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2018 KPMG Global Review



KPMG International

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Contents

4 Chairman's message

6 Trust and quality

12 Innovating

20 Client stories

26 Inspiring talent

34 Making a difference

42 Financials and governance



Chairman's message

Reaching the end of my first year as Chairman of KPMG International is an appropriate moment to reflect on what we've achieved over the last 12 months — focusing on how we earn and build public trust, attract and develop the most talented people and invest to develop the next generation of services and solutions for our clients as they face a period of intense competition and transformation. This is also the right time to look forward to the key challenges we face as a firm and profession and set out our approach to building trust and driving growth.

Building trust and quality

Trust and quality remain core to everything we do. The first message all of our new recruits hear when they join KPMG is our commitment to living our values each and every day, and the role they individually play in earning and sustaining public trust. I have been fortunate to meet and speak with many new recruits over the last 12 months to take the opportunity to reinforce that critical message.

As an organization, we strive to underpin those values with training, systems and ongoing monitoring to ensure we deliver quality which meets our public interest responsibility. You can find more detail of our commitment to quality in our [2018 Transparency Report](#).

Investing in transformation

I take the opportunity to meet with clients wherever I travel in the world and the issues KPMG is helping them address have consistent themes: the need for innovation and transformation at an increasing scale and pace, heightened expectations from customers, regulators and other stakeholders, and the need to become more agile and efficient in the face of ever tougher competition.

Those same forces are impacting KPMG and shaping our strategy for the future. We are investing more than ever before in technology to enhance quality and improve efficiency, in bringing new, talented people on-board and innovating to develop and deliver new services and solutions that help solve our clients' most pressing business issues.

We have accelerated our USD4 billion multi-year investment program, with a strong focus on delivering leading-edge technology platforms that support the development and delivery of innovative client services and solutions. Our ability to execute this part of our strategy is significantly enhanced by the strength and breadth of our alliance program, combining KPMG's deep industry expertise with world-class technology alliances including Alibaba, Google, IBM, Microsoft, Oracle, ServiceNow and Workday.

Strong growth

2018 has been a year of solid growth across the KPMG network as we see the benefits of our strategic investments in our operating model and client services. We were able to deliver strong results over the past 12 months across our Audit, Tax and Advisory businesses and our growth of 7.1 percent reflects the strength of our business in what remains a very tough and intensely competitive global market for professional services.

You can find key performance metrics and highlights for Audit, Tax and Advisory in this Global Review in the [Financials and governance section](#).

Extraordinary people

KPMG continues to be one of the world's leading employers for extraordinary talent and we were delighted to be recognized as one of the five most attractive employers in the world by the thousands of graduate students who voted in the latest [Universum ranking](#). I believe the rating reflects the environment we have created for talented people with a culture that emphasizes the importance and value of inclusion and diversity across our global workforce.

Over the past year we have hired more than 55,000 people, including 39,000 entry-level professionals and university graduates, creating almost 10,000 new jobs and we continue to train future leaders not only for our own business, but also for the wider business community. We also continue

to advance the accounting profession through higher education, for example partnering with a number of leading universities to develop an innovative Master in Accounting with Data and Analytics program. In the United States, full sponsored scholarships are being provided to 140 future leaders for the 2018–19 school year as they develop this in-demand skill set, with the potential to join KPMG upon graduation. Globally our investments are helping to educate and understand the impact of technology on the accounting profession for more than one thousand future professionals.

Global mobility is critical to developing a breadth of international skills and experience among our people that equips them to work with global clients. In the past year, nearly 3,000 KPMG people have taken on short- or long-term international assignments spanning more than 100 countries.

I said when I took this role on that we would be judged by our commitment to quality, to investing ahead of the curve, to hiring extremely innovative people and to finding new ways of working — often in alliance with other organizations. I believe we have performed well against these criteria over the past year and I am confident that we have the right people and strategy to build on these foundations in the years to come. I look forward to working with my 207,000 colleagues around the world to deliver on that commitment.

Bill Thomas
Chairman
KPMG International

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Trust and quality



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Our goal is to be the most trusted firm in our profession — we are committed to earning and inspiring trust in everything we do.”

Ed Cannizzaro
Global Head of Quality, Risk and Regulatory
KPMG International



Building trust

There is extraordinary trust placed in KPMG by investors, audit committees, clients, regulators, the capital markets, the public and our own people. We never take this trust for granted; we know that trust must be earned each and every day.

First and foremost, KPMG builds trust through the quality of our work, across all of our services, as auditors and as business and tax advisors. It is of course fundamental that all of the work performed by KPMG professionals around the world must be carried out in a way that meets regulatory requirements and professional standards. We are also keenly aware that trust is earned as well through our behaviors and all of our actions. For that reason we work to ensure that everything we do is grounded in an environment that emphasizes the highest levels of ethics and integrity.

KPMG is accountable to the markets we serve, stakeholders in the companies we audit, the public, as well as our clients. In order to meet our responsibility, we

believe all of our people must also be equally accountable to each other. This means holding each other to account for living up to the culture and behaviors we expect, and raising our hand if any of us see something that is inconsistent with our values.

As we engage our 207,000 people to live the KPMG values and build public trust, we know it is critical to apply a high level of consistency to the expectations we have of all our professionals. Wherever we operate, we work to ensure that our high standards and the way we hold each other accountable for our actions does not vary.

Trust is fundamental to our business and reputation. We will achieve our growth ambitions only by continuing to build trust with all of our stakeholders. Our goal is to be the most trusted firm in our profession — we are committed to earning and inspiring trust in everything we do.



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Delivering the highest quality consistently across our global firm is the single most important thing to our business and there is no other area where we are more focused. ”

Bill O'Mara
Global Head of Audit
KPMG International

Driving quality

Quality is the keystone of KPMG. Delivering the highest quality consistently across our global firm is the single most important thing to our business and there is no other area where we are more focused.

Nowhere is this commitment to quality more important than in audit. KPMG was founded on audit, and it continues to be at the heart of our business. There is no greater business imperative for KPMG than audit quality.

Beyond our responsibility to our clients we recognize that we have an obligation to the capital markets, to investors and to the public to deliver high quality audits that all of these stakeholders can rely on and that engender trust. We recognize the importance and value the contribution that independent regulation and oversight brings to further enhancing audit quality. We are committed to acting on the insights from regulatory inspections as we seek to become the most trusted firm.

There is no one factor that results in high quality audits. It requires a concerted, coordinated and consistent effort that encompasses all aspects of our audit practice — from our methodology, to ongoing training, and enabling technologies, all built on a culture of integrity and accountability.

KPMG audits many of the largest organizations in the world. The complexity of these entities requires a multi-disciplinary approach, and KPMG brings specialists with a deep understanding of the client's industry and the inner-workings of a wide range of organizations and their financial statements.

We are never content with the status quo when it comes to quality. We are constantly striving to take quality to a higher place with greater consistency around the globe. Accountability for the high standard of quality that is fundamental to our business begins with the Chairman of KPMG International, Bill Thomas, the Global Board, and encompasses each partner and every KPMG professional across all KPMG member firms.

Leadership and accountability

All KPMG audit professionals recognize the uniquely privileged role we have as auditors. We are in the boardroom, with the focused attention of a company's most senior, independent directors. And we are out in the field, walking through the client's facilities, kicking tires and asking questions as we exercise our due skepticism. Every day we strive to reinforce and build the trust, belief and integrity that underpin KPMG.

Our quality focus is centered on accountability and monitoring — this is what ultimately drives global consistency. Quality is at the top of the agenda of KPMG's Global Board. In 2018, we made a number of significant governance changes, including appointing a Global Head of Audit Quality reporting to a new Global Audit Quality Committee of the Board, to lead in

monitoring and driving improvements to audit quality, tracking real-time data across our global firm. The Global Head of Audit Quality oversees a dedicated quality monitoring group that inspects completed audit engagements as well as, monitoring the effectiveness of our systems of quality controls.

We are raising the level of accountability for audit quality globally, holding all of our professionals accountable for adhering to the requirements and intent of professional standards within an effective system of quality controls.

[Read more about our commitment to quality and approach to governance in KPMG's 2018 Transparency Report](#)

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Every day we strive to reinforce and build the trust, belief and integrity that underpin KPMG. ”

Alison Kitchen

Chairman of KPMG Australia, and Chairman of the Global Audit Quality Committee of the Board



Innovating for quality

Constantly innovating is essential to improving audit quality and we are investing in technology today to raise the bar on quality and consistency across all of our audits. We are making greater use of data and analytics, introducing robotics into our processes and using real-time training and guidance with our professionals.

Our KPMG Clara smart audit platform is being deployed globally, enabling KPMG audit teams to engage with clients

like never before, delivering real-time communication and advanced insights through faster access to data and greater transparency into the audit process. KPMG Clara enables us to incorporate new technologies as they emerge and mature; the platform is truly scalable. So as artificial intelligence, predictive analytics, machine learning and cognitive technologies develop, they will be integrated into the KPMG Clara platform to bring greater capabilities to all KPMG audit professionals.

[Read how KPMG audit professionals are using innovation to help drive audit quality:](#)

Dan McKellar

I'm energized by the ways that KPMG is using technology in the audit process. With technology we can access more data and dig deeper, gaining powerful insights much faster than we could before.

I was one of the early users of KPMG Clara, our cloud-based smart audit platform. With this technology, our audit team is able to extract and analyze massive amounts of data more efficiently — this means more time to focus deeply on outliers and exceptions, enabling us to highlight key areas of risk. The entity that my team audits has operations in 10 countries, and we were keen to see how this technology could provide a consistent view of their business across geographies. When I first presented KPMG Clara to the client, they were genuinely excited to understand how we applied the technology to get fresh, relevant insights about their global operations.

Audit quality has always been and always will be our top priority and is fundamental to our success. KPMG Clara is helping my team and me provide a high quality audit by leveraging the power of technology.



