

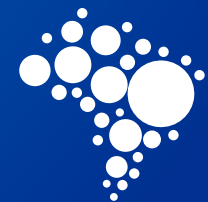


Empathy, Courage,  
Resilience and Learning.

[kpmg.com.br](http://kpmg.com.br)



REPORT 2020





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# Message from the Chairman

## **Empathy, courage, resilience and learning.**

This report provides an account of an unprecedented period. Since the World Health Organization (WHO) declared the COVID-19 outbreak a pandemic in March 2020, the world as we knew it has experienced and will continue to experience dramatic change.

None of our previous projections or prior experience could have prepared us for the social distancing measures, business restrictions, and the insecurity and fears that gripped people and markets. At KPMG, where we “work yesterday to build tomorrow”, the impact has been no less marked. Social and consumer patterns have shifted. Companies at different levels of technological maturity have had to reinvent their purpose and business. The interconnectedness that clearly exists between environmental, social and governance aspects has led us to rethink the way ESG is being managed at companies of different sizes, industries and jurisdictions, and by government and non-government organizations.

When the pandemic hit Brazil, we were certain of one thing: taking care of people would be the number one priority at KPMG. We made sure to protect our people’s health and integrity amid an imminently devastating crisis. We looked after our communities, reaching out to provide financial support and aid to meet their basic needs. We also put our clients at the centre of our strategy, working shoulder to shoulder with them and supporting their business and strategies in these uncertain times.



The road over this year and half has not always been easy, but we have travelled it with courage.

But to do this we had to ensure our own business was sustainable. There are two attributes I would highlight as especially crucial to enabling us to continue to thrive: resilience and courage. Like millions of other people, our professionals had to adapt their office routines to working at home, alongside their families.

We kept strong by harnessing our ability to assess and respond to developments with confidence and firmness of purpose. We implemented remote and flexible work routines that ensured we remained relevant for our clients in a market now divided between those who were challenged to meet strong emerging demand, and those who were either decelerating or undergoing transformations.

It was a time to demonstrate genuine empathy. Our diversity and complementary strengths enabled us to mobilize our different practices to help clients respond as effectively as possible to the unique challenges posed by the crisis. We had already achieved substantial maturity in digitization, yet there was still much to learn about the way technology and risk management are closely connected.

Being part of a global network gave us an important advantage: we could draw on the experience of firms in countries that had been hit by the crisis ahead of Brazil, we were able to serve clients seamlessly across geographies, and we were all united and connected by our values. KPMG in Brazil created a Crisis and Pandemic Response Committee that held daily meetings using Enterprise Risk Management (ERM) to monitor risks, informed by our global expertise.

The road over this year and half has not always been easy, but we have navigated it with courage. We have made mistakes, we have learned from and abandoned them, and we have reinvented ourselves. We are, above all, a team of people who believe that success is more than just about financial performance: it's also

about building a better future and driving positive, broad-reaching and enduring change.

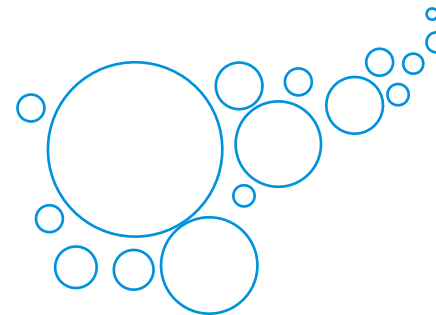
An unprecedented year calls for a very different report than our previous 11 Sustainability Reports. Nothing was as it used to be, and we still don't know what the future holds. In 2020 we spent the first half of the year experiencing the direct effects from the pandemic and the second half applying the lessons we learned from it. In 2021 we are still having to cope with COVID-19. As Brazil continues to make progress on vaccination, we know that our clients, professionals, communities and each of us will feel the effects from the virus in different ways.

This report describes some of our key initiatives during the pandemic to take care of our professionals, support our clients and partners, and help our most vulnerable communities. Putting our values into practice has helped us to demonstrate empathy, responsibility and consistency in everything we do, with our purpose of "Inspiring confidence and Empowering change" providing a compass that has guided our decisions and actions.

I hope you enjoy reading this report!

