



Anticipate. Innovate. Deliver.

**2016 International
Annual Review**

KPMG International

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KPMG professionals anticipate, innovate and deliver in more than 150 countries around the world. Read about it in the 2016 KPMG International Annual Review.

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Leadership insight

Chairman's message

The CEOs I meet with around the world are facing a multitude of challenges and significant new opportunities. The impact of transformational technology, marketplace disruption, the arrival of new competitors and the challenge of staying close to an increasingly transient consumer, are consistent and particularly relevant themes. There is an escalating degree of “uncertainty” that needs to be factored into our own plans and those of the businesses that KPMG firms work with in more than 150 countries around the globe. And while the world remains an uncertain place, I am immensely proud of how KPMG continues to adapt to our “new normal” and to succeed and grow in this challenging and hyper-competitive market.

Over the past year, we've again achieved strong growth across our Audit, Tax and Advisory businesses, investing in important areas, including our people, technology and innovation, to support delivery of market-leading solutions to

the most pressing challenges facing clients in today's uncertain world.

The theme for our International Annual Review this year is “Anticipate. Innovate. Deliver.,” and that is just what KPMG member firms around the world have been doing for clients throughout 2016. In this year's Annual Review, which once again is a completely digital experience, you will be able to explore examples of how KPMG is working shoulder-to-shoulder with clients to deliver real results, and creating a modern, innovative working environment in which our people can prosper.

Building public trust has always been at the heart of everything we do at KPMG, and that has never been more relevant than it is today. We know that trust has to be earned, and it starts with a relentless focus on quality across every one of our lines of business, sectors, and functions. We spend many tens of thousands of training hours a year to help ensure that all KPMG professionals

understand their responsibilities, and obligations, and we continuously strengthen our commitment to building trust and ensuring quality in everything we do.

We also work at all levels of our business to ensure that trust is always top of mind for our people. We encourage partners and colleagues to live our values every day — meaning that in every interaction and every situation, we expect them to act with integrity.

At KPMG we know that despite all the recent advances in technology, ultimately what still makes the difference to clients is their experience when they work with KPMG people. Which is one of the reasons we're more focused than ever on ensuring that we attract, develop and retain truly extraordinary people across every area of our business. This year, we continued to be an employer of choice, recruiting more than 50,000 people into KPMG member firms, including more than 37,000 new graduates and other entry-level professionals and creating more than 15,000 new roles. We grew our overall headcount by 8.6 percent, and we added more than 900 new partners. I am immensely proud and appreciative of our 189,000 KPMG colleagues around the world. We're backing up our focus on people with real action. We have made inclusion and diversity a top priority in our business strategy, as we seek to ensure that our teams have the diversity of thought and experience needed to bring the highest quality to every situation. Inclusion involves creating a culture that embraces, respects and values differences in all of our people, and ensures that every



John Veihmeyer at the World Economic Forum Annual Meeting in Davos in January 2016, discussing the frontiers of innovation in the fourth industrial revolution.

person is confident they can achieve all their ambitions at KPMG.

Global mobility is another area of emphasis — bringing a breadth of perspective and knowledge to clients that value KPMG professionals with international experience. We know the value of a truly global perspective and we want to provide as many global opportunities as we can for our people, at the same time ensuring we have the right people, with the right skills, in the right place, at the right time for clients.

We are planning investments of more than US\$2.5 billion over the next 3 years in new services, technology, alliances and acquisitions, focused particularly on Audit, as well as Data & Analytics, Cyber Security and Digital Labor across all our lines of business. We're expanding our capabilities by growing and leveraging strategic alliances with leading companies, including IBM, Microsoft, Oracle, ServiceNow and Workday. These are just some of the ways in which we are striving to ensure clients see a difference in KPMG.

I'm confident that as we continue our uncompromising focus on quality, our commitment to offering clients the full breadth of professional services across the world, and our investments in innovation, new technologies and ways of working, that we will continue to inspire confidence and empower change, in the marketplace and our communities.

John Veihmeyer

Chairman, KPMG International

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KPMG is
working
shoulder-to-
shoulder with
clients

to deliver real results.”

John Veihmeyer
Chairman
KPMG International



Building trust

We take our role in building trust seriously, working towards providing the highest quality of work for clients and all of our stakeholders.

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Building trust with high quality and global consistency

continues to be our top priority. ”

Bill O'Mara
Global Head of Audit
KPMG International

Innovation and audit quality

Perspective from Bill O'Mara, Global Head of Audit, KPMG International

Change is now a given in our profession, but some things remain constant. One is the vital role audit plays in the trust and confidence of investors in the global capital markets. That means that audit quality as always is at the top of the agenda for our professionals around the world. What continues to evolve, is the expanding role of innovation and technology in contributing to audit quality, and this is an important area of investment for KPMG.

We are advancing the use of technology on multiple fronts. I'm excited that we are launching our next-generation, smart audit platform — KPMG Clara — that will bring together innovations in areas such as predictive analytics, cognitive and automation. Combined with our professionals' judgment and experience, these innovations enable us to look deeper and discover more about a business and its risks.



Cognitive is one of the most interesting technology areas. KPMG is working with IBM Watson to expand cognitive capabilities in audit areas requiring significant time and judgment. Cognitive-enabled processes will enable our professionals to focus on areas of higher audit risk, which in turn may offer new insights on business risks.

We have also launched a breakthrough innovation for analyzing business risks, called Dynamic Risk Assessment (DRA), developed by a KPMG audit team, including scientists, economists and mathematicians. DRA is in use now with a number of large, complex organizations and is being scaled for use on a wider client base. It uses a proprietary methodology to analyze the velocity and interconnectedness of systemic risks, providing deep insights into audit and business risk to KPMG audit teams.

Hand-in-hand with the increasing use of technology, KPMG is working to expand the skills of its professionals through advanced data & analytics training, as well as recruiting auditors with data science capabilities. We are also engaged with academics to help develop the future generation of audit professionals — including partnering with universities to develop new master's degree programs focused on data & analytics in accounting.

Building trust in the capital markets through a focus on quality and global consistency continues to be our top priority.

Consistent global focus on audit quality

Margret Henderson, partner in quality and risk management, head of regulatory office, KPMG in the Netherlands

I'm so passionate about audit quality. Here in the Netherlands, it begins with the tone at the top of the organization, fostering a culture and mindset that puts a relentless focus on quality. This is carried through in ongoing training sessions for all audit partners and managers. We are also innovators — KPMG in the Netherlands has contributed to many of the advanced data & analytic (D&A) tools now being used by KPMG professionals globally. Innovations such as D&A unquestionably help enhance audit quality, but they don't take away from the importance of the professional judgment and skepticism of KPMG professionals.

Guilherme Nunes, audit partner, consumer products group, KPMG in Brazil

I've been in audit with KPMG in Brazil for 22 years, including 2 years I spent in London working with global clients. Having a consistent approach to our audits with a relentless focus on quality is what the public and users of financial statements expect, and we apply the same high quality tools and methodology in Brazil as KPMG audit professionals around the world. Innovation is also key, and data & analytics is now enabling our teams to analyze and apply their judgment to entire data populations and sets of transactions. Intelligent use of technology can bring greater confidence, but quality begins with culture — and we actively engage all of our more than 1,600 audit professionals in Brazil to keep quality at the forefront.

Find out more about KPMG's commitment to audit quality in the 2016 KPMG International Transparency Report, "Our relentless focus on quality."