Dan McKellar
Senior Manager, Audit
KPMG in Canada

Julie Searle

The future of audit is increasingly technology-based, and with our KPMG Clara platform we are able to gain insights from vast amounts of data more efficiently, and spot any inconsistencies or outliers so that potential risks are identified more quickly. We're also adding more technology talent to our audit teams — people who specialize in software, cloud and artificial intelligence and can bring industry best practices to the tools we are building for audit engagements.

In this tech-driven environment, we are continually working to update our skills. I've just finished a 12-month rotation with our Global Audit Quality team, working on projects designed to continually improve standardization of our audit processes to drive consistency.

We have also launched a KPMG Audit University in the UK focused on enhancing our skills as audit professionals. We have mandatory training programs to focus on technical and soft skills that we can immediately bring back to our audit engagements.

It all contributes to building a mentality that quality never stops; we all need to drive quality across our work, regardless of role, project or geography.



Julie Searle
**Director, National Markets
Audit**
KPMG in the UK

Raphael Pereira

I've been deeply involved with applying technology to our audit methodology, here in Brazil and also in the US.

I had the opportunity to lead one of the first audit teams in Latin America that leveraged KPMG Clara. With the platform, our team was able to get a detailed view of key elements of the audit through a single interface — it enabled us to more seamlessly apply our consistent methodology across all aspects of the audit.

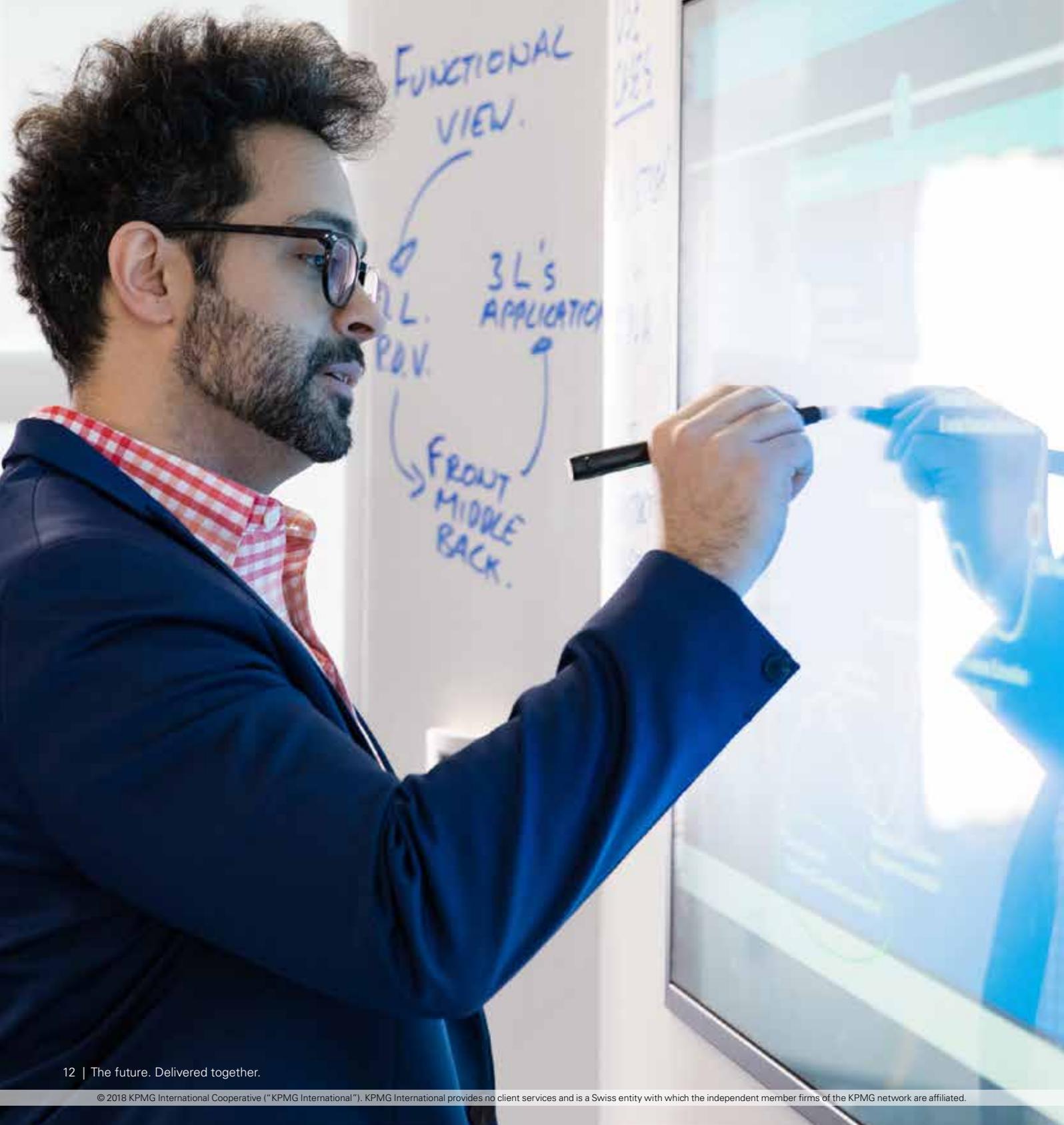
This is important to me because audit quality goes hand-in-hand with consistency. Whether I am engaged in an audit for a company based in multiple cities or countries, KPMG Clara better enables this. As companies become more global, consistency becomes increasingly crucial, and with continued advancements in technology, such as cognitive and artificial intelligence, new capabilities can be brought to the audit.

[Read more about our commitment to quality and approach to governance in KPMG's 2018 Transparency Report](#)



Raphael Pereira
Director, Audit
KPMG in Brazil

Innovating



Innovation and transformation

Most CEOs globally are confident about their business' growth prospects, according to the 2018 KPMG Global CEO Outlook. But they are also keenly aware that in order to grow, they must respond to an ever expanding spectrum of complex challenges.

Disruption is a fact of life for business today — caused by new, emerging technologies, shifting customer loyalty, changing market demands, and business operations and processes that aren't efficient and agile enough to support new ways of doing business.

KPMG is helping clients respond and digitally transform their businesses to navigate the relentless waves of change to create more future-ready business and operating models. Our

teams bring deep insights across critical sector, functional and regulatory areas, combined with leading-edge innovation to deliver trusted solutions that provide greater value to our clients.

This focus is underpinned by the largest investment program in our entire history. In the coming years we will invest more than USD4 billion to develop and build new business and technology-based solutions, to hire new tech talent and to radically change our delivery networks in order to provide higher-value insight and solutions to our clients. All designed to help them connect, power and protect their business for the future.



Working with clients on their digital transformation journey goes beyond technology; proven methods and experience as well as industry expertise and a global mindset are equally important to drive change that delivers true value ”

Mark Goodburn

Global Head of Advisory and Global Head of New Business Innovation

KPMG International



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Our technology platforms will enable global consistency, together with our deep country expertise to respond quickly and effectively to changes in the local or macro environment. This is critically important for our clients. ”

Jane McCormick
Global Head of Tax
KPMG International

We are expanding our network of innovative Insight and Ignition Centers to bring together leading technology capabilities and industry insights; and we are working together with a growing roster of technology alliance partners to leverage technology for services and solutions that help solve clients' most pressing business challenges.

Every business today acknowledges the need to transform at least some aspect of their organization — be it customer service, operations, or its finance and people processes. The real challenge is knowing where to begin. KPMG has invested in solutions that are providing clarity and direction for businesses undertaking transformation initiatives. Our powerful solutions include:

Connected Enterprise — provides businesses with a transformational approach tailored to their specific industry. It is integrated across the entire enterprise, with solutions to digitally transform the business, from strategy through to execution. It starts with understanding the desired customer experience, along with the business' capacity to deliver on eight critical capabilities of successful, connected enterprises. Then it focuses on ensuring that systems and processes are in place to fulfill the promise to the customer.

Powered Enterprise — is an outcome-driven transformation solution that can rapidly transform critical business functions, including finance, procurement, HR and IT. The approach combines deep functional knowledge, proven delivery capability and cloud technologies with

robotic process automation to drive sustainable change, improving performance and lasting value.

KPMG is working with clients in sectors from banking, insurance, consumer, retail, healthcare and government, to help them become high-performing, truly connected enterprises. Where siloed consultants and advisors might just focus on a narrow operational or technology view, we understand that successful business transformation is multi-disciplinary, and requires a range of skills and thinking. Combining our deep industry and sector expertise with leading edge technology enables our professionals to deliver world-class solutions.



Our Connected Enterprise strategy puts the customer at the center, with a comprehensive framework to design and deliver an industry-led, digital transformation. ”

Miriam Hernandez-Kakol
Global Head of Customer and Operations

Innovating around the world

KPMG professionals are innovating like never before, across all of our service offerings, to better enable our clients to compete and succeed in a rapidly changing world.

Our approach with our clients is rooted in co-creation, working together to create innovative solutions based on emerging technologies and business models. We are innovating to drive our business model and services transformation as well — becoming more agile and technology-enabled to fuel our growth, and meet the rapidly changing needs of the marketplace.

Within KPMG and with our clients we are fostering a culture of innovation. By anticipating changes and embracing a mindset that views marketplace disruptors as opportunities, we are able to expand the scope and enhance the quality of our services while helping clients find new ways to solve problems and create value.

To be more proactive in identifying marketplace trends and disruptors, we have created a global network of internal and external, human and digital resources — the Sensory Advantage Ecosystem — across KPMG that enables our professionals to rapidly identify and assess signals of disruption occurring in the market. These insights help inform our strategic decisions and provide sustainable competitive advantage in bringing fresh ideas to help clients accelerate their growth and success.

