



Sustainability Report

2021

[kpmg.com.br](https://www.kpmg.com.br)

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This is the summary version of our 2021 Sustainability Report. [Click here](#) to view the complete version.



Message from the Chairman

Integrity, Excellence, Courage, Together, For Better.

These are KPMG's values.

At almost no other time in our recent history have our values been as experienced as in 2021. They were essential references for us to make decisions that would always lead us to fulfill our mission of producing and transferring knowledge to society, creating value for all, while supporting our clients and partners in their projects.

With our clients, we took digital transformation, innovation and ESG projects to a new level, creating the Brazil of the future, a digital, inclusive, low greenhouse gas emission and circular future, creating opportunities for the most vulnerable, protecting and regenerating our natural capital, developing innovations to accelerate this path.

Within the Organization, we kept our operations neutral in terms of emissions and we continued committed to an inclusive work environment. The losses suffered by families as a result of the pandemic, the impact of climate catastrophes on communities, the search for ways to support everyone's mental and physical health, were also very present issues this year. The firm has spared no effort to support the most diverse groups impacted by this challenging context.

The community projects that we have supported for many years have become even more relevant and significant. And, together with our collaboration and a huge network of organizations in Brazilian society – for education, dissemination of knowledge, transparency and innovation - we feel committed and connected with the big issues of Brazilian society.

This report will show how we deliver our values and demonstrate our commitment to the future of companies and the economy.

I would like to take this opportunity to thank our professionals, clients, suppliers, specialists, innovators and many others who accompanied us in 2021 and helped us to make it an extraordinary year.

Count on us!

Charles Kriek

Chairman at KPMG in Brazil and in South America



We feel committed and connected with the big issues of Brazilian society



Highlights of the year

Social performance

4,933 professionals +7% FY2020

49.2% Women **50.8%** Men

increase of **31%** women in leadership positions

R\$ 16.4 MM invested in learning and development

331,000 hours of training provided

R\$ 2.9 MM invested in community and in pro bono projects

Environmental performance

Carbon neutral

100%

of GHG emissions offset

67% growth in the demand for sustainability services

Economic performance

R\$ 1.7 BN of revenue **+22.8%** FY2020

Client satisfaction index



In society

R\$ 2.4 MM invested in events to share knowledge in various formats

8 recognition awards

19,344 mentions in the press, with the participation of 201 KPMG spokespersons

175 publications in journals/magazines, research and studies



In addition, we participated in movements that supported vaccination campaigns through the provision of pro bono services, as well as donations resulting from the extraordinary corporate financial collaboration of partners and professionals.

Awards

WEPs Brasil 2021 – Empresas Empoderando Mulheres

Confed Award 2021
Source Global Research

The Forrester Wave™ : AI Consultancies, Q1 2021

Oracle – Partner Summit 2021
Perceptions of Risk Firms 2021

IDC MarketScape: Worldwide Digital Strategy Consulting Services 2021

Leaders League

KPMG

We are a global organization of independent firms that provide professional services to companies, governments, startups, government agencies, nonprofit organizations and capital markets institutions. Each KPMG member firm is an independent and separate legal entity and describes itself as such, being legally and financially responsible for its own obligations and actions.

What we do



Audit

We evaluate and assure the information generated by our clients through independent audit services, based on exclusive methodologies and technologies, contributing to the quality of information in decision-making.