**Charles KriECK**

Chairman, KPMG in Brazil and South America








# About this report

**This report describes our journey in two chapters.**



## For more information about this report:

Hyperlinks pointing to further information are shown in **blue** and **bold**

-  Open hyperlink
-  View video
-  View podcast

**The first**, *Our Journey through the Pandemic*, describes how we came to grips with and navigated the challenges of an unprecedented health crisis, and how we worked to protect our professionals, support our customers and markets, and help our most vulnerable communities at a time when society was seeking answers amid the uncertainties.

**In the second**, *Our Results Reflect Our Purpose*, we present selected indicators describing KPMG in Brazil's key results in the fiscal year, from October 1, 2019 to September 30, 2020. These results were underpinned by our mindsets, our values and our environmental, social and governance (ESG) commitments, which for the first time have been brought together under one global umbrella: **Our Impact Plan**. The Plan clarifies our commitments across four important categories—**Planet, People, Prosperity and Governance**—using the **WEF IBC Stakeholder Capitalism Metrics** as a guide.

These metrics will be used to report on progress at the 22 offices making up the KPMG International network of member firms in Brazil.

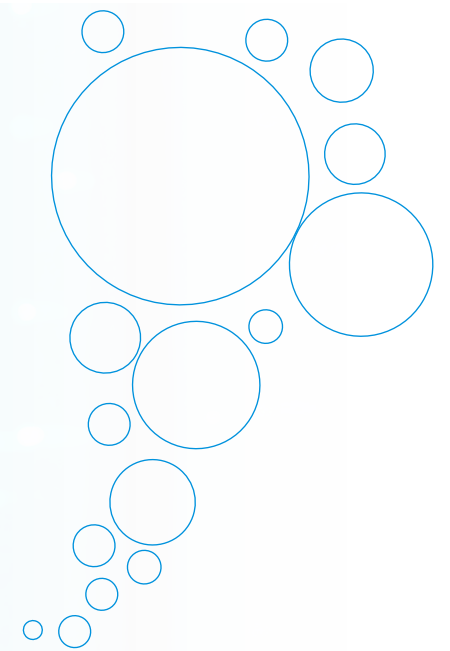
This report can be downloaded on the **KPMG Sustainability Website** in either Portuguese or English.

**Contact us for any questions or feedback:**





# Our journey through the pandemic



We put people first: our own professionals, our communities and our clients. We worked to protect the health and integrity of our professionals; we intensified our efforts to make informed and accurate projections that can assist our clients in decision-making and provide the market with high-quality information; and we mobilized to help minimize adverse impacts on our most vulnerable communities. This, to us, is delivering on our purpose to: **Inspire confidence, Empower change.**