Setting a high standard in tax

Interview with Jane McCormick, Global Head of Tax, KPMG International

Jane assumed the role of Global Head of Tax for KPMG International in 2016. Here, she discusses how KPMG tax professionals are addressing the changing needs of clients and the importance of demonstrating leadership in the “responsible tax” debate.

How have clients’ needs for tax advice changed?

Business faces a highly disruptive world when it comes to tax policy, and as a result, clients’ need for our help has never been greater.

The massive complexity of complying with thousands of requirements in different jurisdictions often requires more than just a standard tax advisor. So we are increasingly developing what we call platform relationships, where KPMG teams are working with clients on a multitude of tax-related issues across their business.

As an example, our teams have always helped groups manage the tax implications of people moving between countries. But now, clients are asking for a full suite of services for managing talent mobility, including carrying out their immigration work and tracking their equity compensation.

For a corporate compliance client, where historically we have done corporate tax returns, now KPMG teams are also doing indirect tax returns, statutory accounting, statutory reporting — all of the compliance requirements around financial reporting and tax.

In addition, the global tax rules are all being re-written and clients are looking to us to understand how these changes impact their business models and supply chains.

Are technology and innovation important?

Technology is integral to our tax work. KPMG tax professionals around the world can tap into a full range of tools, whether for helping meet a compliance obligation or mining data to find tax insights, which is what our [Tax Intelligence Solution](#) does. We are planning our technology platform needs 2-3 years out, and putting processes in place to make sure we stay at the forefront of innovation.

Talent is a big priority and, as well as continuing to look for the most talented tax professionals, we are hiring people with technology skills, and changing how we develop our people. We are launching a new program, called Catalyst 10KStrong, with the aim to train 10,000 KPMG tax people to be technology experts over the next 5 years.

You have been a leader of the responsible tax dialogue in the UK. How is that changing with your global responsibilities?

I've become Global Head of Tax as the issues around responsible tax have gone global. There is a need now for a global conversation about what responsible tax behaviors are — involving government as well as taxpayers and their advisors. It's not an easy conversation. It is about what is ethical and fair, recognizing that countries have different interests and cultural views about tax policy.

What is KPMG's role?

I like to say we have a license to lead when it comes to responsible tax. It begins with our [Global Tax Principles](#), which we recently updated, that guide the work of our tax professionals globally. The tax principles recognize that merely obeying the letter of the law is not enough. There needs to be higher standards set for us to achieve a sustainable tax environment for clients and the societies in which they operate. KPMG is in a position to step to the front as a leader of the dialogue on responsible tax. There is not a single, global answer that fits everything — what we are saying is we need a better conversation among stakeholders that can help all of us to navigate through the tax complexity.

Client story

Meeting a complex tax challenge with advanced data & analytics

For a global, fast-moving consumer goods company based in Europe, managing tax compliance had become increasingly challenging. With a decentralized model across the region, the company needed to improve its indirect tax processes and get a better handle on all of its transaction data.

KPMG brought a multidisciplinary team, along with the [Tax Intelligence Solution](#), to the challenge. "We had done tax projects for the client in particular countries, and based on those successes they asked us to take on the task of reviewing their VAT data and tax processes across their subsidiaries and divisions, spanning a number of countries," said Loek Helderma, Global Tax Lead Relationship Partner, KPMG in the Netherlands.

Combining tax and data & analytics expertise, together with deep industry experience and experienced teams in the local markets, KPMG professionals are able to provide the client with an in-depth view of its data, with trusted insights on how transactions are being reported and where processes can be improved.

"Our Tax Intelligence Solution is helping to uncover hidden value in their data," said Tamara Wainer, Director, Global Tax Technology for KPMG in the US. "Along with the knowledge of KPMG data & analytics professionals working together in multiple countries, it enables all of the critical data to be quickly extracted and analyzed, down to individual transactions."

The client is pleased with how rapidly the work is yielding benefits. "In a short period of time, the team has been able to provide the client with actionable insights they haven't had before, based on their actual transaction data, which is giving them greater confidence in their tax and other processes, across markets that are very different, from Portugal to Romania," added Loek.

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Through
our Brexit
Centre,

we bring a global perspective to help ensure that we take the impacts and experience from various parts of the world into account.”

Nick Chism
KPMG Global Deputy
Head, Sales & Markets
KPMG International

Brexit: Trusted advice for global challenges

Nick Chism, Deputy Head, Sales & Markets, KPMG International

The UK’s vote to leave the European Union unleashed an unprecedented wave of political and economic change, which spread far beyond Britain’s shores. From European capitals now courting London businesses, to questions for Britain’s global trading partners, there are risks and opportunities that simply did not exist prior to 23 June 2016. Brexit has the potential to disrupt the supply chain of East Asian electronics manufacturers serving Western markets as much as upturning the operating models of trans-Atlantic banks. And this is just the start.

KPMG professionals have a proud legacy of helping clients navigate regulatory and political challenges, and were prepared for helping respond to the unprecedented scale and complexity of change that Brexit will bring about. We quickly established KPMG’s Global Brexit Centre of Excellence, building on the extensive preparation of our UK team, to provide clients and the wider public with timely, informed insight on the most pressing Brexit-related issues.

Through our Brexit Centre, we bring a global perspective to help ensure that we take the impacts and experience from various parts of the world into account. Conversations about Brexit are taking place across Europe and in the Americas and Asia as well, and KPMG professionals are there to help clients build resilience and capability to

address the challenges impacting their business — and also take advantage of opportunities arising.

As trusted advisors to global corporations, innovative start-ups and national governments who span the spectrum of interested and affected parties, the commitment throughout the KPMG network to providing fact-based advice and insight has never been greater.



Trusted data & analytics

Christian Rast, Head of Global Data & Analytics, KPMG International

Data & analytics (D&A) has become increasingly integral to virtually every critical business decision. Whether it's about managing risk, minimizing costs, or driving growth — D&A plays a leading role.

But while dependence on insightful D&A is greater than ever and continues to expand, a trust gap has emerged. Too often, businesses lack confidence in what the data is telling them. In research done with Forrester Consulting, a majority of business leaders we surveyed indicated a lack of trust in the insights they're generating from their analytics. This echoed findings from KPMG's 2016 Global CEO Outlook where nearly 80 percent of surveyed CEOs were worried about their data quality, and only around a third said they have faith in the accuracy of their data.

Clearly, business leaders need greater trust in the way they are managing their data, analytics and related controls in order to have confidence in their data-driven decisions.

That is why KPMG's Global D&A team has developed a framework with recommendations for assessing the quality, effectiveness, integrity and resilience of an organization's data analytics processes, practices and governance. It is a strategic method for building trust throughout the analytics lifecycle — from the first step of data sourcing, through analysis and modeling, to the final use and deployment of the analytics.

It is another way that KPMG professionals help ensure more trusted insights that are reliable, accurate and add value for clients.

KPMG's D&A ecosystem

KPMG also continues to invest in its D&A ecosystem — network of alliances and industry partners to provide leading technology capabilities to clients.

Expanding the strategic relationship with Microsoft is enabling KPMG professionals to collaborate on new cloud-based D&A solutions and services that help meet the disruptive challenges clients are facing. The ecosystem has expanded to include academia, such as Imperial College London, with whom the KPMG Data Observatory has been developed, and the Data Science Institute at Columbia University, where KPMG professionals are collaborating with academics and researchers to derive innovative solutions and applications for advanced analytics.