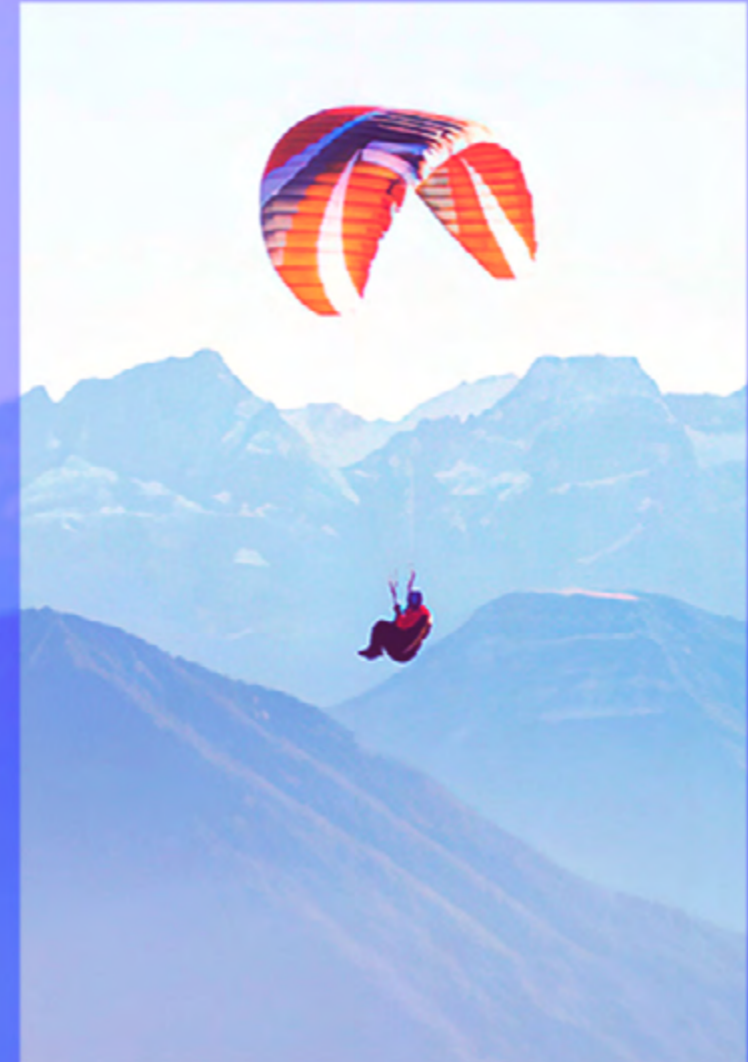
Tax

We help our clients to meet tax demands and to be prepared to respond to their business needs, helping them make decisions that create value for their businesses and society.



Advisory

We support strategic decisions and project development in strategic planning, ESG, mergers and acquisitions, risk management and compliance, improvement of financial and operational performances, business transformation, innovation and technology. We also operate as managed service providers.