Throughout our network of physical and virtual innovation centers, KPMG professionals work closely with clients, our alliance partners and other technology companies to generate new ideas and bring insights to life, helping translate disruptive change into innovation that drives business transformation.



Innovation is at the heart of KPMG helping drive the growth strategies for business and organizations in every industry sector. ”

Steve Hill
Global Head of Innovation

Here are some examples of how we are innovating:



Cognitive technologies

Cognitive technologies, including artificial intelligence (AI) and intelligent automation are being applied by KPMG professionals to help transform the way business is done.

KPMG's Tax Cognitive Platform uses the power of AI to help multinationals meet complex global tax requirements around the world, analyzing vast amounts of company data in minutes, for faster, more accurate business decisions. In Japan, KPMG has applied cognitive technologies in a new digital solution that matches employee skills and personal characteristics with work activities to find the best people for any piece of work, optimizing performance while streamlining HR operations.



Data-driven technologies

KPMG Lighthouse, Center of Excellence for Data-Driven Technologies, enables our portfolio of data-driven solutions and has been cited by Forrester as a Leader among enterprise

insights service providers. Through our global Insight Centers, clients can access a next-generation, high-tech environment where they can interact directly with their data and explore new technologies to uncover potential solutions for their business challenges. Clients apply these insights to improve their customer service, optimize their product and service portfolios, and maximize efficiencies in their operations.



Creating innovation engines

KPMG professionals are helping forward-looking businesses to build their own innovation capabilities. In the US, KPMG advised a global commercial insurance

company on designing and implementing new end-to-end innovation capabilities. This was a key element in their effort to become a 21st Century insurer — becoming more agile, unlocking value from data assets, and deploying new technologies such as intelligent automation, augmented and virtual reality, and drones.



Blockchain

Blockchain technology has transformative potential in almost every industry. KPMG professionals in more than 30 countries are advising clients on how blockchain technology

can drive significant growth for their business. In Singapore, KPMG's Digital Village is a market leader in this space — ideating for new use cases; prototyping solutions; and managing deployment and ongoing product lifecycle. In other countries, KPMG firms are advising on a wide range of blockchain applications including asset management, equity trading, supply chain, know your customer (KYC) and customer loyalty.



Internet of things

Internet of things (IoT) is a strategic focus for an increasing range of businesses in different industries. KPMG is helping clients to identify and integrate IoT technologies to enhance

customer service and streamline operations. In Germany, KPMG's Innovate team and consulting business used the Innovation Factory creative engine to do a deep dive on IoT ideas. Based on this challenge, a joint client/KPMG team co-created a prototype for an agri-tech client, with a business case for using IoT to help plant and maintain crops more effectively.



Supercharging start-ups

KPMG firms are helping innovative start-ups bring ideas to life and to the market. We call it "innovation applied." KPMG Matchi is a high-tech matchmaking service that showcases

thousands of emerging tech innovators. With KPMG Matchi, financial institutions and other large companies are guided in finding the right innovation match for their business problem, searching a global platform of more than 5,000 solutions. In China, KPMG is building an ecosystem of start-ups, corporates, investors and government, helping new start-ups go from "seed to speed to scale." They are also co-innovating with start-ups to build new solutions, from an artificial intelligence enabled credit review solution to a supply chain solution using blockchain technology.



Working together to solve the biggest business challenges

According to KPMG's 2018 Global CEO Outlook, 72 percent of CEOs see inorganic growth methods such as alliances as a key to success. We couldn't agree more.

Combining forces with the world's leading technology, data and service companies means KPMG can offer market-leading technology with tools and expertise that create greater functionality and efficiency to our clients. Together with KPMG's digitally-enabled solutions and deep industry expertise, these alliances enhance our ability to address some of the toughest business challenges being faced by our clients in the digital economy.

We continue to strengthen and expand the network of KPMG alliances. We have market-leading alliances with over 70 trusted partners, including IBM, Microsoft, Oracle, ServiceNow and Workday, and have recently expanded this community to include other major cloud providers, such as AliCloud, Amazon Web Services and Google Cloud. With all of these strategic alliances within the KPMG portfolio, clients know that our teams from around the world have the ability to address their specific needs for global, scalable, cloud-based digital solutions.



We are combining the innovation and business insight of KPMG with our technology alliance partners to benefit organizations that are on digital transformation journeys. Together, we are developing solutions to bring the power of advanced technologies like AI to meet our clients' biggest challenges. ”

Christian Rast
Global Head of Technology & Knowledge
KPMG International



KPMG's alliances are designed with a global view and we will continue to focus on co-creating innovative solutions to address some of the most pressing organizational challenges of today including cyber security, while also taking advantage of opportunities such as artificial intelligence, robotics and blockchain. Our clients can benefit from leveraging years of technology, industry and operational experience to help maximize their return on existing and future investments.

KPMG's forecast: comprehensive cloud coverage

As businesses increasingly seek cloud-based digital solutions, KPMG has formed strategic alliances with all six major cloud providers, offering clients a collaborative and objective path to solutions that support business goals and help improve the strategic value of technology investment.

 Alibaba Cloud

 aws

 Google Cloud

 IBM

 Microsoft

 ORACLE

Cyber security innovation for the digital age

As businesses transform to meet customer expectations in the digital age, engendering trust with customers is essential. Customers need to trust that their information and data are protected and that transactions are secure.

In fact, six in 10 CEOs in KPMG's 2018 Global CEO Outlook cited protecting customers' data as one of their most important responsibilities as they look to build customer trust. But at the same time, only half of CEOs said their organizations are well prepared for a cyber attack.

KPMG continues to expand our Global Cyber Security practice to help clients respond to growing cyber threats and protect their, and their customers', data. In 2018 we added 1,000 cyber professionals and doubled the number of partners in our Global Cyber Security practice. Key strategic acquisitions have added to our resources and we've continued to strengthen alliances with Google, IBM and Microsoft. In 2018 we announced two new joint cyber security offerings with Microsoft — Data Governance and Cloud Cyber Defense — to help businesses improve their security monitoring and incident response capabilities.

We continue to innovate our cyber security services and approaches as technology, business processes and cyber threats evolve. In addition to helping clients better prepare for the expanding nature of cyber attacks, we are helping them respond to complex regulations and requirements for data privacy.

While the primary objective of cyber security is preventing data breaches, where they do occur, KPMG Cyber Security Services include cyber response services to help clients forensically investigate the breach, determine the cause and manage response activities.

A new product announced in 2018, KPMG Digital Responder, helps automate the process of collecting information on a breach for analysis, enabling clients to obtain insights faster and more efficiently. Frost & Sullivan awarded the KPMG Digital Responder with its 2017 Global New Product Innovation Award.



Client stories



Working with clients

In today's hyper-competitive, rapidly changing business environment, clients look to us for expertise and exceptional capabilities to help transform and grow their business. We bring deep industry insight and sector expertise, combined with innovative approaches and global reach to help deliver real results.

We work hard to earn trust — in our people, our solutions, and our ability to innovate. So when clients are facing their most difficult challenges, they are confident in turning to our global network of professionals.



Every CEO and every client I talk with is transforming their business to take advantage of new technology, opening up markets and facing up to new competitors. They rely on KPMG to bring innovative and practical solutions to help them navigate through this transformation. ”

Gary Reader
Global Head of Clients & Markets



Client stories

Find out more about how KPMG is helping leading companies and organizations take on their biggest challenges.

Intelligent automation

Grupo Bancolombia is Colombia's largest commercial bank. It is also a global fintech innovator. In the past few years alone, the bank has deployed robo-advising capabilities in its investment business; it has launched chatbots to better interact with customers; and it has invested significantly into its digital capabilities.

But the organization knew it could do better. It saw the potential for intelligent automation across its internal operations to reduce errors, improve speed, increase capacity and enhance overall risk management. What they needed was a business-savvy advisor that understood their business and how to leverage automation most effectively across their organization.

Perhaps not surprisingly, they chose to work with KPMG in Colombia. "What we liked about the KPMG team was that they didn't approach our problems from a technology perspective but rather from a business-first point of view.



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They weren't trying to sell a solution as much as help us solve a number of unique business challenges," noted Jorge Iván Otálvaro, Vice-President Service Delivery and Operations, Grupo Bancolombia.

Working closely with KPMG's global network of intelligent automation professionals, the KPMG team helped Bancolombia identify opportunities for operational improvements using robotic process automation capabilities.

Everything from transaction security through to compliance with national and global embargo lists was examined for potential automation opportunities, and ultimately, an

Next-gen customer service

It goes without saying that every business wants to get closer to their customers and to improve the customer's experience with every interaction.

But creating a more personalized, connected and intelligent customer experience can be extremely difficult in the digital age, with customers interacting with businesses through a multitude of channels — voice, email, web, mobile, chat, text or instant message. For businesses receiving millions of customer contacts, properly anticipating, understanding and responding to their customers' needs is a complex and costly challenge.

KPMG is working with Google Cloud to help some of our largest and most strategic clients deliver meaningful and cost-effective experiences with their customers. KPMG's Connected Customer Service solution enables interactions that improve the customer experience and the bottom line, using data & analytics (D&A), artificial intelligence (AI) and machine learning (ML).

"KPMG professionals bring exceptionally deep industry and domain expertise around the customer experience and the issues clients are trying to address. We combine this with our leading capabilities in D&A, ML and intelligent automation, as well as an understanding of data privacy and compliance requirements and cyber security," according to Miriam Hernandez-Kakol, KPMG Global Head of Customer and Operations.

Google Cloud provides a robust, secure, end-to-end platform for enabling D&A and AI, with a broad range of services and tools to support KPMG solutions that enhance customer interactions.

important number of process flows for intelligent automation were identified across the organization.

"Bancolombia is widely recognized as a leading digital commercial bank in Latin America and we are proud of the role we have played in helping them achieve that goal. We have not only helped a leading bank propel itself into the future, we have also helped nurture and develop a new ecosystem of intelligent automation capabilities in the region," added Alain Almeida, IT Advisory lead with KPMG in Colombia.