KPMG's D&A ecosystem continues to be supported by the portfolio of investments from our global investment fund, KPMG Capital. In addition to investments in D&A solutions such as Astrus, Customer Compass and Financial Microscope, KPMG Capital in 2016 announced its equity stake in Label Insight — a leading provider of data solutions that power transparency between consumer brands, retailers and consumers.



80%
of CEOs surveyed in
KPMG's 2016 Global
CEO Outlook were
worried about their
data quality.

Enhancing cyber security enhances public trust

Cyber security was ranked as the top business risk in KPMG's 2016 Global CEO Outlook, reflecting the threat cyber attacks pose to a company's bottom line and reputation.

Companies must not only protect their business from cyber threats, but their customers as well, says KPMG International's new Cyber Security co-leader, Akhilesh Tuteja. "Managing customer privacy is paramount to clients. In today's intensely integrated world, large-scale, highly publicized customer security breaches can lead

to irreparable damage to a company's brand and operations. It is critical to focus on preventing a cyber incident, but equally important to be prepared to respond and manage in a timely and effective manner should one occur. KPMG teams help clients with holistic and cost-effective strategies to help achieve this balance."

His counterpart, new Cyber Security co-leader, Greg Bell, KPMG International, agrees. "Public trust takes years to establish — and when it comes to cyber events, it only takes seconds to vanish."

Through ongoing innovation and investment, KPMG has become a leading advisor on cyber security (KPMG is ranked a leader in information security consulting by Forrester Research¹). With an expanding pool of cyber security specialists around the world, and strategic acquisitions in the past 2 years, KPMG teams are equipped to help clients meet their demanding needs for cyber preparedness and protection across their organizations.

¹The Forrester Wave™: Information Security Consulting Services, Q1 2016



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Public trust takes years to establish

— and when it comes to cyber events, it only takes seconds to vanish. ”

Cyber security co-leader
Greg Bell
KPMG International

Client story

Taking cyber security to the next level for a global financial institution

When a global financial institution experienced a significant rogue trading incident, costing billions of dollars, they had to rethink their approach to information security, both internally and externally.

The institution realized that they had an “identity management” problem. They needed greater visibility and supervision over which employees had access to which applications and information across their more than 4,000 business systems in over 30 countries.

According to Bedria Bedri, Lead, Cyber Security for Financial Services, KPMG in the UK: “Our team helped the institution to develop and deliver an effective response to the questions being raised by regulators, addressing not only the technical cyber aspect of identity management, but the wider implications for all of the bank’s risk and controls and operations.”

Within 3 weeks, the KPMG team, working closely with the client, had developed a remediation program for improving information security across the bank, and then leading delivery of the institution-wide transformation program.

It took a truly multidisciplinary approach that included not only cyber specialists but also advisors with extensive investment banking experience, audit professionals to advise on risk and controls, and regulatory specialists, because changing the way the bank managed and secured data had regulatory implications.

The work evolved to a comprehensive effort to address both internal and external cyber security for the institution. As a result, the institution is now seen as one of the industry’s cyber security leaders.

Bedria added, “What sets the KPMG approach apart from most cyber consultants is being able to bring not only technical knowledge, but also a broader perspective that speaks to the needs of the business and concerns of the C-suite and Board.”

Innovating for clients

KPMG professionals serve as trusted advisors to many of the world's leading organizations. Working with passion and purpose and integrating innovative approaches helps to deliver real results.

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For many it is truly 'now or never'

to take action in order to remain relevant in the marketplace. ”

Mark Goodburn
Global Head of Advisory
KPMG International

Succeeding in an era of transformational change

Mark Goodburn, Global Head of Advisory, KPMG International

KPMG's 2016 Global CEO Outlook revealed that nearly half of CEOs expect their companies to be transformed significantly over the next 3 years. Considering the discussions we are having every day with clients, that didn't come as a surprise.

Companies around the world are responding to a period of unprecedented change. Technology and other market forces are disrupting business models, blurring the lines between industries, and requiring an entirely new way of thinking and developing relevant business strategies. For many it is truly "now or never" to take action in order to remain relevant in the marketplace.

What it means is that KPMG's role as trusted advisors to many of the world's leading organizations has never been more critical. Our professionals are working shoulder-to-shoulder with clients to address their biggest challenges — delivering deep expertise, timely insights and transformative strategies and execution that help to drive clarity and success in the digital world.

Innovation is at our core — our teams are continually enhancing their capabilities, developing new tools and technologies, forming innovative

alliances, and making strategic acquisitions to bring advanced solutions to clients. We attack challenges from the ground up, and enterprise wide — across the broad spectrum of a client's business — strategy, operations, finance, sales and marketing, HR and technology.

Innovative thinking, deep expertise, and ultimately achieving real results for clients, help to distinguish KPMG in the marketplace and to achieve our goal of being the clear choice.



Strategy in the age of sector convergence

Nicholas Griffin, Head of Global Strategy Group

We are in the early years of a profound structural shift in the constitution and behavior of markets. Sector convergence, the colliding and merging of market sectors, is happening across almost all markets, reshaping the business landscape. Take automotive — today, more than 20 sectors regard automobiles as strategic platforms for their businesses, from banking and media to healthcare and infrastructure. Technology is the key enabler of sector convergence. Data & analytics, cognitive, cloud, sensors, the internet of things, smartphones, wearables, security, blockchain and social media are combining to create new solutions that are transforming industries and their participants.

Sector convergence has also triggered a chain reaction that is collapsing the lifespan of business models. The timeframe for generating return on investment has been reduced in many cases to less than half what it was 3 years ago.

Many CEOs are asking, “How do I disrupt my own business before someone else does?” The influx of cross-sector competitors and new, potential partners has put a premium

on agility, while upending traditional business risk assumptions.

KPMG’s Global Strategy Group professionals are working with CEOs across sectors to reimagine, redesign and transform their financial, business and operating models to take their organizations from innovation to results.

Collaboration and building communities are key in this new landscape. More companies will position themselves as platforms to attract fresh ideas, talent and capital to power growth. And the traditional model of “make or buy” will increasingly give way to “rent or collaborate,” as the cost, speed and risk benefits of working with partners serve to supplant the approach of going it alone.



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Nicholas Griffin
Head of Global
Strategy Group

Customer loyalty is the top concern voiced by

88%

of CEOs in KPMG's 2016 Global CEO Outlook.

Customer First — focus on the customer

Julio Hernandez, Head of Global Customer Center of Excellence

CEOs are in a battle for profitable growth. They know that growth will come in large part from keeping and increasing the value of their existing customers and winning new customers. They also understand that the economics of keeping a customer tends to be more favorable compared to the cost of acquiring a new customer or a win-back program.

Just having the right product or service, or even the lowest price, is not enough — customer experience will be the basis of differentiation. So first you must truly listen to and understand the voice-of-the customer. But that is only half of the equation. You also need to understand the economics of the customer, how to create value, and deliver the customer experience profitably in the context of the competitive environment.

We use a process we call "customer journey economics." Working shoulder-to-shoulder with clients, our teams design relevant customer experiences with a strong grasp of the economics and business capabilities required to make them profitable.