Taking care of our people

Helping our communities

Supporting our clients



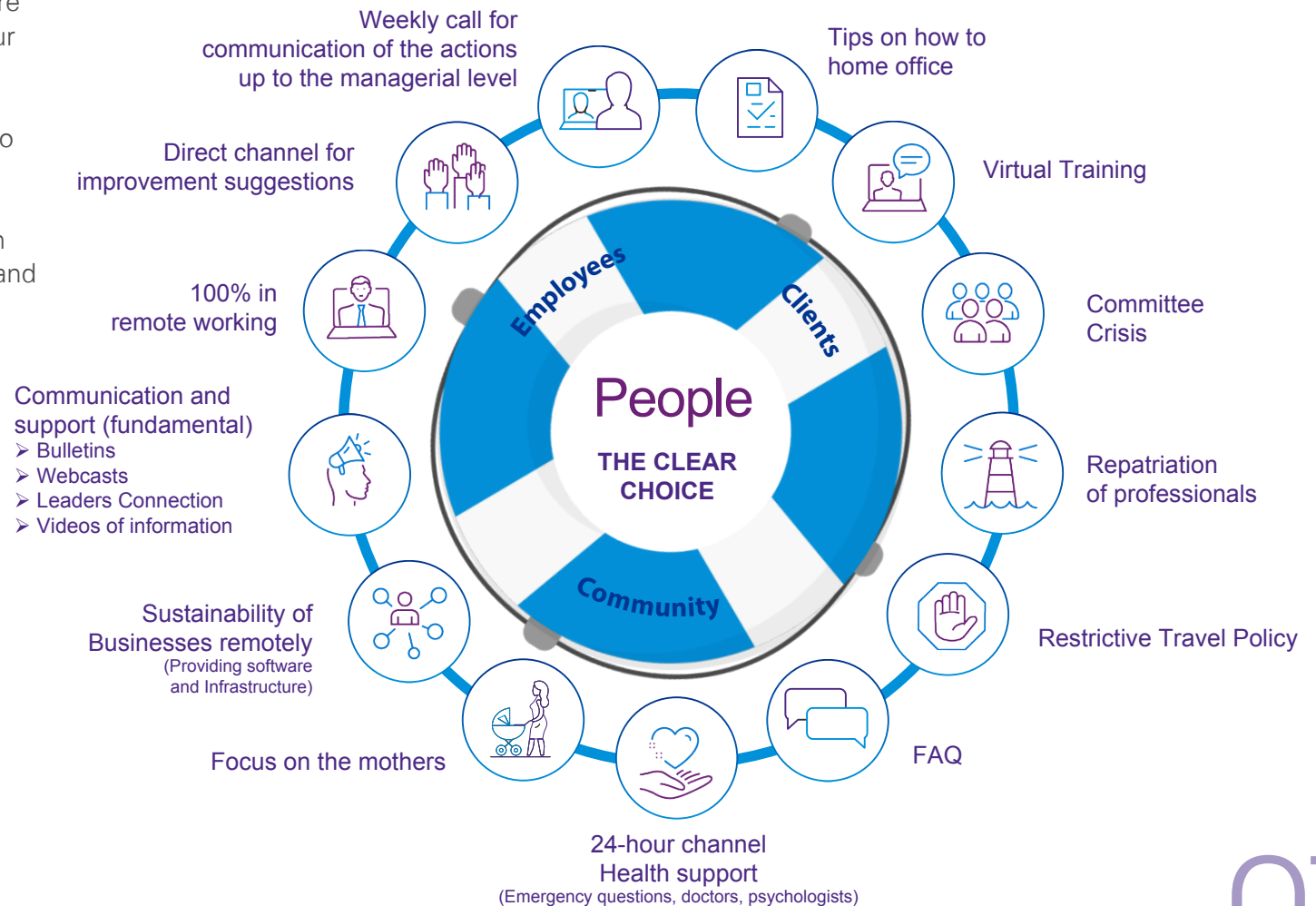
At KPMG we demonstrated resilience, agility and courage in addressing the significant challenges we faced in 2020:

migrating more than 4,000 people to remote working in just 48 hours—many of whom were allocated at our clients—without disrupting our engagements; making informed and accurate projections that can assist our clients in decision-making; providing bespoke support to our professionals and communities on health and safety issues; and supporting vulnerable communities by engaging our professionals in campaigns in which they exercised empathy and solidarity.

We had to maintain our strong connection with our people and our clients, and ensure we stayed relevant for our clients and for society.

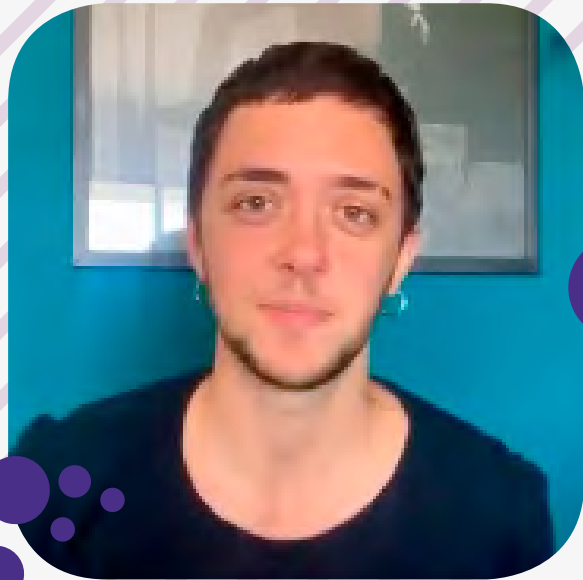
During the pandemic, our Crisis Committee—provisionally renamed the Crisis & Pandemic Response Committee—brought together our senior leadership on a daily basis to assess developments and risks, develop pandemic protocols, and implement other measures to protect the health of our professionals and communities. The Committee has also contributed to society by providing trusted information and supporting effective decision-making to build resilience for our clients and, ultimately, the firm.