Priority sectors we serve



Agribusiness



Consumer and retail market



Education and non-profit organizations



Energy and natural resources



Financial services



Infrastructure, government and health



Industrial markets



Technology, media and telecommunications

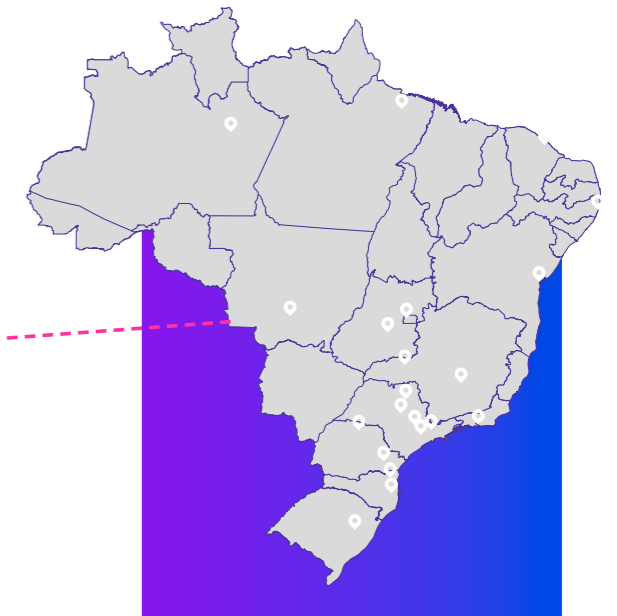
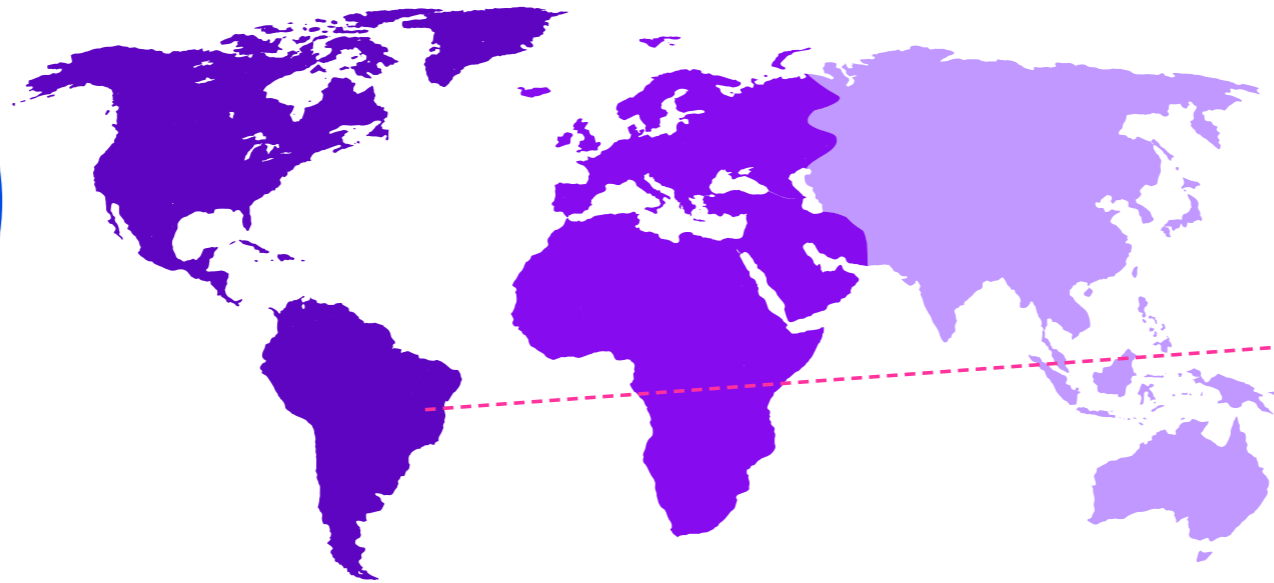
KPMG International

236,257
professionals
work in member
firms worldwide

48%
are women

145
countries
in the five
continents

USD 32.13
billion
in revenue
FY2021



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

Americas
59,325 professionals | Revenue **US\$ 11.88 BN**

Europe, Middle East and Africa
126,486 professionals | Revenue **US\$ 14.28 BN**

Asia Pacific
50,449 professionals | Revenue **US\$ 5.97 BN**

KPMG in Brazil

4,933
professionals

6,240
clients
throughout Brazil (public,
private and social
organizations)

22
offices
in **22** cities, **13**
states and the
Federal District
in Brazil

RS 1.7 BN
gross
revenue
FY2021

68.5% São Paulo | **11.4%** Rio de Janeiro | **20.1%** Federal District and other states (Amazonas, Bahia, Ceará, Goiás, Mato Grosso, Minas Gerais, Pará, Paraná, Pernambuco, Rio Grande do Sul and Santa Catarina)

Our values



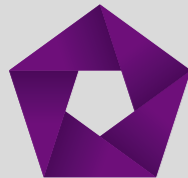
Integrity

We do what is right



Excellence

We never stop learning and improving



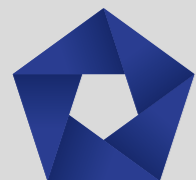
Courage

We think and act boldly



Together

We respect each other and draw strength from our differences



For Better

We do what really matters

KPMG impact on society



Society' most relevant issues connected to KPMG and the business, according to the members of the Executive Board:

- Professional education
- Knowledge creation and transmission
- Modernization of the tax system
- Solutions to large scale problems
- Diversity, equity and inclusion
- Preparing leaders for an inclusive and regenerative future
- Strengthening internal processes against misinformation (such as greenwashing and others)
- Professionalization of governance structures
- Support for startups and micro and small businesses
- Planned transition to an inclusive, low greenhouse gas emission, circular and regenerative economy

Innovation and technology

We develop high-impact projects that combine management and innovation to support all stages of our clients' digital transformation journey. To achieve this, we make integrated use of disruptive technologies and our vast experience in our clients' businesses and in the markets where they operate.