As Tariq Shaukat, President of Partner and Industry Platforms, Google Cloud, says, "Our alliance with KPMG offers solutions that enable businesses to reinvent how they engage and serve their customers. KPMG and Google Cloud are partnering to provide scalable, secure, AI-driven solutions for deploying next-generation customer service."



Healthcare expertise

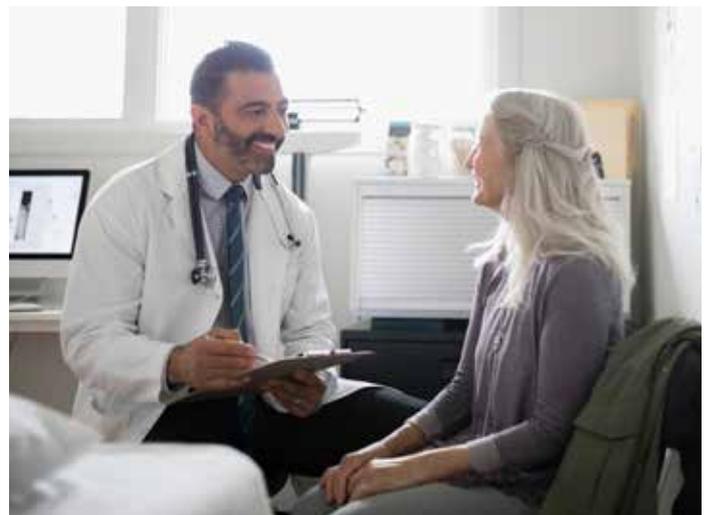
What does it take for a leading hospital to provide not just good, but outstanding patient care? That's what Western Sussex Hospitals NHS Foundation Trust wanted to find out. The Trust had received high ratings for quality care but knew they could do better. They turned to the healthcare expertise of KPMG in the UK to help them achieve that goal.

Rather than simply reacting to day to day issues, the leadership at Western Sussex wanted to empower frontline staff to create and implement sustainable solutions — addressing problems that were impacting not only patient care but also operational efficiency.

The team from KPMG set about designing a comprehensive plan to help the client better empower frontline staff and clinicians. Staff and executives were provided enhanced training and coaching; improvement projects were identified and implemented; and a new Center of Excellence was mobilized to help the organization continuously improve their processes.

Throughout, staff and the team from KPMG focused on enhancing the quality of care for patients. And the resulting quality metrics tell a compelling story. Staff and patient satisfaction levels rose by 20 percent overall, the Trust reported a 30 percent reduction in patient falls, and the stroke ward was ranked as one of the top ten overall in the UK. Just six months after kicking off the program, Western Sussex became only the third acute Trust in England to achieve an 'outstanding' rating from the Care Quality Commission.

Moreover, Marianne Griffiths was Western Sussex's first CEO to be named 'CEO of the year' two consecutive times by the Health Service Journal, one of the industry's most prominent publications.



This has been my proudest achievement in 20 years of health consulting. I believe that all hospitals will be run like Western Sussex in the future, with high quality patient care and outcomes improving as a result. ”

Jason Parker

Partner and Head of Health and Human Services at KPMG in the UK and lead partner on the Western Sussex project.

The future of transportation

Metrolinx is a transportation agency serving Ontario, the most populated province in Canada, which includes Toronto. Metrolinx has set forward a bold mission to bring transportation infrastructure serving the Greater Toronto Area and the neighboring Hamilton region into the 21st century.

In order to successfully carry out its ambitious “Big Move” transportation plan, Metrolinx knew it needed to be able to deliver capital-intensive infrastructure projects more quickly, efficiently and on budget. This demanded a smarter, better-coordinated approach to managing the agency’s fast-growing array of facilities and operations. Metrolinx brought KPMG in Canada on board to help transform and take its operations to the next level.

“Our team started by working closely with Metrolinx to identify key business requirements and create an enterprise-wide, target operating model for the agency’s portfolio and project management function,” said Michael Klubal, Lead Partner with KPMG in Canada. “Today, we are far along in

implementing and deploying a cloud-based portfolio and project management platform utilizing Oracle’s Primavera Unifier Project Controls Cloud Service solution. The platform will provide robust project controls and automated, standardized processes across Metrolinx’s portfolio of projects, from the project ideation stage through to execution.”

Using the new platform, Metrolinx project managers will be able to access centrally maintained, real-time, fully integrated data, enabling them to make better project and business decisions.

According to Michael Klubal, “through the project and working with our KPMG team, Metrolinx has also gained critical new insights into reducing project management execution risks, embedding standardized processes and technical solutions across each of its business units, and ensuring its portfolio of projects are better aligned to its corporate objectives.”

Agtech innovation

There is no more critical business to everyone on the planet than agriculture and the food supply chain — and no industry that must manage more uncertainty and digital disruption.

KPMG Australia has teamed up with AgTech innovator The Yield, to help bring greater certainty to the agriculture sector using technology. The Yield began by developing an innovative platform that brings together Internet of Things (IoT) technology with artificial intelligence (AI) to help monitor and predict variables such as microclimate weather, growing conditions and plant growth curves. Its Sensing+ solution converts this data into easy-to-use digital applications that help growers decide when to plant, feed, irrigate, protect and harvest. The Yield’s platform has been used for everything from blueberries to oysters, providing farmers with data and insights that enable them to make better, more informed on-farm decisions.

KPMG Australia professionals work with AgTech organizations like The Yield to help agricultural producers to better optimize all stages of their food production and supply chain, from

growing through the harvest and processing stages. The KPMG Australia team is helping create a digital dashboard and using AI to deliver predictive supply chain risk management for agribusiness and governments responsible for biosecurity and emergency regional response management. The solution set includes blockchain-enabled proof of origin and food assurance certification tracking.

“There are tremendous complexities in operating an agriculture business,” said Ben van Delden, AgriFood Tech leader for KPMG Australia. “Companies that are producing and moving food across the world, especially from multiple sources, face a gauntlet of challenges, from weather, to logistics, geopolitical risks and biosecurity. We are helping apply advanced data analytics and AI across the supply chain, to monitor and assess thousands of variables. Applying this predictive model can better connect each link of this complex supply chain and ultimately enable farmers to be better able to provide a sufficient and sustainable food supply.”



Innovative data architecture

For one of the largest, global insurance companies, its finance and risk organizations rely on accurate data from operations around the world to make precise decisions. But collecting and insuring the accuracy of data maintained by individual functions in more than 40 countries had become increasingly difficult and time consuming.

In order to access data more efficiently, become more agile and able to make decisions more quickly, the company turned to KPMG to transform its finance data architecture.

The KPMG team assembled a multi-disciplinary, global team to take on the challenge, including expertise in data system architecture, management reporting and analytics, as the new architecture would mean significant change to finance data collection processes. KPMG's digital enablement team built the data architecture to client specifications, bringing in Oracle, a KPMG alliance partner, to integrate their enterprise database solution, later evolving to a cloud-based infrastructure.

According to Ben Roberts, Data Transformation Lead Partner, KPMG in the US, "KPMG's data architecture solution addressed the management reporting needs while saving time, reducing costs, and increasing productivity and accuracy. Ultimately the solution has the capability to provide the client with a serious competitive advantage in the marketplace."

The new data architecture is now being implemented around the world, and the client is already realizing considerable benefits. More than 20,000 management reports that had been generated globally have been reduced to just over 100 reports,



providing global finance leadership with a more consolidated, well-defined view of financial operations.

"Combining KPMG's deep industry expertise and technology enablement skills with Oracle's software platform is very powerful," notes Dave Brown, KPMG Global Head of Shared Services and Outsourcing. "Another key element was our ability to help the client through the organizational change aspect of implementing the new data architecture, which was essential to achieving the needed centralization and standardization of data."

Unless the context otherwise requires, throughout this document "KPMG" and "KPMG network" ("we", "our" and "us") generally refers to the member firms of the KPMG network of independent firms affiliated with KPMG International, a Swiss entity that serves as a coordinating entity for the KPMG network. KPMG International is a separate legal entity to the member firms in the network and provides no client services.

Inspiring talent



Leading through transformation

We are all part of a massive social and technological revolution — what was unimaginable five years ago, impossible three years ago and improbable a year ago, is today's reality.

KPMG is responding by creating a digitally fluent workforce that can design, develop and deliver the technology-enabled solutions and outstanding customer experience that our clients have come to expect from us. Our people are working shoulder to shoulder with our clients to rethink, re-imagine and re-engineer their businesses. At KPMG, we are motivated by the wider impact and contribution we can make to society, leading with integrity and building trust in every decision we make.

KPMG's new collective Talent Strategy sets out a clear and decisive response to the changing market demands. It has been co-created by KPMG professionals globally with input from thousands of KPMG people through a targeted comprehensive co-creation engagement process including 'JAM sessions', a millennial advisory panel and data from the KPMG Global People Survey. The KPMG Talent Strategy is underpinned by our ambition to create an extraordinary people experience to ensure we provide an innovative and flexible working environment where continuous learning is the norm. All of which must be set within an inclusive, ethical and collaborative culture where our leaders set a positive and inspirational tone.

Central to this is our new performance model and talent and development approach, which is premised on the fact that we are all leaders, no matter what role we are in. One of the first ways this will be brought to life for our people is through Open Performance Development, which is grounded in the latest developments in neuroscience and focused on driving a change in mindset — one that encourages our people to be curious and courageous, to push the boundaries and stretch beyond their comfort zones. Our people will strive to inspire trust, seek growth and deliver impact — to grow individually and as a firm.