As examples, our teams are working with leading banks to rationalize their branch and digital strategies to satisfy changing customer demographics, and helping one of the largest telecom providers to design a more profitable

customer experience. They even worked with one of the world's largest airports to redesign their customer experience as they undertake a major expansion. Our Global Customer Center of Excellence is focused on being Customer First, built on a foundation of designing differentiated and profitable customer experiences. We are bringing in world class talent with experience in understanding the economics of the customer, and making significant investments — including acquisitions across the globe over the past year in the digital, analytics and customer relationship management (CRM) space.



Accelerating business transformation in the cloud

Tim Jones, Global Head, Management Consulting, KPMG International

According to KPMG [research](#), virtually every company today is focused on transforming some aspect of their business. But fewer than half feel they are reaping the full value of these efforts. We find in many cases it's because the speed of transformation simply can't keep pace with the rapidly changing needs of business and the marketplace.

That is why KPMG professionals increasingly work with clients on technology-enabled transformation in the cloud. In essence, it is encapsulating our leading and forward-looking insights in an on-demand, software-based model that can deliver an accelerated path to a more efficient, profitable business.

Rather than an on-premise implementation of technology, which can result in a solution with a 7-10 year lifespan, KPMG is now delivering cloud-enabled business transformations. These can be implemented over a matter of months rather than years, with regular technology updates that afford clients the opportunity for continuous improvement.

It has really changed the conversation — the focus is on the client's target operating model and business processes, not on technology

requirements. KPMG professionals are able to bring their knowledge around critical areas such as finance, HR and procurement, combined with a sector lens, tailored to the client's business, ranging from healthcare to banking and insurance to media and retail.

As a result, we've leapfrogged the approach taken by many whose practices are heavily invested in on-premise technology development.

The lifecycle of business models has accelerated immeasurably, and using the cloud enables evolving business models in a much more agile, sustainable way.



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Using the cloud

enables evolving business models in a much more agile, sustainable way.”

Tim Jones
Global Head
Management Consulting
KPMG International



77%

of CEOs are concerned whether their organization is keeping up with new technologies.

Strategic alliances — innovating to be the clear choice

Jens Rassloff, Global Head of Alliances, KPMG International

In today's digital world, every company is a technology company. Where traditionally, technology may have been confined to a company's operations and execution functions, it is now entirely transforming the way business is done, from strategy through to delivery. It fuels product design and sales, destroys yesterday's business models and enables completely new ones, and rewrites competition.

As a result, technology is central to helping clients transform their businesses to stay relevant and meet rapidly changing customer needs. To continuously enhance our insights and capabilities, KPMG forms alliances with many of the world's leading technology companies. These strategic alliances are a powerful means of combining the expertise of KPMG professionals with leading-edge innovation to meet clients' biggest challenges.

The expertise of the KPMG global network is bolstered by more than 40 alliance relationships around the world — with leading technology companies, including IBM, Microsoft and Oracle, as well as Coupa, SailPoint, ServiceNow and Workday, and a number of innovative start-ups.

Through these alliances we have developed technology solutions for clients that:

- automate business processes
- transform HR and finance departments
- help protect against cyber security threats
- gain greater value from data
- address specific challenges in healthcare, consumer and other industries.

In 2017 and beyond, we will continue to expand the global Alliance Program, with plans to shift to an ecosystem model organized around major client priorities, including digital transformation, cloud, cognitive, internet of things and cyber security. This approach will enable KPMG to deliver more value, expand the range of solutions available to new markets, and better fulfill its role as a trusted advisor.



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The expertise of the KPMG global network

is bolstered by more than 40 alliance relationships around the world. ”

Jens Rassloff
Global Head of Alliances
KPMG International

Client story

Helping a leading grocery chain expand to China

A leading global grocery retailer with ambitions to further expand their business and reach, wanted help in finding the most profitable expansion opportunities.

Following a rigorous analysis spanning more than 100 markets, the KPMG team identified a short-list of six geographies to consider, most notably China.

“The client was really excited about the potential in China, but there were a lot of factors to consider to achieve profitable growth,” according to Christoph Zinke, a partner in KPMG China for the Global Strategy Group. “We helped develop a market entry strategy, using KPMG’s 9 Levers of Value methodology to consider implications for the client’s business, financial and operating models, which needed major adjustments to succeed in the China market.”

One of KPMG’s recommendations was an innovative e-commerce model — a strategy the retailer hadn’t pursued as heavily in its existing markets. “E-retailing was a way to leverage their global footprint without relying strictly on a bricks and mortar presence. It helped us circumvent a number of the risks at hand while offering the opportunity to learn in this huge consumer market,” Christoph added.

According to Willi Sun, Director with KPMG China, the client has appreciated the KPMG China team’s “strategy through results” approach: “We are working with all of their teams, including their HR team to help recruit the best talent for their China operation, as well as recommending digital platforms best suited to host the e-retailing business.”

“The client doesn’t think of KPMG just as consultants,” added Christoph. “They have called us ‘resultants’ — we get things done.”

Client story

Strategic edge for a global energy leader

A large global energy company was having significant profitability issues with its operations in Africa. The company wanted to address the short-term issues and also look at what structural changes they could make to increase value for the long term.

Strategy teams from KPMG in Nigeria and the UK collaborated with KPMG's global energy sector specialists to take a hard-nosed look at the client's business.

According to Jeremy Kay, Global Lead Partner with KPMG in the UK: "The client started with what they thought was just a cost problem. The KPMG team took a broader view, in light of the fundamental changes that are occurring to the energy market. Using the strategic methodology of KPMG's 9 Levers of Value framework, the team examined the client's overall operating model and the interrelationship with their business model, in order to address profitability and create greater value."

In a matter of 6 months, the KPMG team was able to identify hundreds of millions of dollars in value that the client could realize by making changes to their systems and processes. The client is now interested in seeing how work specific to their African operations can be expanded across their business.

An important advantage that KPMG practices brought is having consistent propositions and capabilities around the world. "It was important to look at the client's business from both a local and global perspective," added Jeremy. "Very simply, if you don't turn up on day one with a consistent global approach, you will be irrelevant to the client."





Client story

Finance transformation benefits a global reinsurer

Financial reporting is a complex and expensive process for one of the leading global reinsurers. With multiple lines of business and reporting requirements, their legacy accounting system and processes could not quickly and efficiently report and reconcile their financials. Moreover, maintaining the legacy systems was costing tens of millions of dollars a year.

With an innovative redesign of their systems by an expert team of KPMG professionals from Switzerland, the UK and US, the reinsurer is on a path to significantly reduce reporting time and costs, while gaining a strategic advantage in the marketplace.

“The multidisciplinary KPMG team brought deep insights into the client’s business, as well as leading-edge thinking on state-of-the-art finance functions,” said Marc Goessi, Global Lead Partner with KPMG in Switzerland. “The team has developed an innovative valuation approach that enables the client to produce and reconcile all of its reporting across the business in parallel. The time to close a reporting period will be reduced from 60 to 5 days, which is not only more efficient and less costly, but also reduces operational risk.”

The client, similar to other multinational companies, has a statutory requirement to report according to several standards, including local GAAP, IFRS and under various solvency regimes. “It is a creative approach to these requirements that transforms their reporting processes,” said Ferdia Byrne, Engagement Partner with KPMG in the UK. “It also provides the client with a strategic advantage — for example, in valuing portfolios of insurance contracts, and also empowers them for the future when technologies such as blockchain will make real-time reconciling and reporting of financial information an imperative.”