With this in mind, we have invested in three fronts:

1. Technology

Consistent global cloud-based platforms to drive service delivery quality and new business solutions and services tailored to the needs of each client.

2. People

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

3. Innovation

Expanding the range of digital offerings and possible work with the support of our diverse ecosystem of strategic alliances and our global innovation network.

Developing innovative professionals

KPMG Journey to Digital

3.075 professionals

12.492 hours

Tax Transformation

706 participants

11.348 hours

Audit Academy (Kcw Methodology)

1.661 participants

65.456 hours

Innovation in Audit

Our strategic choice has been to combine the best talents with the use of state-of-the-art technologies to deliver high-quality audits that achieve greater depth, agility and transparency in the risk insights provided to clients.

KPMG Clara

KPMG Bank Sector Routines

KPMG Chrono

KPMG Funds Sector Routines

KPMG Cognitive

KPMG Insurance Sector Routine

Inventory App



Innovation in Tax

We help our clients to rethink their tax areas, so that they become more digital, agile, strategic and innovative in the face of the fast evolutions and new challenges of the market (such as those arising from Web 3.0, NFTs, cryptocurrencies, blockchain, metaverse, etc.). We work in the design and execution of this transformation journey, combining our solid tax knowledge with the latest technologies and tools (Lighthouse) and our expertise in management, risks, people and processes (Advisory).

- **Tax Data & Analytics**
- **Data lakes for Tax**
- **Tax Innovation Hub**
- **Tax Transformation Assessments**
- **Content production available in webcasts, lives and podcasts**
- **Intelligent automation and other Technologies (OCR, CAT-42, checking tax rules via APIs)**
- **Tax Transformation Certification Program, supported by KBS – KPMG Business School.**



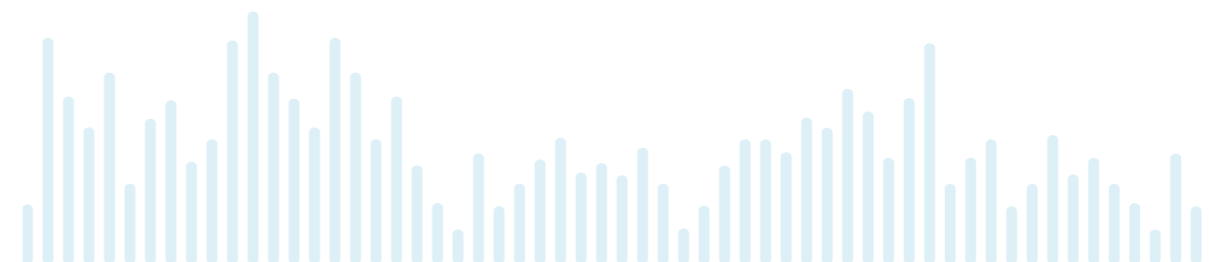
Innovation in Advisory

Key resources we add to our traditional capabilities include the full range of solutions globally recognized by analysts aimed at digital transformation – including cybersecurity – as well as the advanced use of AI and intelligent automation in Regulatory Driven Transformation and Deal Advisory solutions.

Cognitive solutions



- **SAP/ORACLE**
- **Lighthouse**
- **Digital Platforms**
- **Leap**





Strategy and value creation

An important asset of our business and foundation of how we operate, our sustainability strategy consists in convert the knowledge generated by the entire KPMG network on trends, specific markets, standards, legislation and technology into innovative and sustainable approaches that create value for all stakeholders and our business.