At the same time, KPMG is investing in human-centered skills, digital skills and other capabilities like never before. KPMG's goal is to maximize all of our people's creativity and ambition so that we can learn, develop and apply our collective knowledge on a full spectrum of emerging technologies. By embracing change and experimentation, we're finding innovative ways on all aspects of our people agenda to bring in the very best minds to work with our clients.

We know that the choices we make now, especially about talent and capabilities, are business critical for our ambition. We are confident that our new collective Talent Strategy will ensure that KPMG is positioned to become even more successful and more relevant now than we have ever been before.

“

The choices we make now, especially about our talent and capabilities, are business critical to ensuring we are a trusted and growing business. ”

Susan Ferrier
Global Head of People
KPMG International



Prepared for the future

At KPMG, our approach to learning and development is centered on the recognition that people learn and work in different ways. Our focus on delivering an on-demand, flexible and tailored learning experience is key to creating and enhancing the future skills we need to succeed in the marketplace.

Our clients demand professionals who are equipped with the skills needed to help them navigate and address today's challenges as well as transform their businesses to capitalize on tomorrow's opportunities. Our learning and development approach is designed to make us the most human-centered professional services firm in the market and provides our professionals with both the personal and technical skills they need to make KPMG the clear choice for our clients.

One of our key investment areas is enhancing digital learning in all KPMG member firms across the globe, ensuring all of our people have skills that are fit for the future. Through a cohesive global program, we're committed to equipping all KPMG personnel with the insight needed to continually flourish in a growing ecosystem of technology and help lead KPMG clients successfully through a landscape of disruption.



Bradley Samargya
Global Chief Learning Officer
KPMG International



Mobility at KPMG

Delivering the best quality service to our clients means ensuring they have access to the right KPMG teams and resources wherever they operate around the world. KPMG's Global Opportunities (GO) program helps deploy the best

talent to every engagement, providing career-defining opportunities for KPMG professionals to gain valuable experience working in different countries across the global network.

Assignments in FY18

2,826

Assignments by function



55% Audit
24% Advisory
12% Tax
9% Support

101

countries and territories participate in the Global Opportunities program

Average assignment duration is

20 months

76%

of assignees are millennials (under 35)



“

Our culture of inclusion and diversity is helping us create a better future for our firm and our clients.”

Mary Lou Maher
Global Head of Inclusion and Diversity
KPMG International

Inclusion and diversity

At KPMG, we value an inclusive culture where everyone has an equal right to be themselves and to be heard. KPMG is committed to driving inclusion and diversity across all KPMG member firms globally. Our Global Inclusion & Diversity strategic framework is inspiring action across the globe, and our inaugural KPMG Global Inclusion & Diversity Report represents an important step in communicating the activities and initiatives across the KPMG network that are delivering real impact for our people, our clients and the communities in which we work.

The inclusive culture at KPMG is helping us to attract and retain people with a variety of unique experiences, qualities and characteristics which not only enriches our workplaces, but also enables us to deliver deeper insights, broader perspectives and more diverse ideas to our clients.

We also acknowledge the unique and incredibly powerful opportunity we have to convene and connect clients, governments, regulators and communities, simply through the nature of the work we do. For example, KPMG's Women's Voices campaign, which was launched at the 2018 World Economic Forum Annual Meeting, brings together a number of high profile female leaders to share their vision, aspirations and solutions for building better outcomes and a shared future for all.

We continue to actively support organizations and initiatives that promote greater diversity in the executive suite and boardroom, from KPMG's [Women's Leadership Summit](#)

which aims to help the next generation of women leaders by providing content, tools and networking opportunities, to KPMG's sponsorship of the [Women Corporate Directors Foundation](#), a global network focused on encouraging and promoting women for board service.

KPMG professionals are also taking an active role in encouraging women to join the technology industry through education sessions, local initiatives and programs, such as [Girls Who Code](#), and [IT's Her Future](#), initiatives that empower and strengthen the technology skill sets of women.

However, when rethinking diversity, it becomes clear that diversity is wider than gender alone. This was one of the key conclusions from KPMG's Global Life Sciences JAM, a 72-hour online conversation joined by almost 1,000 people to share their views.

Our broader approach to inclusion and diversity is further demonstrated through initiatives such as collaborating with clients and advocacy groups to educate our people and others on confronting stigma and bullying in the workplace around HIV/AIDS. Also, the support KPMG in Brazil is providing to Market in TRANSformation, which focuses on increasing understanding of transgender legal rights and inclusion for transgender people in the workplace.

To find out more on these examples and others please read [KPMG's inaugural Global Inclusion & Diversity Report](#)

Creating our future

Meet some of the dynamic professionals who are part of a millennial advisory panel helping to shape KPMG's collective Talent Strategy.

Michelle Lin

It's an exciting time to be in professional services. Technology is opening up a new world of opportunity where new ways of working are unlocking unprecedented innovation in the way we serve our clients.

In my work within the Audit function, I see an array of new tools emerging — particularly artificial intelligence and analytics-based solutions — that enable new approaches and insights that will increasingly transform how we work in the future.

For the new generation of professionals joining KPMG, the timing is perfect. They are eager to have their voices heard and they want to work with purpose, on projects where they can make meaningful contributions. Technology is allowing them to focus on those opportunities.

KPMG is listening to and nurturing graduates who want to apply their talents in meaningful and often creative ways. I'm proud to be part of this listening process, actively communicating with new professionals and senior leadership to help them create an exciting and rewarding future for KPMG and our people.



Michelle Lin
KPMG China

Louisa Villeneuve

Millennials are joining the workforce at the most dynamic time in history. Nobody knows exactly what the workforce will look like in the future, but KPMG is helping its people see new opportunities in the change and evolve their thinking to enable them to continuously learn and adapt, so we can thrive as the business transforms.

Being part of the efforts into driving real change has made me proud to be part of KPMG. I feel I've been able to contribute to steering some of the changes as part of the millennial advisory panel — in particular, in advising on the needs and expectations of our next generation employees and how we can best help them fulfil their aspirations.

What is clear to me is that, regardless of how technologies and models change, KPMG will work hard to ensure that we have brilliant people to support our clients. Ultimately, in a world that is filled with constant uncertainty, it's our people that make the difference.



Louisa Villeneuve
KPMG in the UK

James Delahunt

These days, every organization is trying to attract tech talent. What makes KPMG stand out is the unique opportunity to experience digital transformation from both sides of the fence. Not only do we benefit from the investments we make inside KPMG — whether that's through our digital training or tech platforms — it's also the learning and experience we actually gain working alongside clients as we help them navigate their biggest challenges in today's digitally disruptive environment.

The reality is that business will continue to radically transform, and the companies we work with will look vastly different in 10 years' time. I see KPMG's role as helping our clients understand and prepare for the disruption that is occurring. It's how KPMG and our clients will continue to grow and create new opportunities.

Our advantage is in listening to what our clients want, having insight into the dynamics that are going to impact their business and then working with them to develop solutions that meet their objectives, or possibly identify new objectives. For KPMG, that means we need to be agile, to identify our own needs, be it in skills or technology, and then rapidly build capabilities, skills and alliances to meet them. I'm confident that KPMG's strategy is enabling us to do just that.



James Delahunt
KPMG in Ireland

Guido Soonius

To maintain KPMG's performance, we need to continue to offer our people meaningful opportunities to make a real difference in the world around them. We need to help them find amazing opportunities to grow. And we need to support them with the time, resources and encouragement they need to go above and beyond for their clients.

Since joining KPMG's Digital Advisory practice in the Netherlands, I've been given wonderful opportunities to grow as a person and as a professional. For example, I spent two summers working with clients in the US and living in New York City. I worked face-to-face with our global leadership to help shape our Talent Strategy. And I now lead the Digital Strategy work in the Netherlands. With each of these opportunities, I've been able to make a real difference in the world around me.

I believe that KPMG attracts people who want to make a difference. And that is what will ensure our success well into the future.



Guido Soonius
KPMG in the Netherlands

Talent of tomorrow

Recruiting and developing extraordinary talent has never been more important to KPMG, and the breadth of talent we are recruiting has never been greater. In 2018, KPMG recruited a record 39,000 entry-level professionals including graduates from leading schools, colleges and universities around the world. We are proud to have climbed four places this year to #5 on [Universum's 2018 World's Most Attractive Employer Rankings](#) for business students.

We are implementing new and different ways to attract top talent from STEM (science, technology, engineering and mathematics) backgrounds. The KPMG Ideation Challenge is a new program launched in 2018 that gives STEM students the opportunity to ideate, code and create digital

business solutions using data-driven technologies. And through new recruitment and assessment games, students get to learn more about KPMG in an engaging way and see how their skills match our roles.



Our global flagship recruitment program, the KPMG Innovation & Collaboration Challenge (KICC) aims to attract and hire the best talent around the globe from top universities — drawing an average of 20,000 applications each year, with 1,500 hires since 2013. KICC gives students the chance to discover innovative solutions to global business problems, develop real-world skills and unlock the next stage of their career.

KPMG Innovation and Collaboration Challenge (KICC)

Fernanda Santanna

Participating in KICC in 2015 was one of the best experiences I've ever had. The challenge gave me a taste of what life would be like as a consultant, and it really opened my eyes to some of the tough questions KPMG client teams face each day.

As I neared the end of my accounting degree at Sao Paulo University, I applied to KICC in Brazil. Less than a year later, I found myself representing my country together with my three teammates at the KICC final in Dubai, presenting our ideas to KPMG partners and professionals.

Today, I work as a consultant at KPMG, advising the boards of some of Brazil's top companies, and using my experience to help shape how businesses are organized to make better decisions and mitigate risks. I've participated in an innovation project that brought me to Rome where I presented and discussed my ideas with KPMG leadership from around the globe. And I've been working with our global people and talent leadership to help transform future talent and workforce strategies at KPMG.

KICC is truly a once-in-a-lifetime opportunity. It provided me a chance to collaborate with and learn from peers and KPMG professionals from around the world, think differently about global challenges and solutions, and ultimately kickstarted my career at KPMG.

