainable and resilient future*

The planet's natural resources are being pressured into an increasingly alarming pace, with significant impacts on the economies, development and well-being of urban and rural populations. Therefore, it is urgent and necessary for companies, governments and society to adopt practices that ensure a transition to a low-carbon, regenerative, circular and inclusive economy.

In addition to implementing practices to reduce the use of natural resources and waste generation, in order to reduce our environmental impact, we are committed to zero our net emissions of carbon by 2030 (base year 2019) and analyze ways of dealing with climate changes, water pollution, deforestation and the loss of biodiversity in general and related to the impacts of our projects and activities. We also seek to support our clients in transforming their businesses and supply chains to minimize their environmental impacts and integrate climate risk into corporate strategies.





Decarbonization

- *Achieve net-zero carbon emissions by 2030*

KPMG has recognized its role in the transition to an economy with low emissions of gases that cause the greenhouse effect.

Greenhouse gas (GHG) emissions in Brazil

Since 2014, we have neutralized emissions from our operations in Brazil through the purchase of carbon credits in the voluntary market. Throughout 2022, we acquired standard VCS (Voluntary Carbon Standard) carbon credits from a Brazilian forestry project in the voluntary market to neutralize the 2021 base year inventory.

Also in 2022, KPMG Brazil started to report its inventory in the Public Registry of emissions of the Brazilian GHG Protocol Program (base year 2021), with the objective of obtaining the gold seal (inventory verified by a third party) – a process that will continue in progress in 2023 (for base year 2022).

**GREENHOUSE GAS INVENTORY – KPMG Brazil**

Category	Detailing	AC2022	AC2021	Representativeness	Variation	Observations
Mobile combustion	Leased fleet (operational control): business travel (KFleet benefit) paid by KPMG	25.55	4.39	0.00%	92%	Return of travelling after pandemic
Stationary combustion	Diesel consumption in generators in São Paulo	0.73	0.99	0.00%	-27%	The diesel oil consumed in the generators in the Verbo Divino building started to be controlled by the condominium after Sep/22, thus the emissions were reallocated to Scope 2
Fugitive emissions	Fire extinguisher refills and refrigerant gas consumption	6.36	0.39	0.00%	1,548%	Recharge of R410 in air conditioners due to maintenance and return to activities
Total Scope 1 (tCO2e)		32.63	5.77	0.01%	169%	
Electricity - GRID (location approach)	Energy consumption of all offices in Brazil (Grid + generators)	117.46	213.77	0.63%	-45%	Despite the general electricity consumption having increased, the GRID emission factor decreased in 2022, with greater use of renewable sources in Brazil's energy matrix.
Electricity – Renewable (approach by purchase choice)	Consumption of solar renewable energy in the BH office and acquisition of I-RECS in the other offices	-	185.82	0.00%	-100%	100% of offices with traced electricity through IRECs.
Total Scope 2 (tCO2e)		117.46	213.77	0.63%	45%	
Business travel (land)	Travel by own car, Uber/taxi and rental cars	1,106.96	758.52	4,9%	21.7%	Return of travelling after pandemic
Business travel (air)	National and international	1,229.18	280.64	6.5%	338%	Return of travelling after pandemic
Hotel accommodation	National and international	344.02	47.80	1.84%	620%	Return of travelling after pandemic
Upstream transportation and distribution	Transport of material (road and air) over longer distances (usually between branches)	12.18	7.35	0.1%	66%	
Purchased goods and services	14 categories of goods and services purchased by KPMG	16,294.22	5,440.43	86%	200%	Increased use of goods and services after the pandemic, with a return to on-site activities.
Total Scope 3 (tCO2e)		18,986.56	6,543.74	99.29%	188%	
Montreal Protocol: HCFC 22 (tCO2e)	Air conditioning	19.36	-			
TOTAL EMISSIONS (tCO2e)		19,136.65	6,754.28			
Total number of employees		5,976	4,806			
TOTAL PER CAPITA (tCO2e/nr of employees)		3.20	1.41			
		128%				

Notes:

- The gases included in the report were: CO₂, CH₄, N₂O, R410a and R22.
- Biogenic emissions totaled 6.59 tCO₂e in Scope 1 and 269.97 in Scope 3.
- Emissions are calculated for the calendar year 2022, according to the reporting rules of the Brazil GHG Protocol Program.
- Adopted methodologies and calculation tools: Brazil Program - GHG Protocol v.2023; average price of gasoline - ANP-2022 (historical data); Defra Conversion factors 2022 full set (for advanced users) and QUANTIS - GHG Protocol.