Inputs

Public trust

- Relations with key stakeholders in society – including regulatory bodies, governments and civil society
- Compliance with laws and industry standards
- Maintenance of high-quality standards and effective risk management
- Responsible and ethical business approach

People

- Time, resources and professional knowledge of our teams
- Diversity of our people – in terms of experience, skills, approach and identity
- Investment in training and skills development
- Inclusive and supportive work environment

Clients

- Quality of our audits, strategic engagement and other products and services
- Speed and effectiveness of our processes and systems
- Knowledge, expertise and resources of KPMG’s global network

Innovation and Technology

- Investment in IT infrastructure, systems and new business models
- Culture that encourages innovation throughout the firm
- Responsible use of data and strong data security
- Partnerships with key suppliers, including ServiceNow, Microsoft and Salesforce

Financial force

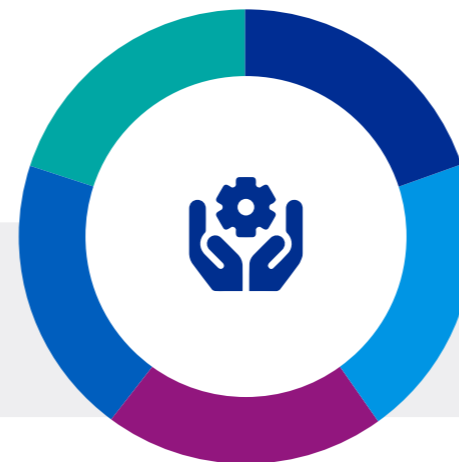
- Equity, debt and income that allow us to invest and grow

Business model

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

Quality controls

We have a robust quality control system to ensure that our services meet the highest possible standards.



Skills & expertise

To offer high quality services, we rely on the knowledge, skills and experience of our people.

Assurance & Advisory

Most of our revenue comes from our two main business: Assurance and Advisory.

Profits & value creation

From our business, we create value for our clients, shareholders, employees and society as a whole.

Thought leadership

Through our knowledge leadership work, we contribute to public debates on key economic, social and environmental issues.






Global network

We rely on the resources and know-how of KPMG’s global network.

Technology & innovation

More and more we use data and new digital technologies to support our work - we also work with partners and allies to drive innovation.

Outputs

- 
 - Increased public trust and better relationships with key stakeholder
- 
 - More engaged and diverse teams – able to attract and retain key skills
- 
 - Continued business growth and higher levels of client satisfaction
- 
 - Become a fully digital company - offering greater efficiency and more insights for clients
- 
 - Higher operating revenue and profit

Benefits for society

- 
 - 
 - 
 - 
 - Greater confidence in financial markets and corporate reports
- 
 - 
 - 
 - Creation of skilled and more employable workforce
- 
 - 
 - 
 - Better business decision making across companies
- 
 - Greater efficiency, innovation and secure use of data
- 
 - Contribution to continued economic growth

Material topics

Material topics	Subtopics
Ethical commitment	<ul style="list-style-type: none"> • Anticorruption • Hotlines • Customer Privacy and security practices • Unfair competition • Modernization of the tax system
Dignity and equality	<ul style="list-style-type: none"> • Diversity, equal opportunities and non-discrimination policies • Diversity, equality and inclusion
Health and well-being	<ul style="list-style-type: none"> • Health and safety
Skills for future employability	<ul style="list-style-type: none"> • Training and education • Professional education
Creation of jobs and values	<ul style="list-style-type: none"> • Support to startups and to micro and small businesses
Innovation for better products and services	<ul style="list-style-type: none"> • Strengthening internal processes against misinformation (such as greenwashing and others)
Community vitality	<ul style="list-style-type: none"> • Support to startups and to micro and small businesses
Governance with purpose	<ul style="list-style-type: none"> • Preparing leaders for an inclusive and regenerative future
Quality of governance structures	<ul style="list-style-type: none"> • Anticorruption • Risk management and governance • Preparing leaders for an inclusive and regenerative future • Professionalization of Governance structures
Stakeholder engagement	<ul style="list-style-type: none"> • Hotlines
Climate changes	<ul style="list-style-type: none"> • Own emissions • Third party/supplier emissions
Biodiversity loss	
Water management	