[Learn more about the KPMG Innovation and Collaboration Challenge](#)



Fernanda Santanna
KPMG in Brazil

Making a difference



Creating the world we want

In the past year, with communities around the world coping with increased turbulence from inequality, climate and migratory pressures, we have also seen promising progress toward achieving the Sustainable Development Goals (SDGs). KPMG's citizenship commitment has created greater opportunities to contribute to the communities in which we work, strengthen our business and energize our people, who are genuinely delivering on our promise to inspire confidence and empower change. Through our actions and partnerships we are seeing greater impact in our communities and with our clients and partners.

We have expanded our focus on the SDGs, and in particular SDG 4 — Quality Education and Lifelong Learning — through harnessing the power of global partnerships for sustainable development (SDG 17). Our programs range from mentoring partnerships in Venezuela to financial literacy initiatives in Germany. KPMG professionals have also used their skills to nurture entrepreneurial talent in underserved communities around the world to help at-risk groups secure gainful employment. We have built fresh bonds of collaboration between key partners like Enactus, WE, One Young World and Junior Achievement.

This year has also seen us use our skills and relationships to address worldwide issues including supporting the globalizing

of the Living Wage, a modern campaign advocating that all workers should earn a wage taking into account the costs and pressures faced in everyday life. We have also collaborated with Aviva Investors to estimate the potential value of dormant assets across the world and, for those assets which a company is unable to reunite their beneficial owner, to explain how these could be used to help fund the SDGs.

A recent report from the Intergovernmental Panel on Climate Change reinforced that the frequency and severity of natural disasters is increasing due to climate change. In 2018, in response to the Kerala floods in India, KPMG in India joined in the Kerala Rehabilitation Initiative, collaborating with the Nudge Foundation to help direct disaster response to the most affected communities. A global KPMG disaster appeal to help people affected by the floods in Kerala, India, raised close to USD1 million in donations from KPMG International, KPMG member firms, partners and employees.

We must work closely together to deliver on the promise of sustainable development and create the world we want. Quality education and other SDGs will only be achieved by working collaboratively to help ensure that everybody, everywhere is empowered to reach their full potential.



“

In a world grappling with a deficit in trust, partnerships for universal education can be the cornerstone for rebuilding confidence in our institutions and our leaders.”

Lord Michael Hastings
Global Head of Citizenship

Community investment

KPMG is committed to improving the communities in which we work through active involvement, advocacy and investment. Over the past 12 months the KPMG network has invested more than USD110 million in local communities. This includes

more than 500,000 hours supporting communities, of which approximately 100,000 hours were pro-bono professional services. A priority focus on our community investment is to advance lifelong learning and literacy.

	Value	Hours supporting our communities	Pro-bono services
2018	USD110m	500,000	100,000

Our commitment to lifelong learning

KPMG has made SDG 4, Quality Education and Lifelong Learning, the central focus of our citizenship initiatives. Our commitment to education and literacy extends from the classroom through to innovative coaching and mentoring programs as well as global partnerships that empower lifelong skills and learning. We continue to expand and evolve our activities, including integrating digital solutions into our literacy and other educational programs.

Literacy in a digital age

Entering its second decade, KPMG’s Family for Literacy (KFFL) program continued to grow in 2018, with 14 KPMG member firms now participating and new initiatives starting in Nigeria and the Cayman Islands. Since its inception, KFFL has distributed over 4 million books in schools across the world.

Working with Worldreader, a global non-profit championing digital reading in underserved communities, KFFL is adopting e-reader technology to expand reading opportunities for students in many communities.

KPMG and Worldreader teamed up in the village of Kiuyu Mbuyuni, located in the northern region of Tanzania’s Zanzibar, as part of KPMG’s 10-year commitment to the Millennium



Village Project (MVP). The team opened a library with access to Worldreader e-readers, preloaded with 240 East African and international books, and will be used by local primary and secondary school students.

KPMG Global Cyber Day

For the second year running, the KPMG Cyber Day initiative educated thousands of students globally about the importance of cyber security and using the internet safely. The initiative took place in conjunction with International Cyber Security Awareness Month. For 2018, KPMG Cyber Day was expanded to make every Friday in October a KPMG Cyber Day. This enabled KPMG to reach more than 80,000 students in 45 countries with cyber lessons developed by KPMG's Global Cyber Security Practice.

KPMG cyber professionals led classroom discussions on personal data, social media, and cyber bullying and online gaming, with the purpose of helping today's youth better understand internet and cyber risk. The second KPMG Cyber Day initiative grew significantly from the inaugural edition, which saw a new Guinness World Record with cyber security lessons for 3,673 students taking place in a one hour period in classroom sessions across India.



Creating student internship opportunities

KPMG in the US has a longstanding relationship with NAF, a national network of education, business, and community leaders who work together to ensure high school students from mainly low-income families and minority groups, are college, career, and future ready.

Through grants from the KPMG (US) Foundation, KPMG partners and employees across 20 US markets are involved with NAF providing a variety of work-based learning opportunities — from resume writing to traditional internships.

In 2018, KPMG joined with the **NAF Future Ready Lab** to create an innovative internship program to help students develop the skills they need to become valued and successful employees in the future.

A combined 44 interns were provided opportunities in lab-styled internships at KPMG's Innovation Lab and Ignition Center in New York, and KTech Center in St. Louis.

Over the course of the internship, interns worked in project teams solving real-world problems in business ethics, cyber security, and improving education.



Watch this video of the New York interns at the Innovation Lab.

Inspiring and educating young women

BOLD GIRLS is a reading program created by KPMG in Ireland designed to instil confidence in girls and young women by showcasing books that include strong female characters, while encouraging boys to embrace these female role models as well.

KPMG volunteers worked with schools on a four-week program, engaging with young readers about women in literature, art and history and the ways each made a difference in society. Through this experience, KPMG professionals helped the students gain a greater appreciation for reading as well as celebrating inspirational women.

The program is intended to help all children reach their full potential, empowering them with the confidence to be anything they want to be.



Aspiring for change

KPMG in India and the KPMG Foundation in India, continues to build on its Aspire program, dedicated to providing quality education opportunities to disadvantaged girls. The program helps the students develop English, IT and soft skills as well as introducing them to cultural activities.

This is not only an opportunity to change the lives of the girls Aspire works with, but also empowers KPMG female leaders to act as role models and mentors.

Since its launch in 2014, the program has supported 177 girls from five schools in four regions of India, helping 59 to continue on to further education. More than 33,000 hours have been invested into these young lives with the support of over 40 KPMG professionals. This last academic year also saw more than half of the girls who went through the Aspire program receive distinctions on their Grade 12 high-school exams, and gain entrance to some of India's most prestigious colleges.



Our global partnerships

Over the last 12 months we have continued to grow our global NGO relationships.

Enactus

KPMG has partnered with Enactus for more than 20 years to help university students develop the skills they need to become socially responsible business leaders. KPMG professionals are proud to serve on 20 Enactus boards and support the growth of Enactus around the world. Each year, thousands of students come together at the Enactus World Cup to showcase their skills and creativity in designing solutions to address some of the world's most pressing issues.

More than 3,500 students from 36 countries participated in the 2018 World Cup held in San Jose, California. Following two days of insightful presentations and demonstrations, Team Canada prevailed with Project One Seed, an initiative developed with leading agronomists in Canada and Zambia to improve the African country's food security. With business leaders and KPMG professionals acting as mentors, Enactus delivers strong profitable outcomes from students with a vision for a fairer world modeled on the Sustainable Development Goals.



One Young World

One Young World (OYW) is a global platform for young people which develops a world view and builds a foundation for growing into responsible, purposeful business leaders.

In 2018, KPMG brought a delegation of 63 people to OYW in The Hague. KPMG's delegates joined nearly 2,000 other young leaders from 196 countries to debate and formulate positive, actionable solutions for the most pressing issues facing the world today. OYW has been hailed as a 'Junior Davos' for young future leaders.



Living our values

KPMG is encouraging its professionals around the world to use their skills to contribute to their communities by voluntarily serving on a charitable or not-for-profit board.

"I have the privilege of chairing **Power for the People (PFP)**, a small UK-registered charity that aims to help build sustainable communities for some of the world's poorest people. Our emphasis is on sustainability — putting money into projects that create livelihoods, capabilities and revenues that the community can use to achieve self-sufficiency, investing in solar power, clean

water, healthcare and farming," said James Stewart, Vice Chair, Head of Brexit and Industrial Strategy, KPMG in the UK.

"Our latest project is with Patongo Orphans and Infants Health and Rehabilitation Center in Northern Uganda. Our aim is to distribute solar lighting and power banks to the communities and buy 240 acres of land on which to build a sustainable farm, with a seed bank, farming expertise, and support center."

Read more from other KPMG leaders and professionals who volunteer or serve on charitable boards.

Environmental sustainability

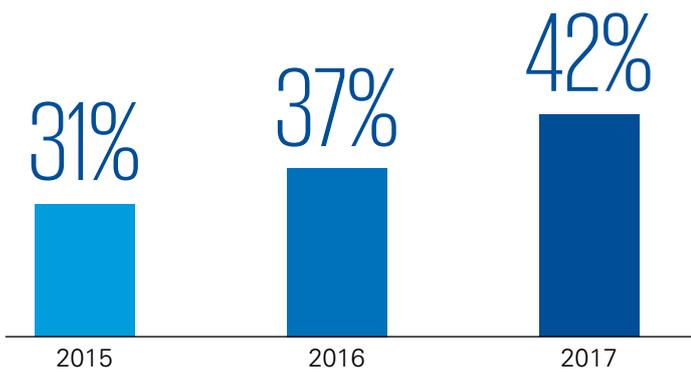
KPMG's Global Climate Response was launched in 2008 with the aim of significantly reducing KPMG's environmental impacts across KPMG member firms globally. Since 2010, we've reduced net emissions per full-time equivalent (FTE) by 24 percent. Notably, KPMG's total "gross" greenhouse gas emissions are now beginning to lower even with significant employee and revenue growth. KPMG member firms also continue to recognize the benefits of procuring renewable energy, with 42 percent of our purchased electricity in 2017 coming from renewable sources. The move towards 'green buildings' and investments in energy efficiency has resulted in a 17 percent decrease in energy use (kWh) per square meter.