- CY = Calendar year
- A calculation error was identified in the 2021 inventory in the Scope 3 upstream transportation and distribution category and, consequently, in the total Scope 3 emissions, total Firm emissions and total per capita. Therefore, the data for 2021 are different from what was published in the previous report.
- The approach for consolidating emissions was "Operational Control!"

Eco-efficiency targets

To inspire the adoption of more sustainable habits at KPMG Brazil and in the personal lives of our professionals, we have established local eco-efficiency targets, which involve reducing the number of prints and the consumption of paper, plastic cups, electricity and water.

Item		Variation FY2022 x FY2021
Disposable plastic cups (un.)	0	-100.0%
Paper cups	274,350	169%
Paper (sheets)	386,500	18%
Water (m³)	7,242	111%
Electricity (Kwh)	2,501,613	33%
Prints (sheets)	811,712	-48%

Note: The target for the year 2022 was to maintain consumption from the previous year.

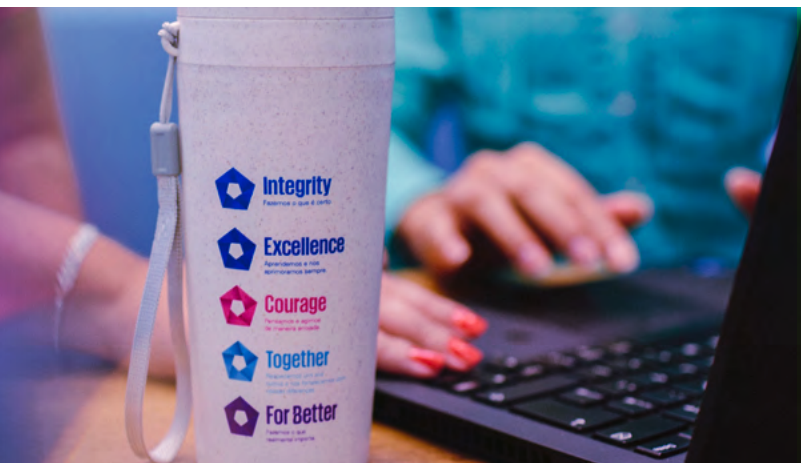


Climate risk

- Give financial markets, clients and our leaders clear, comprehensive, high quality information on the impacts of climate change

KPMG International reviewed its approach and performance in relation to climate change. Progress is presented annually to the Organization’s global Board. Our ESG professionals are also conducting a top-level physical risk assessment at most KPMG member firm offices and at our real estate assets around the world to support the development of an action plan.

In addition, KPMG reports the combined performance of member firms globally to CDP. In 2022, we maintained the grade B, indicating coordinated action on climate issues. KPMG International also plays an active role in the Taskforce for Climate-related Financial Disclosure (TCFD) and we have created a global climate change resource center with tools and insights to help our clients understand how climate-related risks and strategic decisions can affect their business.





Nature and biodiversity

- *Understand and improve our impact on nature and biodiversity*

KPMG International has joined the Taskforce on Nature-related Financial Disclosures (TNFD) aiming to contributing to the development of a risk management disclosure framework, to be made available to financial institutions, asset managers, insurance providers and organizations. We also maintain a global working group to develop the Organization's circular economy strategy, to be adopted by member firms around the world.

Furthermore, KPMG Brazil is one of the developers and partner of the Digital Panel Mov+Água, an initiative of the UN Global Compact in the country, in actions in favor of SDG 6. It is a platform that centralizes public data on the basins, aquifers and reservoirs by Brazilian state, their quality and use by the population, industry and agribusiness, especially for companies to understand how critical the issue is and understand their share of responsibility for water use.

Prosperity

- *Conduct business practices based on purpose and good corporate citizenship*

Our purpose allows us to create deeper connections with the people and communities we interact with. We have a legacy of trust and protection of the public interest, and we are focused on the issues that matter most to our customers and stakeholders.

In Brazil, with almost 6,000 people working in 14 states and the Federal District, we recognize our role and responsibility in building a better world and engaging our community of professionals to be agents of positive change in the country.

Thus, the services we provide not only help the companies and organizations we serve, but also promote a broader economic growth and the prosperity of society as a whole.

We generate wealth in different ways: strengthening our clients' businesses with deep industry knowledge, innovative solutions and using the best resources of our global network of member firms, regardless of which country they are located; creating direct jobs in our offices across the country; disseminating knowledge to the market and society; and promoting innovation through significant investments in our digital transformation. And, as we grow, we increase our ability to strengthen the communities where we operate, by supporting social impact projects, with a focus on education.



Make a positive social and economic impact

• *Wealth generation*

Through the audit and tax areas, we collaborate for businesses to be conducted fairly and transparently. Through the advisory area, we help our clients to become more effective and resilient in the face of current and future challenges and opportunities.