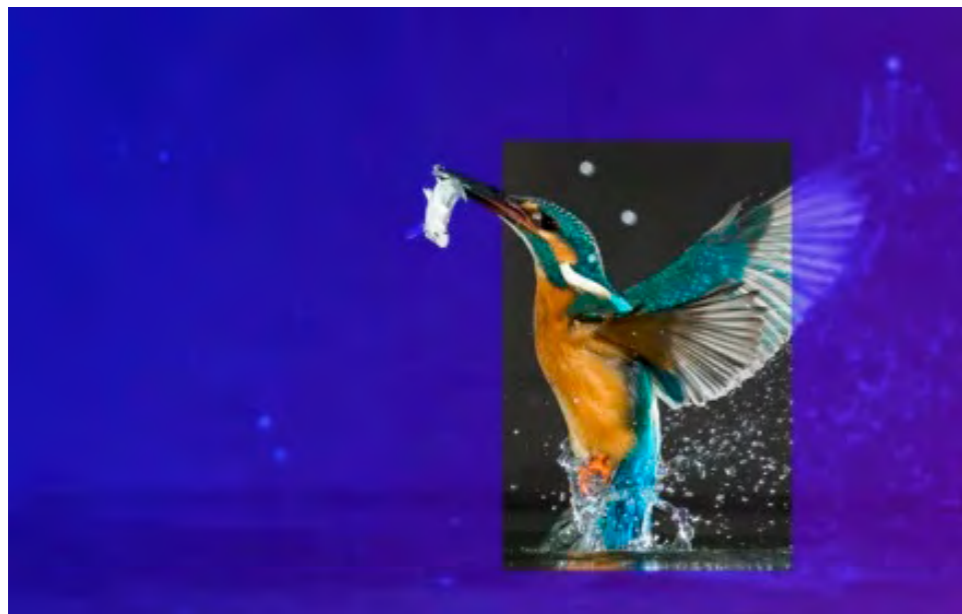
Main KPIs of ESG management

The main indicators for monitoring KPMG's performance in relation to material topics and to defined goals will be presented in the Governance, Social Performance, Environmental Performance and Economic Performance chapters.



KPMG: Our Impact Plan

The environmental, social and governance (ESG) commitments that we are taking on our journey to become a better business are also gathered at [KPMG: Our Impact Plan](#). Through it, in addition to reaffirming our alignment with the Global Compact Principles and the Sustainable Development Goals (both UN), we demonstrate the progress we have made so far and how we are working side by side with clients to support them on their own ESG journeys.



KPMG: Our Impact Plan presents our commitments in four categories:



Planet

Reduce our environmental impact to build a more resilient and sustainable future.



People

Create a culture of care and inclusion, guided by values, to our people.



Prosperity

Conduct business practices based on purpose and on good corporate citizenship.



Governance

Put our values in the center of everything we do.

Governance

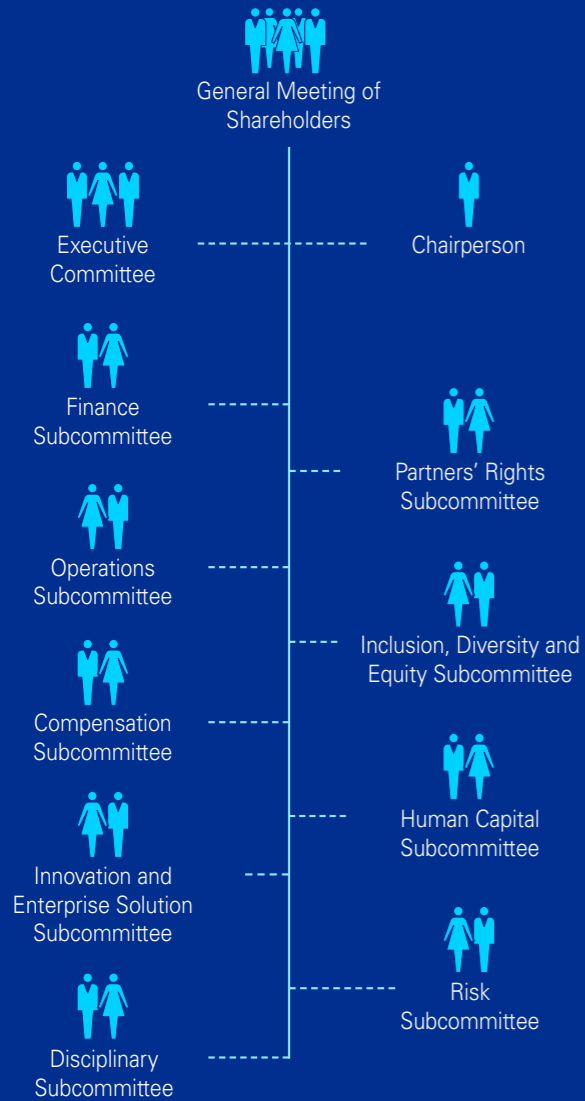
Ethics and integrity are the pillars that keep us as one of the most trusted firms in our segment for the market, our clients, our professionals, our partners, governments and regulatory bodies, the press and the communities where we operate.