Now in its third phase, KPMG's Global Climate Response aims to reduce environmental impact across the global network by a further emission reduction target of 10 percent net per full-time equivalent between 2016–2020. To meet our climate targets, phase 3 also includes a global renewable energy target of 60 percent of purchased electricity to come from renewable sources by 2020. More details on KPMG's Global Climate Response, including our disclosures based upon the Task Force for Climate-Related Financial Disclosures can be found at kpmg.com/citizenship



Metric CO2e	2016	2017	% change
Gross per FTE	3.59	3.41	-4.8%
Net per FTE	2.99	2.8	-6.4%
Total gross	677,672	673,335	
Total net	564,220	551,240	

Renewable energy %



Many KPMG member firms deliver programs that help reduce our wider environmental footprint. This year KPMG in Mexico and KPMG Australia ran campaigns to reduce waste through targeting recycling and encouraging people to use reusable coffee cups and water bottles. KPMG in Brazil worked with its staff and their families to raise awareness of the SDGs, in particular SDG 13, Climate Action. And volunteers across KPMG in the US worked with not-for-profit Grid Alternatives to make renewable energy technology and job training accessible to underserved communities.

Taking action to reduce waste

To reduce waste and increase recycling, KPMG in the UK launched the Waste in our Time plastic reduction initiative, starting by removing single use plastics cups from vending machines and giving every employee a re-usable bottle.

The water bottles were sourced from the charity Give Me Tap. Thanks to this initiative, over 4,000 people in Africa will have clean drinking water for the next five years, with KPMG bottles funding four water pump projects in Ghana, Malawi and Namibia.

KPMG's high profile commitment and endorsement has helped Give Me Tap to secure work with several other companies resulting in an additional 49,000 bottles being purchased, indirectly helping thousands more people access clean water. Further work to remove single-use plastics across the firm continues.



Financials and governance



How we work

KPMG member firms collaborate across the globe, addressing the needs of clients, making bold decisions on investing together and serving the needs of KPMG professionals, wherever they work.

Across the network, KPMG professionals lead with commitment, passion and purpose in order to be able to deliver differentiated, more successful outcomes for clients, for our people, and for our communities.

The way KPMG professionals work is guided by our values — the fundamental tenets we believe in, that are reinforced in everything we do. We have also articulated a clear purpose — to inspire confidence and empower change — that reflects why KPMG professionals do the work they do, not only for the benefit of clients but broader society as well.

With a unified and powerful vision to be the clear choice for clients, KPMG professionals are focused on a collective

strategy to realize this vision that is aligned and adopted by member firms throughout the world.

The strategy starts with a relentless focus on building trust. This means serving the public interest in our every decision and instilling confidence in the capital markets. With trust as the foundation, the goal is to combine the best thinking from KPMG professionals across the network, with investments in innovative solutions and technology platforms so insightful approaches and advice can be brought to clients when and wherever needed.

Working together, KPMG professionals are prepared to help solve our clients' biggest issues and seize new opportunities, wherever they do business.

[Read more in KPMG's 2018 Transparency Report](#)

FY18 global revenue growth and people numbers

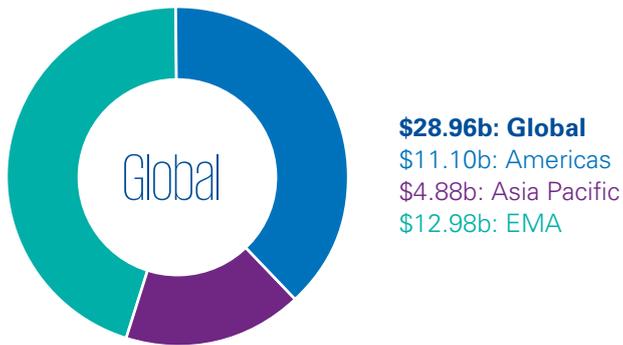
The KPMG network achieved strong results in FY18, reflecting the passion and innovative thinking its professionals bring to clients. Together with extraordinary people, investments in technology and alliances enabled growth across geographies and

service lines. With the addition of more than 39,000 graduates and other entry-level professionals, headcount across the KPMG network grew to more than 207,000, the highest-ever number employed across the network.

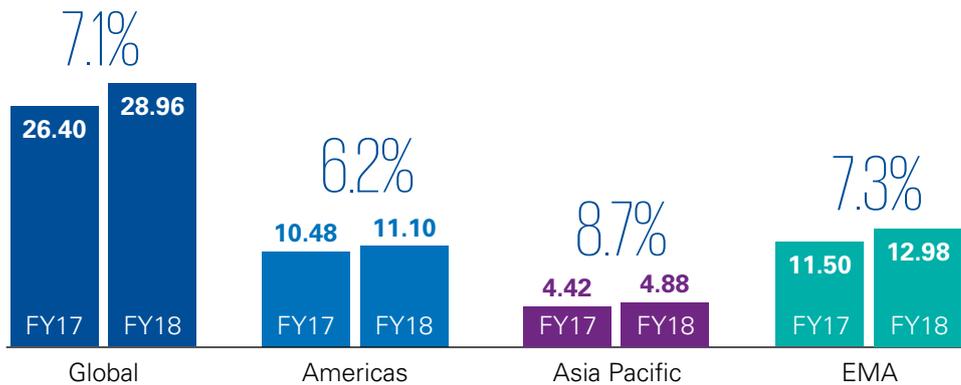


Global total revenues

By region



Growth by region



Growth in local currency

EMA = Europe, Middle East and Africa, including India

The financial information set forth represents combined information of the separate KPMG member firms that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

FY18: 1 October 2017–30 September 2018

FY17: 1 October 2016–30 September 2017



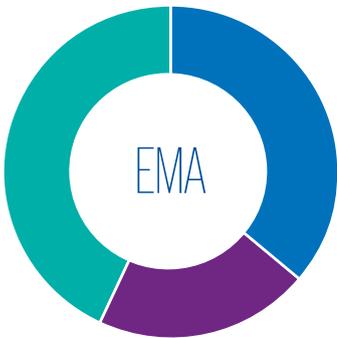
\$11.10b: Americas

\$4.37b: Audit
 \$2.79b: Tax
 \$3.94b: Advisory



\$4.88b: Asia Pacific

\$2.07b: Audit
 \$0.86b: Tax
 \$1.95b: Advisory

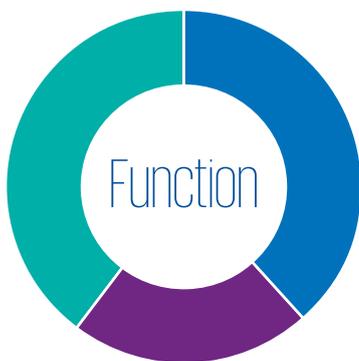


\$12.98b: EMA

\$4.71b: Audit
 \$2.69b: Tax
 \$5.58b: Advisory



By function



\$11.15b: Audit
 \$6.34b: Tax
 \$11.47b: Advisory

Growth by function



Growth in local currency

EMA = Europe, Middle East and Africa, including India

FY18: 1 October 2017–30 September 2018

FY17: 1 October 2016–30 September 2017

The financial information set forth represents combined information of the separate KPMG member firms that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

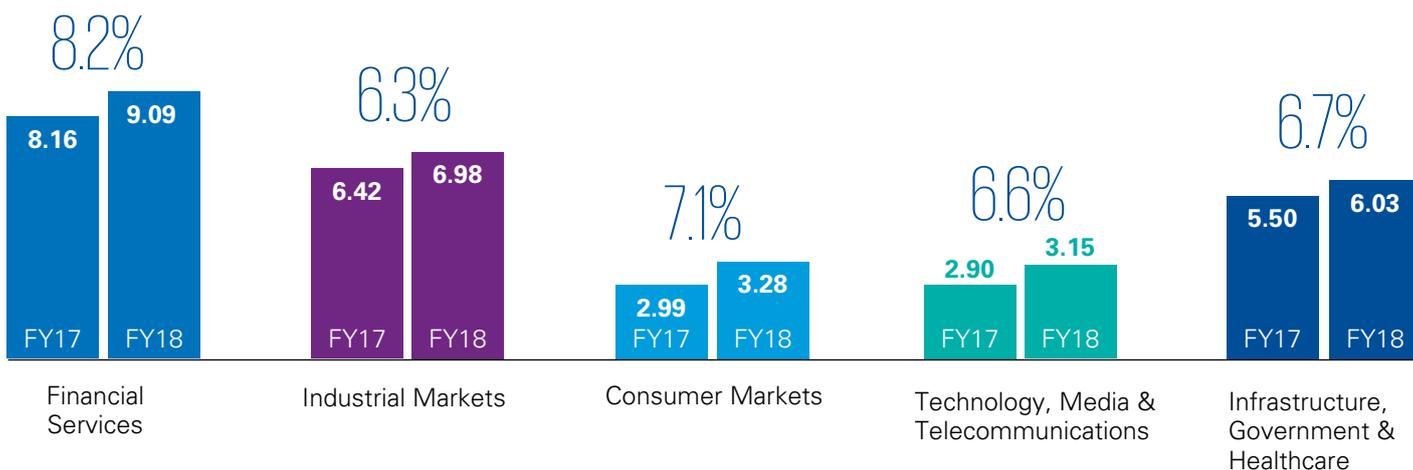


By industry



- \$9.09b: Financial Services
- \$6.98b: Industrial Markets
- \$3.28b: Consumer Markets
- \$3.15b: Technology, Media & Telecommunications
- \$6.03b: Infrastructure, Government & Healthcare

Growth by industry



Growth in local currency

EMA = Europe, Middle East and Africa, including India

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The industry analysis excludes revenues reported outside of KPMG's standard sector taxonomy. Prior year figures have been restated to reflect FY18 sector reclassifications.