The diagram opposite summarizes our pandemic response:



PUTTING OUR PURPOSE AND VALUES INTO PRACTICE

# Taking care of our people



*"What keeps me here is purpose.  
That's the reason I'm here."*

**Bernardo Reis**

Human Resources Analyst



*"I'm grateful to my managers, the firm, and all the  
extraordinary people I have the privilege to work with  
on daily basis. You make a huge difference in my life.  
#Together#ForBetter. Thank you."*

**Ruth Fernando**

Risk Manager



Click the links in each section to learn more

HEALTH & SAFETY



PEOPLE & EMPLOYMENT



TECHNOLOGY & EFFICIENCY

PUTTING OUR PURPOSE AND VALUES INTO PRACTICE

# Helping vulnerable communities



*"Thanks to KPMG, students are receiving food vouchers that have been a great help to my family and I believe other students' families as well. If it weren't for your help, I don't know how we would make it."*

**Michele A. Moraes da Silva**

Projeto Pequeno Cidadão, São Carlos (SP)



*"I'm grateful to KPMG for helping our community through this critical period by supporting Amigos do Bem, a charity that has provided food relief to people in Brazil's Northeast for the last 28 years."*

**Douglas Tsukimoto**

Institutional Development Director, Amigos do Bem, São Paulo (SP)



Click the links in each section to learn more



TARGETED INVESTMENTS

INITIATIVES IN BRAZIL



KPMG: UNITED AGAINST HUNGER AND IN SUPPORT OF VACCINATION EFFORTS

SUPPORT AND RECOGNITION



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PUTTING OUR PURPOSE AND VALUES INTO PRACTICE

# Supporting our clients and the market



*"We're using technology to conduct audits and reviews remotely. This has improved efficiency and time savings in fieldwork, and has made us quicker in providing responses and deliverables to our clients."*

**Kenny Nishiyama**

Partner, Risk Advisory Services



*"We've created an online communication channel for small businesses where we provide free advice on tax and labour regulations."*

**Marcus Vinicius Slemenian**

Lead Partner, Tax



Click the links in each section to learn more



CLEAR AND TIMELY COMMUNICATIONS

PRO BONO ENGAGEMENTS



DIGITAL TRANSFORMATION

RESEARCH AND THOUGHT LEADERSHIP



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A target with three blue darts hitting the bullseye. The target is mounted on a wooden wall. The darts are blue with silver barrels and black tips. The target has concentric circles in black and white. The background is a blurred wooden wall.

# Our results reflect our purpose

**Inspire confidence, Empower change.**

Building an inclusive, ethical and environmentally sustainable world requires that companies develop and implement business practices that reconcile profit, purpose and transparency – in a journey that can transform businesses and society.

# About us

## ABOUT KPMG

We are a global network of independent member firms. By focusing on being a purposeful business, we are accelerating our own work, and our work to help clients deliver against a broader environmental, social and governance agenda.



Independent audit services using proprietary methods and technologies to enhance the reliability of our clients' information.

We think beyond the present to help our clients anticipate and respond to developments in tax and governance. We apply our knowledge to help them to make decisions that create value for their business.

KPMG employs a multidisciplinary approach to support strategic decision-making and projects across strategic planning, mergers and acquisitions, risk management and compliance, improving financial and operational performance, outsourcing, innovation and technology. We are also a provider of managed services. Our strategic practices:

- Deal Advisory & Strategy Consulting
- Risk Advisory Solutions
- Leap and Innovation
- ESG





## KPMG International

227,000  
people  
employed at  
member firms  
around the  
world

146 countries  
on five  
continents

USD 29.22  
billion  
revenue  
in 2020

## KPMG in Brazil

4,600  
people  
employed at our  
22 regional offices across  
13 states in Brazil and  
the federal district,  
including:

**46% in São Paulo**  
**11% in Rio de Janeiro**  
**43% in the Federal District and other states**  
**(Amazonas, Bahia, Ceará, Goiás, Mato Grosso, Minas Gerais, Pará, Paraná, Pernambuco, Rio Grande do Sul and Santa Catarina)**

5,991  
clients  
country-wide  
(public, private  
and third-sector  
organizations)

R\$ 1.4 billion  
revenue in  
2020  
(January/December)

8.8  
client  
satisfaction  
rate



Our values express KPMG's long-standing core beliefs, uniting us and strengthening us as a global organization.