Inspiring people

Talented professionals are attracted to KPMG for the opportunities to build exceptional careers and to do work that inspires confidence and empowers change, both for clients and communities.

“

KPMG firms are accessing broader talent pools than ever before. That is one reason, among many, that our focus on building an inclusive culture is essential.”

Rachel Campbell
Global Head of People,
Performance & Culture
KPMG International

The home for extraordinary talent

Rachel Campbell, Global Head of People, Performance & Culture, KPMG International

KPMG partner and staff numbers grew strongly this year across the network as we continued to invest to bring on-board and develop some of the world's best, brightest and most highly motivated people. Over the past 12 months we recruited over 37,000 graduates and entry-level professionals, bringing the worldwide headcount to 189,000.

To fuel this growth, KPMG firms are accessing broader talent pools than ever before. That is one reason, among many, that our focus on building an inclusive culture is essential. It expands the talent base, leads to better decision making, and is expected by clients. We are also expanding our skills base — hiring a greater range of professionals needed for complex client issues — including data scientists, macro-economists and medical doctors.

Recruiting though is just the beginning. Once they join, these highly talented people are given broad experience — from working in different sectors, delivering different services, working internationally, or as part of a client's team. Ongoing learning is a must. We are becoming much more agile in providing KPMG professionals with the knowledge and skills development they need in real time.

We also know it's important to look through the eyes of our people to understand what excites and motivates them.

This past year we conducted the “Jam” — a 3-day interactive, global conversation with 4,500 people from across our network where they shared uncensored views on what they expect from work, today and in the future. It was a fantastic discussion and what stood out were themes around the importance of having a values-based culture, working with purpose, the opportunity to learn, and working with talented people and great clients. I'm proud to say, all are areas where we have been, and remain, very focused and are continuing to turn up the volume.

Across the entire KPMG network, we ask a consistent question every day — “What do we need to do to continue to attract and retain extraordinary people?” I'm very confident that the talent and ambition we have within KPMG can more than match clients' needs and that we can be the clear choice for professionals seeking the most exciting and fulfilling careers.



Meeting the learning needs of our changing workforce

KPMG professionals have a constant need and desire for learning and professional development. Today's increasingly mobile KPMG workforce needs fresh approaches to learning that keep pace with the greater demands on their time, the information explosion and more complex client needs.

KPMG is redesigning learning to respond to the rapidly changing expectations of our modern learners, and meet the consistent, high standards of learning required by the needs of clients. Innovative, interactive and personalized training enables learning plans that can be customized to meet changing business requirements as well as short- and long-term career goals.

With digital learning solutions, including online, game-like simulations, professionals can work through real-world business scenarios and receive

immediate, tailored feedback. KPMG professionals on the go are also benefitting from micro-learning — bite-sized chunks of targeted learning that are easily digestible, that can be quickly accessed, on-demand, to improve or refresh specific skills.

"Top performers are demanding best-in-class learning that's dynamic, social and personalized," said Linda Nower, Chief Learning Officer at KPMG International. "They desire learning solutions that not only meet changing business needs but enable them to create flexible career paths. A one-size-fits-all training approach can't meet today's demands. We are responding by investing and building a culture that encourages continuous learning with flexible delivery methods to enhance the performance of KPMG professionals, wherever their work takes them."

“

Top performers are demanding best-in-class learning

that's dynamic, social and personalized. ”

Linda Nower
Chief Learning Officer
KPMG International



People with purpose

KPMG people are driven by a common purpose: to inspire confidence, and empower change. Whether helping solve clients' biggest challenges or working to improve our communities, you can see our purpose shining through.



Mei Hsin Chiang, Assistant Manager, Audit, KPMG in Singapore

When I attended university I was very involved with the community, including participating with Singapore's National Youth Council on an expedition project where we helped to start an education program for children in Cambodia. I was encouraged to bring my community spirit when I joined KPMG. I have led our Make a Difference program, where more than 100 of our people volunteer their time to a variety of community improvement projects, and also helped lead our outreach to the Elephant Village school in Dalat, Vietnam, where we

travel to provide lessons and improve the quality of education for grade school children in this remote village.

The leadership skills I've acquired in the community carry through to my work for our clients, which helps them to strengthen and focus their business. This contributes not only to the success of their business but more broadly to the economy and health of Singapore.

Working with purpose and excelling to the best of my ability is important to everything I do. It means not only doing well in work, but always reaching out to see how we can give back to society.



Amaia Jaureguizar Valcarcel, Senior Manager, IT Advisory, KPMG in Spain

In IT Advisory we take pride in being problem solvers — we use technology to empower clients to tackle challenges and become more successful.

I feel the same about my community work. I began volunteering with the support of our KPMG Foundation, just a few months after joining KPMG and immediately saw how we can share our knowledge to benefit society. We have advised struggling non-profit organizations so that they are able to do more with limited resources. I'm

also part of a KPMG team helping unemployed women to start their own micro-businesses — showing that they have the power inside themselves to succeed.

Last year, I volunteered with an entrepreneurial competition for young people from disadvantaged backgrounds. I mentored a shy 17-year-old girl and watched with pride when she presented her proposal to the judging panel. It felt like your child had grown up and gained the confidence to go out in the world and do anything.

I've learned so much from volunteering, and it makes me a better advisor to my clients.



Kaveh Fatemian, Assistant Manager, Audit, KPMG in the UK

When I decided to join KPMG 5 years ago, a big factor was the way KPMG supports its people in pursuing the community causes they care about.

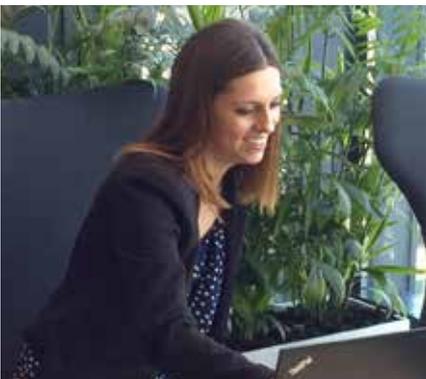
Following the loss of two close friends to cancer, I decided to channel my passion for sports to raise money to fight the disease. I started by completing a 14-day, 350-mile run from Paris to London — participating in the Paris and London Marathons at each end.

To create more impact, I established a non-profit organization, Inspired4Life, dedicated to raising funds by beating

Guinness World Records, including a “punch-bag marathon,” where I hit a bag for 52 consecutive hours. Now I’m training to break the record for “most consecutive martial arts bouts.”

These events seem crazy to some, but they have raised more than US\$125,000 for cancer research to date.

The events also promote sport among children and inspire them to make the difference they wish to see in the world — my message to them is, “each of you can accomplish incredible things if you work hard for things you are passionate about.”



Carrie Kassian, Senior Consultant, Health, Aging and Human Services practice, KPMG Australia

I began my healthcare career as a nurse in Canada, before moving to Australia and attending the University of Sydney where I earned my Masters in International Public Health.

Two years ago I joined the Healthcare practice at KPMG Australia, and now I assist clients across the health sector to provide high-quality, efficient healthcare, in the face of increasing challenges of an aging population, higher rates of chronic disease and resource shortages.

Soon after joining KPMG, I was chosen for an assignment with the National

Mental Health Commission to review Australia’s mental health programs and services. I focused on submissions from patients and families, capturing their mental healthcare experiences and highlighting critical challenges as part of the Commission’s report. The report has subsequently empowered significant reforms for the delivery of mental health services in Australia.