Our results in recent years have reflected our responsible attitude. In 2022, our revenue was R\$ 2 billion, 17.6% higher than the previous cycle.





Added Value Statement*

	2022 (R\$ thsnd.)	2021 (R\$ thsnd.)	2020 (R\$ thsnd.)
Direct economic value created	2,009,571	1,753,262	1,427,643
a) Revenues	2,009,571	1,753,262	1,427,643
Economic value distributed	1,614,320	1,399,426	1,193,036
b) Operational costs	298,148	264,157	254,159
c) Employee wages and benefits	915,091	772,038	636,681
d) Payment to capital providers	26,521	14,318	14,661
e) Payments to the government	369,975	348,912	284,917
f) Investments in the community	4,584	2,829	2,616
Voluntary contributions (including pro bono) to social, environmental and cultural projects	4,584	2,829	2,616
Contributions to social, environmental and cultural projects under Tax Incentive Laws**	-	-	-
Accumulated economic value	395,251	353,835	237,223

*This information refers to the periods from January to December 2022, 2021 and 2020 and represents the operations of all independent companies operating under the name KPMG in Brazil. In accordance with current legislation, independent companies operating under the KPMG brand in Brazil are exempt from disclosure of balance sheets.

**KPMG did not make contributions through Tax Incentive Laws.

• Employment

5,990*

professionais
+21% FY2021**



*Registered employees (CLT), partners, interns and temporary employees

** Due to the pandemic, in 2020 and 2021 there was a freeze on the hiring of trainees for the areas, mainly in Audit. As a result, hiring was concentrated in FY 21/22.

By employment relation

5,469 employees
hired under the
CLT regulation

504 partners

3 interns
(with no employment relation, assigned
to infrastructure support services)

14 temporary
employees

By office

3,858 in
São Paulo

760 in Rio de
Janeiro

1,372 in the other
cities

By work schedule

5,908 full time

82 half time

Turnover

		TURNOVER		
		Hires	Terminations	Turnover
Office	São Paulo	65%	68%	26%
	Rio de Janeiro	12%	11%	5%
	Other offices	23%	21%	9%
Gender	Male	52%	53%	21%
	Female	48%	47%	19%
Age	Up to 30 years old	75%	63%	28%
	Between 30 and 50 years old	24%	36%	11%
	Over 50 years old	0.6%	0.5%	0.2%
		Hire Rate	Termination Rate	Turnover Rate
Total 2022		56%	24%	40%

* The termination and turnover rates consider only voluntary terminations.





Innovation of better products and services

• *Innovation and technology*

At KPMG Brazil, we make integrated use of disruptive technologies and our vast experience in our clients' businesses and in the markets in which they operate to develop high-impact projects that combine management and innovation, supporting all stages of their digital transformation journey.

In this sense, we have invested in three fronts:

1. Technology

Consistent, cloud-based global platforms using artificial intelligence to boost the quality-of-service delivery and new business and services solutions geared to the needs of each client.

2. People

Increase of the digital skills of KPMG's global workforce and expansion of talents in areas such as data science and digital architecture.

3. Innovation

Expansion of the range of digital offerings and possible jobs supported by our diverse ecosystem of strategic alliances and our global innovation network.

Innovation in Audit

To raise the quality level and consistency of audits, constantly innovating is essential. Therefore, in the disruptive and hyper-competitive market in which we operate, our strategic choice has been to combine the best talent with the use of state-of-the-art technologies to deliver high-quality audits that achieve greater depth, agility and transparency in insights about risks reported to customers.

- **KPMG Clara**
- **KPMG Chrono**
- **KPMG Insurance Sector Routine**
- **KPMG Bank Sector Routines**
- **KPMG Funds Sector Routines**
- **KPMG Cognitive**
- **KPMG Confirmation**
- **DataSnipper**
- **KPMG Virtual Audit Room**
- **KPMG Pricing Calculator**
- **KPMG Intelligent Platform for Automation (IPA)**

Innovation in Tax

We continued to accelerate our Tax Transformation initiative, focused on the innovation and digital transformation of the tax practice of KPMG and the market, with the best combination of people, processes, data and technology.

- **Tax Innovation Hub**
- **Tax Transformation Assessments**
- **Tax Data & Analytics**
- **Data lakes for tax**
- **Intelligent automation and other technologies (OCR and tax rule checking via APIs)**
- **Tax Solutions, in Recof and Recof-Sped**
- **Tax Transformation Certification**
- **Production of content in the form of webcasts, lives and podcasts**



Innovation in Advisory

Key resources we have added to our traditional capabilities include the full spectrum of solutions recognized by analysts aimed at digital transformation – including cybersecurity – as well as the advanced use of AI and intelligent automation.