**In 2020 the language of our values was updated to make them bolder, simpler and more memorable to help each of us bring them to life every day. We decided to launch our renovated values during the pandemic as we believe that now, more than ever, it is crucial that we remain connected to our culture and the things that really matter in our day-to-day activities.**



**Integrity**  
We do what is right

We do what is right across all parts of society, including business. When dealing with difficult or contentious matters, we are prepared to make the tough decisions needed to ensure we continue to live by what we believe in. We will never compromise on integrity and transparency under any circumstances.



**Excellence**  
We never stop learning and improving.

We always want more and strive for excellence. Even when things go wrong, we rely on our ability to learn, improve and do things better. We listen to our clients—we monitor and are alert to their needs and expectations.



**Courage**  
We think and act boldly.

We have the courage to point the way through uncertain times, to champion causes and to invest in people. We have the courage to transform ourselves and contribute to change in society and in our clients. It is our responsibility to help shape and lead on those critical issues facing the world, where our capabilities make a difference.



**Together**  
We respect each other and draw strength from our differences.

No one can bring about meaningful change on their own. That is why inclusion, diversity and equity are integral to our culture—which we disseminate, instil and put into practice at all levels of the Organization. KPMG in Brazil works hard to foster an inclusive culture. Being inclusive enables us to bring together successful teams with the broadest range of skills, experiences and perspectives. By doing so, we are helping to build a more just and sustainable society.

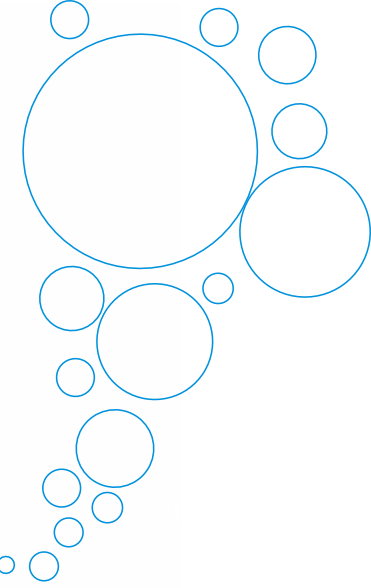


**For Better**  
We do what matters

We take a long-term view, even in our day-to-day choices. We make sustainable, positive change in our local communities and in society at large, striving to make the world a better place.

# Our Impact Plan

## Our Impact Journey



At KPMG, we focus each day on building trust and delivering growth with purpose—bringing the best of KPMG to help our clients so all our communities can thrive and prosper.

With our values as a guide, in 2021 we unveiled [Our Impact Plan](#) globally. We've brought together our firm's environmental, social and governance (ESG) commitments under the umbrella of this plan, which clarifies our commitments and actions across four important categories: Planet, People, Prosperity and Governance, in line with the WEF IBC [Stakeholder Capitalism Metrics](#).

As part of The World Economic Forum's International Business Council (IBC), KPMG has been part of a task force developing universal ESG metrics and disclosures that are to be applied across business sectors and countries. Together, we talked with companies, investors, standard setters, and other key stakeholders. This led to the IBC recommending a set of indicators (Stakeholder Capitalism Metrics) in their whitepaper: [Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation](#).

As this is the first year we are reporting within this approach, we know there will be challenges to address, and in this cycle it has not been feasible for us to report on all the metrics. However, we are globally committed to achieving progress on capturing this information and developing methods to monitor progress, while reaffirming our commitment to the [Global Compact](#) principles and supporting the UN [Sustainable Development Goals \(SDGs\)](#).



This is supported by insights from our [Environmental, Social & Governance \(ESG\) Advisory Services](#) practice and by KPMG [IMPACT](#), a platform that brings together a highly-skilled network of professionals from across the globe to deliver industry-leading practices, research and trusted solutions for our clients, to address the biggest issues facing our planet. The platform leverages our best capabilities to help us evolve in our journey and support our clients in achieving the Sustainable Development Goals (SDGs), so all our communities can thrive and prosper.



Click the links in each section to learn more



## PLANET

### GOAL

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

### OUR COMMITMENTS

- Achieve net-zero carbon emissions by 2030 by purchasing 100% renewable electricity, reducing Greenhouse Gas (GHG) emissions by 50% and offsetting residual emissions.
- Give financial markets, clients and our leaders clear, comprehensive, high-quality information on the impacts of climate change.
- Understanding and improving our impact on nature and biodiversity.