This experience has given me greater appreciation for the contribution my work can make to the health of individuals, families and communities across Australia. I feel connected to the purpose adopted by our KPMG Healthcare practice: “Achieving better outcomes for the well-being of all Australians.”

People with purpose



Deepti Chauhan, Associate Director, Management Consulting, KPMG in India

In Management Consulting, I advise clients on strategies to help improve their business operations.

One of the engagements I'm most proud of is working alongside India's Rural Development Trust, and its affiliate Integrated Development Trust, a non-governmental organization (NGO) that delivers welfare, health and educational programs to the rural poor. I led a team to restructure their finance function that helped to significantly reduce their costs and improve operational efficiencies. Every penny saved could then be re-invested in the

community, including skills-building workshops for women and schooling for children.

We also helped streamline operating procedures for their charity hospital units, so doctors can serve patients faster and they can reduce the costs of medicines and supplies.

My experience at KPMG has given me so much knowledge and it is very rewarding to use my learning to help empower this critical organization to give its best to the community. I see this same passion among all my KPMG colleagues. Making an impact — for clients and the community — it's ingrained in our culture and it's what we live for.



Mabutho Mthembu, Senior Tax Manager, KPMG in South Africa

My tax clients are surprised to learn that I grew up in remote Kwa-Zulu Natal, where schools are very basic and there is little economic activity. They are even more impressed by my passion to develop the next generation of leaders from rural provinces.

I started the Youth Managers Foundation (YMF) to offer disadvantaged youth inspiration and a means to learn from those of us who came from the same place. We teach leadership skills and mentor high school students

to overcome issues ranging from substance abuse to teen pregnancy.

In 7 years, we've grown YMF to support 19 schools in three provinces. Our program has been recognized as a model and I was exceedingly proud to be chosen to participate in US President Obama's Young African Leaders program, and attend civic leadership training at Rutgers University.

I've seen YMF enter schools that are marked by despondency and introduce fresh energy. We are creating real empowerment, by working directly with students so they can build confidence, become self-reliant, and drive their own change.



John Herge, Director, Energy & Natural Resources practice, KPMG in the US

I advise power and utilities clients on meeting the rapidly changing demands of customers and the marketplace. I even joined with KPMG in Japan following the country's devastating earthquake and tsunami to help address the massive challenges to the country's power needs.

Now I'm also helping low-income families to have affordable access to sustainable, solar electricity, by volunteering with GRID Alternatives, a non-profit organization that makes renewable energy technology and job training accessible to underserved communities.

After helping to build a large-scale solar installation in Colorado, I was so impressed with what we accomplished that I convinced my entire KPMG team to volunteer with me.

We helped install rooftop solar power generation on three homes built by Habitat for Humanity in Los Angeles. More recently we worked on another solar installation with the GRID Colorado team, with the potential to reduce the power bill by half for 30-40 low-income families.

As KPMG professionals, we enable clients to transform their businesses for the 21st century. I'm proud that we are also using our skills to make renewable power more accessible and affordable to some of the communities most in need.



Ellen Jin, Partner, Audit, KPMG China

When I joined KPMG China 24 years ago, there were only 30 staff in Beijing — today we have more than 8,000 people in 16 offices across mainland China.

I am proud to have been part of our country's economic growth. I've worked primarily for financial services clients — we empower clients to improve their risk management and controls so that they are able to expand their businesses.

We have made a similar impact through our pro-bono work for China's micro-

finance sector that helps rural farmers. We travel to villages to teach accounting and credit skills to novice program administrators and loan officers. It builds pride to share our professional experience and knowledge to help improve standards of living in the countryside.

We also participate in charity events, often joined by clients. For example, we are walking and fundraising together for our annual 12-hour, 50-kilometer walkathon, to support rural university students. It's important to our people and our country, and it's a lot of fun.

Improving our communities

Our role as global citizens has never been more important. Throughout the world, KPMG professionals endeavor to inspire confidence and empower change that makes a difference in their communities.

“

A
commitment
to lifelong
learning

can help break the
cycle of poverty. ”

Lord Dr Michael Hastings
Global Head of Corporate
Citizenship
KPMG International

Empowering change through lifelong learning: Our commitment to the Sustainable Development Goals

**Lord Dr Michael Hastings,
Global Head of Corporate
Citizenship, KPMG International**

The Sustainable Development Goals (SDGs) were agreed in 2015 between governments, business and civil society, dedicated to ending extreme poverty and hunger and bringing secure health and sound education to communities that for too long have been left behind. At KPMG, we set out how we would reach beyond our work on the eight Millennium Development Goals to support this bigger agenda.

In July 2016, we completed a 6-year commitment with a Millennium Village of 10,000 people in Tanzania, helping to build the infrastructure and frameworks necessary for a self-sustaining healthy community with real jobs and good education. We also exceeded our 8-year carbon management plan across the KPMG network — now 31 percent of all KPMG’s energy is coming from renewable sources and we have reduced our total greenhouse gas emissions by 37 percent between 2007 and 2015.

As business seeks to share insights and best practices in responding to the SDGs, we created the SDG Industry Matrix series, which sets out how businesses in financial services, healthcare and life sciences, food/beverage and consumer goods, industrial manufacturing, transportation, energy/natural resources and chemicals are innovating and investing to meet the goals.

Going forward, our greatest assets — our people with their passion and insights, are pointing toward a priority area that resonates closely with KPMG — education, learning and skills development. KPMG has chosen to focus on lifelong learning based on SDG4 (Quality Education) as our global Citizenship priority.

A commitment to lifelong learning can help break the cycle of poverty. Basic reading skills alone could help to lift upwards of 171 million people out of poverty. Further, 1 year of education is associated with a 10 percent increase in wage earnings. This is why we developed KPMG’s Family for Literacy (KFFL) and support Enactus, One Young World, and Junior Achievement, among other initiatives. We are bringing forward an ambitious plan to share our skills, as highly educated professionals, with communities that still struggle to get access to the basics.



Each time we can teach, inspire or mentor children, students or young adults, or help to develop the skills of job seekers, we live up to our purpose to empower change and build confidence and trust in our communities. To find out more about KPMG's Citizenship program visit kpmg.com/citizenship.

Lifelong learning

Across KPMG we support initiatives to expand learning opportunities.

KPMG's Family for Literacy (KFFL)

KFFL helps to form the foundation for lifelong learning at the very start of a child's education, promoting literacy by providing new books to children who otherwise do not have access to books. To date, KPMG has distributed nearly 3 million books worldwide through KFFL. Sustainable KFFL chapters exist in India, Kenya, Mexico, South Africa, the UK and the US, with continued expansion of the program anticipated in furthering our goal of addressing illiteracy on a global scale.

KPMG professionals, their families, along with the extended KPMG family, including interns, retirees, and in some cases clients, participate regularly in KFFL related activities. KFFL chapters form strong working relationships with schools and organizations to help address the issue of childhood illiteracy in their communities.

Citizenship inspired me to join KPMG

Atinuke Adebawale got to know KPMG as a summer intern in the US firm.

While gaining valuable experience with the Audit group, Atinuke also jumped into an opportunity to participate in a KFFL project with her fellow interns, organizing a fundraiser to buy books, which were then distributed to children in the community.