Supported by a robust set of principles, policies and processes, the culture of integrity permeates the entire KPMG network, converting our values into ethical

actions and behaviors on a day-to-day basis, from the leadership to our teams. This involves communicating transparently, practicing zero tolerance towards corruption and bribery, choosing clients that share our principles and ensuring our independence.



Governance Structures



Committees responsible for decision making about economic topics: **Finance Subcommittee**
 environmental: **Executive Committee**
 social: **Inclusion, Diversity and Equity Subcommittee**

Risk Management

Our ethics and integrity mechanisms and indicators

Anticorruption system

- Enterprise Risk Management (ERM)
- Risk Compliance Program (RCP)
- Anticorruption Training
- Contracts with anticorruption clauses
- Code of Conduct

Channel for communications about our behavior

Brazil: 0800 891 7391
 Other countries: www.clearviewconnects.com

Control of unfair competition, trust and monopoly practices

Prohibition on contribution to political parties

Protection of customer privacy

- Global and local Information Security Policies, Acceptable Use Policy and Personal Data Protection and Privacy
- Channel for reporting security incidents and personal data breaches
- Information security and personal data protection mechanisms
- Awareness training and materials
- Privacy Program

Monitoring of socioeconomic compliance

Handling discrimination cases

Ethical communication and marketing

Cases that which corruption is suspected are subjected to analysis of Complaints Investigation (OGC), Compliance (RM) and Human Resources areas. If it's confirmed they are taken to the appropriate committees. In 2021, there were no confirmed cases of corruption involving our professionals and our suppliers.

¹ Not applicable, considering that the GRI description is industry-oriented.

Social performance



We are committed to care for and develop our people. We seek to maximize the creativity and talent of our professionals by providing an innovative, flexible and safe work environment, supported by an inclusive, ethical and collaborative culture that encourages continuous learning and everyone's role as inspiring and purposeful leaders.

We consider diversity an absolutely relevant subject. We believe that a

diverse and inclusive environment contributes to creativity and generates the best ideas, which allows us to contribute to our clients more effectively.

We have an Inclusion, Diversity and Equity subcommittee that works on the pillars of Race and Ethnicity, LGBTQIA+, People with Disabilities

and Women, with the support of specific groups for each of them. Our fifth pillar of work, Synergy, is dedicated to ensuring that all our actions have an intersectional perspective and are present in all our offices.

Our people

Our diversity profile



By employment relation

- 4,471** employees officially registered
- 451** partners
- 4** interns
- 7** temps with no employment relation, allocated to infrastructure support services

By office

- 3,379** in São Paulo
- 563** in Rio de Janeiro
- 991** in the other cities

By work schedule

4,874 full time **59** half time

By age group

2,735 up to **30** years-old **55%**

2,081 between **31-50** years-old **42%**

117 over **50** years-old **2%**

By level of education

Higher and university Education **4,815** **98%**

Primary and Secondary Education **118** **2%**

By gender

 **2,425** women **49.2%**

 **2,508** men **50.8%**

By other indicators

 **2%** people with disabilities

 **5%** Black*

 **1%** foreigners

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



Talent attraction and retention

To attract and retain the best talents, we invest in the development of our professionals since the selection processes and we offer many opportunities for career development. Furthermore, we promote a good organizational climate, take care of employees' health, quality of life and safety and we offer competitive benefits in relation to the market.