### OUR JOURNEY IN 2020

- GHG Emissions
- Local eco-efficiency targets
- Education for sustainability



## PEOPLE

### GOAL

Creating a caring, inclusive and values-led culture for our people.

### OUR COMMITMENTS

- Have an inclusive culture, built on trust; have an educated, empathetic workforce; and be an advocate for equal opportunity.
- Eliminate discrimination in respect of employment and occupation.
- Empower women in the workplace, marketplace and community.
- Protect the health of our people – both physically and mentally.
- Develop a continuous learning culture.
- Respect human rights.

### OUR JOURNEY IN 2020

- Organizational climate
- Inclusion, Diversity & Equity
- Protecting Health
- Lifelong Learning



## PROSPERITY

### GOAL

Driving purposeful business practices and good corporate citizenship.

### OUR COMMITMENTS

- Always act with a clear purpose.
- Lead the profession in audit quality.
- Drive a responsible tax practice.
- Support education, lifelong learning and [UNESCO's Global Education Coalition](#).

### OUR JOURNEY IN 2020

- Our purpose and our responsibilities
- Community prosperity



## GOVERNANCE

### GOAL

Our values lie at the heart of the way we do things. To do the right thing, the right way, always.

### OUR COMMITMENTS

- Act lawfully, ethically and in the public interest.
- Work against corruption in all its forms, including extortion and bribery.

### OUR JOURNEY IN 2020

- Purpose & Values
- Quality of governance
- Ethical behaviour
- Issues that matter to stakeholders
- Strengthening governance in society

## The SDGs at KPMG

A comprehensive mapping of our operations identified touchpoints with 14 Sustainable Development Goals. The figure below shows the three levels of intensity of these touchpoints, with SDG 4 as the most material. Move your cursor over each SDG to reveal the topics we address.

We help to address real-world problems in society. Connecting the business to ESG informs our day-to-day activities, and we measure progress using future-oriented metrics that are guided by our purpose, as well as alignment with the SDGs.

The figure below shows the level of KPMG support for each SDG. Although our businesses interfaces with several of the goals, SDG 4 (Quality Education) is especially material to us. We believe that education can be transformational: through education, we can empower people to change their lives for the better. We achieve this by supporting education initiatives in our communities, developing our professionals, and embedding our expertise in the services and solutions we deliver to our clients and to society, creating value and helping to address their most critical challenges. Learn more about the issues we address (by hovering your cursor over each topic).

# The transformational power of empathy and resilience

The year 2020 was full of challenges, but also of lessons learnt.



**We learned** that testing different scenarios in advance can support broadly informed but agile decision making.



**We learned the value** of empathy, resilience and the ability to relearn. In an unprecedented crisis, this enabled us to respond nimbly, objectively and effectively to change, with the extraordinary support of our people and technology.



**We learned that** technology can reduce our carbon footprint by minimizing travel without making us any less close to our clients.



**We learned,** more than ever, that providing timely communication can enhance credibility and transparency.



**We learn the** importance of staying financially healthy to weather times of uncertainty. And that we could use our available resources even more efficiently.



**We chose** to make people our number one priority and to always be at their side. As we navigated this period, we encouraged a positive mindset among our professionals, who imparted confidence to the market and worked to contribute to society.



**We learned that** we could rely on our extraordinary people to successfully implement rapid changes.



**We are proud** of our journey so far. We have come this far with resilience, and through it we have transformed the business.





# Credits

## General coordination

Corporate Citizenship, KPMG in Brazil

## GRI consulting, review and compilation of disclosures

Environmental, Social & Governance (ESG)  
Advisory Services

## Editorial design and coordination

Global Strategic Content

## Writing

Global Strategic Content and KPMG

## Design and layout

Fábio Francisco

## Images

KPMG in Brazil archive



**A collaborative group of exceptional people from more than 70 different departments is dedicated to managing, compiling and reviewing data on our activities.**

**Our sincere thanks to all involved.**

**Charles Kriek**  
Chairperson

**Luciene Magalhães**  
Partner, Head of  
Human Capital

**Eliane Momesso**  
Senior Manager of  
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