"As an intern, I had never experienced corporate social responsibility before, and to see a firm do it so passionately was inspiring," said Atinuke. "It wasn't only about giving books to kids — we were engaging with our community by showing children that literacy skills lead to a bright future."

Now a full-time professional with KPMG in the US, Atinuke continues to promote learning through KFFL and by helping older children understand financial literacy. "My involvement with KFFL helped show me that I could build a rewarding career at KPMG — for me that meant joining a firm that values improving its communities."



Atinuke participates in a KFFL event in the US as a KPMG intern.

“
The
power of
entrepre-
neurship
and lifelong
learning

can make a difference
in solving real-world
issues. ”

Willy Kruh
Global Chair, Consumer
Markets
KPMG International
Board Member of
Enactus Canada

Enactus

Enactus continues to be a strong part of KPMG’s citizenship programs around the world. We have been an active participant with Enactus for more than 2 decades, helping to mobilize students to make a difference in their communities, while they also develop the skills that will enable them to become the next generation of socially responsible business leaders. KPMG International has been the presenting sponsor of the Enactus World Cup since 2011.

The 2016 World Cup hosted 69,000 students from 1,700 universities and colleges from 36 countries, to showcase how they apply business innovation and entrepreneurial action to create global social impact.

One Young World

One Young World (OYW) is a global summit bringing together the brightest young leaders from around the world, empowering them to make lasting connections to create positive change. At this year’s summit in Ottawa, Canada, 60 KPMG people from nine countries joined 1,500 other young leaders to debate and formulate positive, actionable ideas for the most pressing issues facing the world today. KPMG’s Global Head of Corporate Citizenship, Lord Dr Michael Hastings, serves as an OYW counsellor, helping delegates shape their views, inspiring them to create positive change.



The Enactus team from Memorial University of Newfoundland in Canada won the 2016 Enactus World Cup competition in September 2016 in Toronto, Canada.

Global climate response

Taking action with our clients

KPMG is playing an active role in tackling climate change. KPMG sustainability professionals around the world spend 1 million hours per year helping clients to improve their environmental and social performance, including reducing their carbon emissions. And KPMG client teams work to help reduce the emissions associated with individual client engagements through measurement and reporting.

Reducing our impacts

2015 was the final year of Phase II of KPMG's Global Green Initiative, our ambitious program aimed at reducing our environmental impact across the global network. The targeted 15 percent net emissions reduction per full-time equivalent (FTE) from a 2010 baseline was not only met, but exceeded, with our network of reporting firms achieving a 16.77 percent net emissions reduction per FTE.

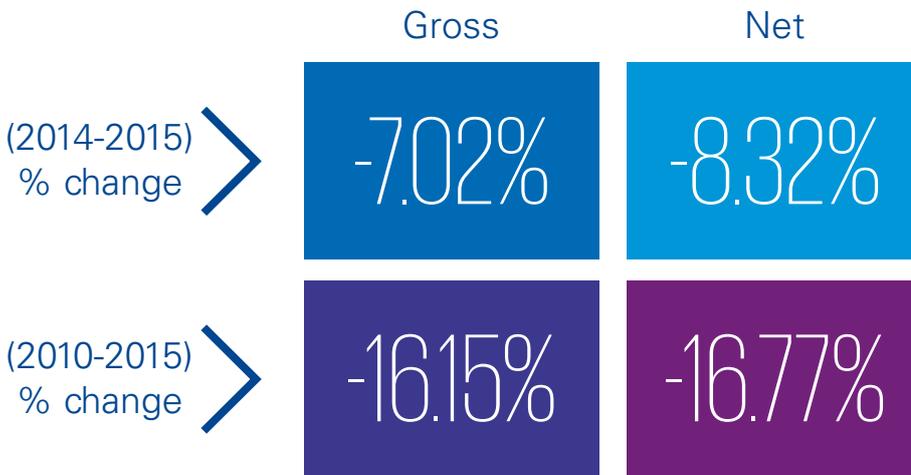
Through the Global Green Initiative, the KPMG network achieved

16.77%

reduction in net emissions per FTE.

KPMG global emissions

Per full-time equivalent (metric tonnes)



Since the inception of the Global Green Initiative in 2007, we achieved an overall 37.6 percent reduction in net emissions per FTE.

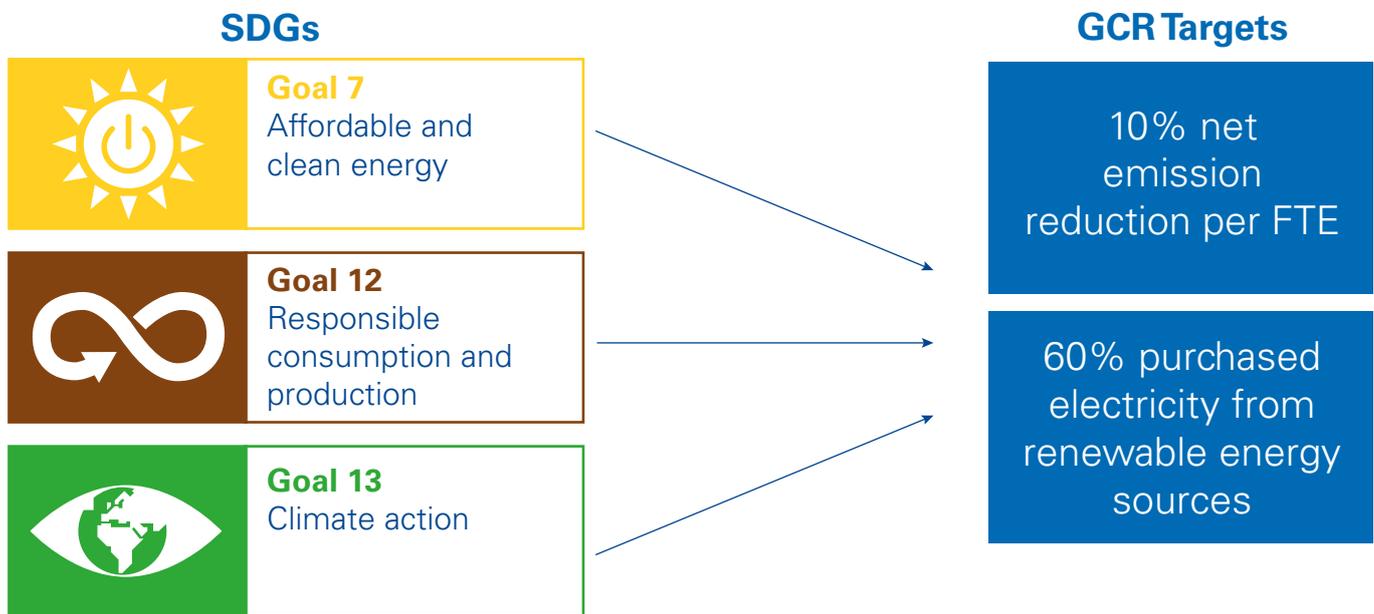
Today, we are evolving the Global Green Initiative into the Global Climate Response (GCR). Beginning in 2016 and spanning until the end of 2020, the GCR unites KPMG’s ambitions

in environmental sustainability with Sustainable Development Goals 7, 12 and 13. In addition to a further emission reduction target of 10 percent net per FTE, we have adopted a global renewable energy target — details provided in the GCR summary below.