- **Cognitive solutions**
- **Procurement**
- **Legal**
- **M&A Platform**
- **Lighthouse**
- **Digital Platforms**
 - **SaaS**
 - » KPMG Watch
 - » KPMG Upright (Ethic line)
 - » Growth Deck
 - » KPMG Regulatory Insight Room
 - » KPMG Lean Strategy
 - **Enablers**
 - » Harvest
 - » Crop Monitoring
 - » Single Validator
 - » Documental
 - » FRM Assets Securitization
 - » FRM Assets Solvency
 - » HCA - Human Capital
- **Leap**
 - » KPMG Closing Monitor
 - » KPMG SCF (Supply Chain Finance)
 - » KPMG Risk, Audit & SOX Tool
 - » Digital Maturity Assessment
 - » TAV
 - » Collect
 - » Billing Portal
 - » GFB
 - » FPI
 - » OTTO

Community and social vitality

- *Support education and lifelong learning in our communities*



Focus on education

KPMG International supports the UN SDGs and has defined that, globally, our approach to corporate citizenship must prioritize SDG #4/Quality Education. Lifelong Learning is adopted as a strategy to break the cycle of poverty.

Encouraging education in all interactions we establish with our stakeholders is, therefore, the engine of empowerment and change. When we look at the community, it is converted into direct investment in initiatives that encourage learning, pro bono services/compensation* for non-profit organizations, mentoring and mobilization campaigns and corporate volunteering. We have a challenging global goal of empowering 10 million vulnerable youth through education and skills development for labor and entrepreneurship by 2030.

Local investment in community impact projects in FY2022

R\$ 2.5 million

69% in direct investments
in education projects

31% in pro bono/compensation work*,
focused on education, to which
4,014 hours were dedicated

R\$ 2 million

in pro bono/compensation work*
for organizations with cultural and
industry promotion purposes

Participation of
2,766 professionals,
who dedicated

12,169 hours to our corporate
volunteer programs

*These works are submitted to KPMG's standard procedures for client acceptance/continuity and developed with the same methodology, quality and independence offered to other clients. The amount referring to the services is paid by Corporate Citizenship or Marketing to the area that provided them. Each beneficiary institution offers a benefit for the services received.

Our relationship with clients and the market

The center of our business is our clients. For this reason, we seek to be innovative, to be where the customer needs us and to guarantee the quality of our deliveries and our engagement in order to always offer the best service to our clients.

This includes developing an increasingly diverse and comprehensive portfolio of solutions that holistically combine our business expertise with the new technologies that emerge every day. In this way, we contribute to transforming their operations and improving their performance.

6,302 clients in FY2022

1% more than the previous cycle

Client Satisfaction

Satisfaction survey

1,584 surveys sent

497 surveys answered

31% return rate

84% of responding clients are satisfied with our work in aspects such as relationship, technical knowledge and service quality

Shared Knowledge

In addition to offering excellent services to our clients, we seek to contribute to qualifying the debate on complex issues that we deal with in the business world, producing knowledge for society as a whole. To this end, we make available to our stakeholders in Brazil the wide range of information built up by KPMG network in our day-to-day operations.

Some of the strategies we use to share this knowledge are collaborations with the press, dissemination of research and studies, participation in debates, sponsorship and promotion of events.

Eventos em 2022

397 own and sponsored events
12% external 11% internal 77% other types

56,178 participants

R\$ 3,8 MM in events



Publications released

	2022	2021	2020
Total publications by area	177	175	93

Presence in the press

30,092 mentions

15,476 published materials

904 articles published

KPMG South America Cluster App FY2022

1,673
entries made in the year

14,047
Radio accesses

586 texts

67 videos

79 podcasts

3,538
professionals
registered (total)
35,588 accesses

127,426
registered users
(total)
813,494 accesses



Audit Committee Institute (ACI)

Forum for disseminating good corporate governance practices, political-economic, corporate, legal and tax trends that are decisive for business. In Brazil, the ACI has 727 members, who meet in regular events and have access to studies and benchmarking carried out by KPMG.

9 ACI meetings in Brazil

791 participants

Our relationship with suppliers

Our suppliers are classified according to the impact they can have on our operations, ranging from business-critical services, such as full-time resident labor in our offices, to suppliers of general services and products.

Low impact

In case of interruption, the supplier can be easily replaced (high supply). General services and products.

Medium impact

In case of interruption, there is a certain complexity in the replacement (average supply). Business support services/products, which can be used on a large scale, but that do not present risk.

High impact

In case of interruption, there is high complexity in replacement (low supply or lengthy process). Business-critical services, used on a large scale, that can affect essential operations, reputation, brand value or the well-being of our professionals.



Contributors to this report

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