FY18: 1 October 2017–30 September 2018

FY17: 1 October 2016–30 September 2017

People

By region

Americas

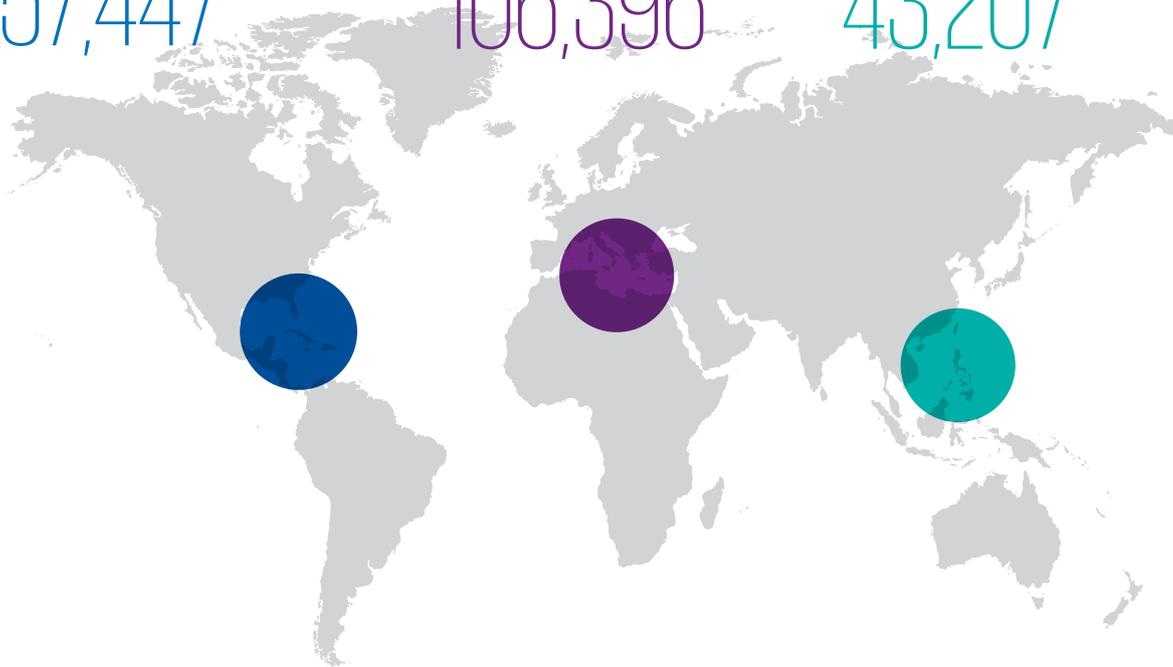
57,447

EMA

106,396

Asia Pacific

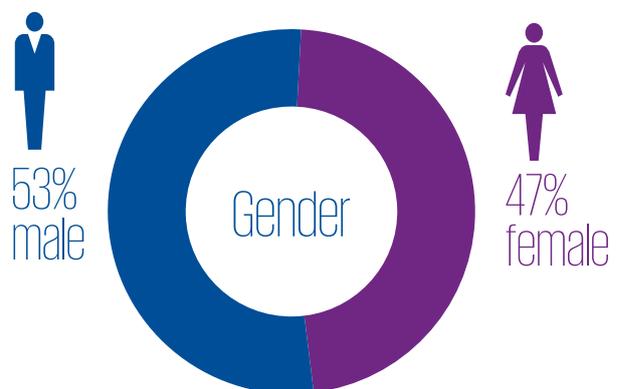
43,207



By role

	FY17	FY18
Partners	10,147	10,517
Professionals	153,472	162,088
Professional support staff	33,644	34,445
Total	197,263	207,050

By gender



In the KPMG network's 10 largest firms, 28 percent of new partners promoted internally were female.

*Headcount figures are expressed as FTE (full-time equivalent) and are based on average headcount for the financial year.

Our leadership teams

Global Board

The Global Board is the principal governance and oversight body of KPMG International.

Members of the Global Board, as at 1 October 2018:

Bill Thomas
Chairman,
KPMG International

Charles Kriek
Brazil

Shaun Murphy
Ireland

Hilario Albarracin
Spain

Scott Ozanus
Chairman
KPMG's Americas region

Elio Luongo
Canada

Domenico Fumagalli
Italy

Stefan Pfister
Switzerland

Honson To
Chairman
KPMG's ASPAC region

Richard Cysarz
CEE

Toshiya Mori
Japan

Bill Michael
United Kingdom

Sikander Sattar
Chairman
KPMG's EMA region

Oleg Goshchansky
CIS

Kyo Tae Kim
Republic of Korea

Lynne Doughtie
United States

Kunle Elebute
Africa

Jay Nirsimloo
France

Victor Esquivel
Mexico

Alison Kitchen
Australia

Klaus Becker
Germany

Stephanie Hottenhuis
Netherlands

Arun Kumar
India

Pang Thye Ong
Singapore

Global Management Team

The Global Management Team works under the supervision of the Global Board, with other leadership groups, on key priorities including developing global strategy and driving alignment between KPMG member firms, functions and sectors.

Members of the Global Management Team, as at 1 October 2018:

Bill Thomas
Chairman

Susan Ferrier
Global Head of People

Shaun Kelly
Global Chief Operating
Officer

Christian Rast
Global Head of Technology
& Knowledge

Ed Cannizzaro
Global Head of Quality,
Risk & Regulatory

Mark Goodburn
Global Head of Advisory,
Global Head of New
Business Innovation

Jane McCormick
Global Head of Tax

Gary Reader
Global Head of Clients &
Markets

Anne Collins
International General
Counsel

Diane Jeffreys
Global Chief
Administrative Officer

Bill O'Mara
Global Head of Audit

Where we work

On 1 October 2018, KPMG member firms had a presence in 153 countries and territories.

Albania	Cyprus	Kyrgyzstan	Rwanda
Algeria	Czech Republic	Laos	Saudi Arabia
Andorra	Denmark	Latvia	Senegal
Angola	Dominican Republic	Lebanon	Serbia
Antigua and Barbuda	Ecuador	Liechtenstein	Sierra Leone*
Argentina	Egypt	Lithuania	Singapore
Armenia	El Salvador	Luxembourg	Slovakia
Aruba	eSwatini	Macedonia	Slovenia
Australia	Estonia	Malaysia	South Africa
Austria	Fiji Islands	Maldives	Spain
Azerbaijan	Finland	Malta	Sri Lanka
Bahamas	France	Mauritius	St. Lucia
Bahrain	French Polynesia	Mexico	St. Maarten
Bangladesh	Georgia	Moldova	St. Vincent and the Grenadines
Barbados	Germany	Monaco	Suriname
Belarus	Ghana	Mongolia	Sweden
Belgium	Gibraltar	Montenegro	Switzerland
Bermuda	Greece	Morocco	Taiwan
Bolivia	Guatemala	Mozambique	Tanzania
Bosnia and Herzegovina	Guernsey	Myanmar	Thailand
Botswana	Honduras	Namibia	Togo
Brazil	Hungary	Netherlands	Trinidad and Tobago
British Virgin Islands	Iceland	New Caledonia	Tunisia
Brunei Darussalam	India	New Zealand	Turkey
Bulgaria	Indonesia	Nicaragua	Turks and Caicos Islands
Cambodia	Ireland	Nigeria	Uganda
Cameroon	Isle of Man	Norway	Ukraine
Canada	Israel	Oman	United Arab Emirates
Cayman Islands	Italy	Pakistan	United Kingdom
Chile	Ivory Coast	Palestine	United States of America
China	Jamaica	Panama	Uruguay
Colombia	Japan	Papua New Guinea	Uzbekistan
Congo (Democratic Republic of the)	Jersey	Peru	Venezuela
Congo (Republic of the)	Jordan	Philippines	Vietnam
Cook Islands	Kazakhstan	Poland	Yemen
Costa Rica	Kenya	Portugal	Zambia
Croatia	Korea (Republic of)	Qatar	Zimbabwe
Curaçao	Kosovo	Romania	
	Kuwait	Russia	

*Between 1 October 2018 and the date of publication of the Global Review, Sierra Leone left the KPMG network. KPMG now operates in 152 countries and territories.

Our values

Our values create a sense of shared identity. They define what we stand for and how we do things. Our values help us to work together in the most effective and fulfilling way.

We lead by example

At all levels we act in a way that exemplifies what we expect of each other and our member firms' clients.

We work together

We bring out the best in each other and create strong and successful working relationships.

We respect the individual

We respect people for who they are and for their knowledge, skills and experience as individuals and team members.

We seek the facts and provide insight

By challenging assumptions and pursuing facts, we strengthen our reputation as trusted and objective business advisors.

We are open and honest in our communication

We share information, insight and advice frequently and constructively and manage tough situations with courage and candor.

We are committed to our communities

We act as responsible corporate citizens by broadening our skills, experience and perspectives through work in our communities and protecting the environment.

Above all, we act with integrity

We are constantly striving to uphold the highest professional standards, provide sound advice and rigorously maintain our independence.

Disclaimers

The financial information set forth represents combined information of the separate KPMG member firms that perform professional services for clients. The information is combined here solely for presentation purposes. KPMG International performs no services for clients nor, concomitantly, generates any client revenue.

Unless the context otherwise requires, throughout this document "KPMG" and "KPMG network" ("we," "our" and

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