The GCR intends to reduce environmental impacts by lowering

energy consumption, installing solar power and promoting energy efficiency. We are also active in advocating business support for climate change action through initiatives such as the Carbon Price Communiqué, the Climate Disclosure Standards Board, and the World Business Council for Sustainable Development.

Sustainable development goal alignment



Aligning our Global Climate Response (GCR) targets with the Sustainable Development Goals (SDGs)

Community impact

Our commitment to Corporate Citizenship helps inspire confidence in our communities. Over the past 12 months, in delivering on this commitment, more than US\$100 million has been invested by KPMG member firms and staff in community impact

projects and other charitable giving. This investment helps underpin the change needed in the world to meet the challenges of the Sustainable Development Goals (SDGs).

These investments include our commitments to lifelong learning and the Global Climate Response, as well as wider responsible business programs

such as the SDG Industry Matrix, our support for the UN’s Guiding Principles on Business and Human Rights and the inspiring programs our member firms deliver to empower change in their communities.

For more information on KPMG’s Corporate Citizenship programs, please visit kpmg.com/citizenship.

Since the inception
of the Global Green
Initiative in 2007, we
achieved an overall

37.6%

reduction in net
emission per FTE.

How we work & financials

How we work

KPMG 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 the KPMG network and KPMG professionals work is guided first and foremost 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 strategy to realize this vision that is aligned and adopted with member firms throughout the world.

The strategy starts with a focus on quality in all aspects of our business. With quality as the foundation, the goal is always to combine the best thinking from KPMG professionals across geographies, services and industries, so that a high level of innovative, insightful solutions and advice are brought to clients when and wherever needed.

This also means helping to ensure that 189,000 KPMG people have the knowledge and insights they need to make a difference for clients locally and globally.

Working together, KPMG professionals are prepared to help clients navigate the volatility, uncertainty and complexity in these turbulent times.

Read more in the 2016 KPMG International Transparency Report, “Our relentless focus on quality.”

FY16 global revenues and people numbers

The KPMG network achieved strong results in FY16, reflecting the passion and innovative thinking our professionals bring to clients. Together with extraordinary people, investments in technology and alliances enabled

growth across our geographies and service lines. With the addition of 37,000 graduates and other entry-level professionals, the KPMG network grew to 189,000, the highest-ever number employed across our network.

Combined global revenues

\$25.42

US\$ in billions

Revenue growth

8.0%

in local currency

People

188,982

People growth

8.6%

FY16: 1 October 2015 – 30 September 2016

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

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

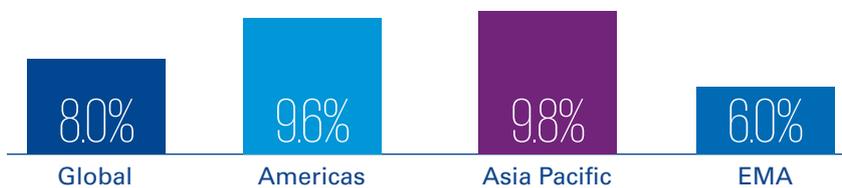
Global total revenues

US\$ in billions

By region



Growth by region



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FY16: 1 October 2015 - 30 September 2016

FY15: 1 October 2014 - 30 September 2015

Global total revenues

US\$ in billions

By function



Growth by function



Growth

8.0%

in local currency

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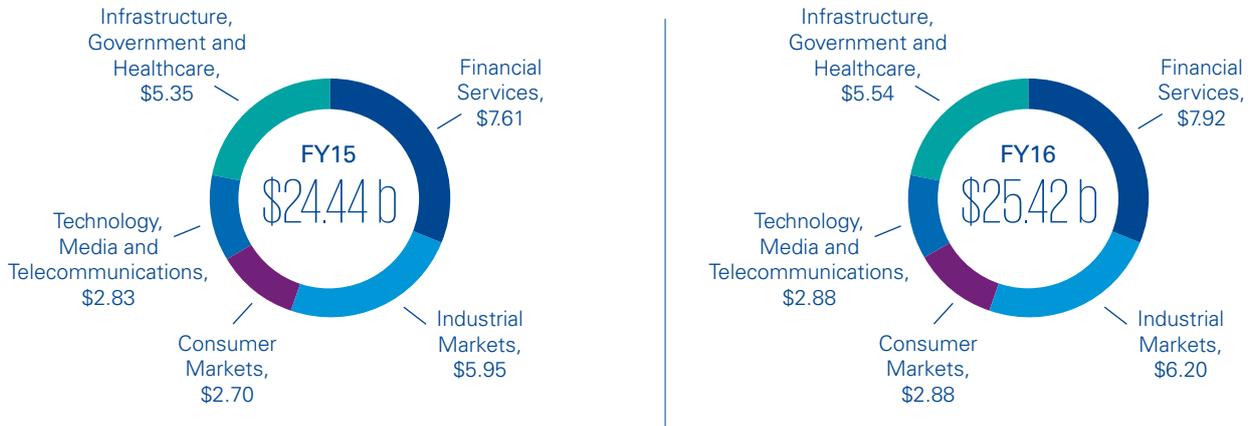
FY16: 1 October 2015 - 30 September 2016

FY15: 1 October 2014 - 30 September 2015

Global total revenues

US\$ in billions

By industry



Growth by industry



Combined global revenues

\$25.42

US\$ in billions

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.

FY16: 1 October 2015 - 30 September 2016

FY15: 1 October 2014 - 30 September 2015

People

188,982 people worldwide

Americas

54,111

EMA

96,404

Asia Pacific

38,467



FY15

FY16

Partners

9,445

9,843

Professionals

134,064

147,028

Professional support staff

30,456

32,111

Total

173,965

188,982

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.

FY16: 1 October 2015 - 30 September 2016

FY15: 1 October 2014 - 30 September 2015

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 30 September 2016:

John Veihmeyer

Chairman

John Scott

Deputy Chairman,
Europe, Middle East and Africa (EMA)
Chairman,
Spain

Bill Thomas

Americas Chairman,
Canada

Sai Choy Tham

Asia Pacific (ASPAC)
Chairman,
Singapore

Seyi Bickersteth

Africa

Peter Nash

Australia

Pedro Melo

Brazil

Richard Cysarz

Central and Eastern Europe

Honson To

China

Oleg Goshchansky

Commonwealth of
Independent States

Jay Nirsimloo

France

Klaus Becker

Germany

Richard Rekhy

India

Shaun Murphy

Ireland

Domenico Fumagalli

Italy

Tsutomu Takahashi

Japan

Kyo Tae Kim

Republic of Korea

Abdullah Al Fozan

Middle East and South Asia

Guillermo Garcia-Naranjo

Mexico

Albert Roëll

Netherlands

Stefan Pfister

Switzerland

Simon Collins

United Kingdom

Lynne Doughtie

United States

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 30 September 2016:

John Veihmeyer
Chairman

John Scott
Deputy Chairman

Isabelle Allen
Global Head
Sales & Markets

Rachel Campbell
Global Head
People, Performance & Culture

Anne Collins
General Counsel

Mark Goodburn
Global Head Advisory

Shaun Kelly
Global Chief Operating Officer

Larry Leva
Global Head
Quality, Risk & Regulatory

Jane McCormick
Global Head Tax

Bill O'Mara
Global Head Audit

Rebecca Shalom
Global Head Strategy



Where we work

Countries in which KPMG member firms operate

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

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.

kpmg.com/socialmedia



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