Turnover

Turnover is a reality in our sector due to new development opportunities. In 2021, our rate was

38.4%

Promotions

In 2021, we continued to recognize our professionals for their dedication, effort and engagement:

46.6%

of them were promoted.

Organizational Climate

The Global People Survey (GPS) is a global tool of KPMG intended to capture feedback from our professionals on various subjects.

The results allow us to consider trends and compare our performance to internal and external benchmarks. Among the 19 global categories evaluated by GPS, those with the highest scores in Brazil were:

Collaboration

87

Learning

87

Corporate citizenship

86

Professional growth

86

Trainee program

Our trainee programs have always been among the most attractive on the market. In 2021, due to the pandemic, the selection processes were carried out in a fully digital way. We had a total of 38,960 applicants (a rate of 66 applicants per position) of whom 592 were hired.



Talent program

The Workforce Planning structure works together with the leaders of each business unit to define the best strategy to allocate professionals, by assessing the use of People Plus platform, which allows to search for the skills of professionals, distance from their home to the client, market segment in which they have already worked for and their experience within each client.

In 2021, we worked on improving the allocation processes, seeking automation and new integrations to enable the best use of our professionals.



Performance assessment

Promotions and salary increases are defined by the MyPD performance assessment. In 2021,



of our professionals received performance and career development feedback.

Occupational Health and safety

The Safety Labor department uses the SOC system of the health and safety service provider, which, together with internal procedures, manages and meets all occupational safety legal requirements applicable to KPMG.

We also maintain quality of life programs, which encourage our professionals to have healthy habits, balance work and personal life, physical and mental health, and work safely and comfortably.

Covid-19 actions

EAP Service – Social Support Program

Psychological support, social, legal and financial assistance.

Dr. Aon

Service channel with doctors and nurses available 24 hours a day to answer questions about coronavirus symptoms, for professionals and their dependents.

Services for covid-19 cases: individual service to provide comfort and a closer relationship with our professionals.

Condolences e-mail

Message sent to all professionals who lost family members and warm reception from Partner Luciene Magalhães, head of People and Culture, contacting each professional.

Other health actions

- **Campaigns:** Influenza vaccination; Yellow September (mental health); Pink October (women's health); and Blue November (men's health).
- **Women's Health:** exemption from co-participation in medical exams and appointments for three months, with a focus on prevention (campaigns "Have you had your preventive exams this year? Take care of yourself and of those you love" and "Be kind to yourself!").
- **Podcast Dr. Nicole Laffi.**
- **Hiring a doctor for KPMG.**
- **SIPAT lectures focusing on mental health.**
- **Reinforcement of the Gympass benefit with a focus on well-being.**

Quality of life program

MY LIFE

- **Culture and entertainment:** special programs, itineraries and discounts on magazine subscriptions and art and cultural events.
- **Facilities:** services that facilitate the routine of professionals, such as discount partnerships at colleges, restaurants, stores, hairdressers, etc., and ads on the intranet for the purchase and sale of goods and services.

The Facilities department also promoted the adaptation of our facilities according to the recommended protocols for covid-19 and disclosed the plan to return to the offices to all professionals.

Benefits

We offer more than 20 benefits as a way to reward our professionals for the quality of their work and engagement. The main benefits are:

1. Gym
2. Medic and odontalgic assistance
3. Childcare assistance

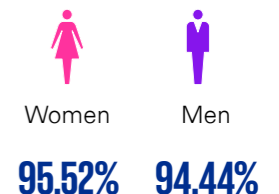
4. Wedding and birth corporate gift
5. Check-up
6. Pharmacy agreement
7. Payroll loan
8. Parking
9. Incentive to undergraduate, graduate and language courses
10. Financial aid for professionals with fluency in English
11. Kfleet (vehicles for managers, senior managers and superintendents)
12. Private pension
13. Life insurance
14. Food and meal ticket

15. Transportation ticket
16. Gift voucher
17. Class association subsidy
18. Profit sharing program
19. Gift on Children's Day*

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

Parental leave

In 2021, the return-to-work rate of employees who took maternity/ paternity leave was



On the other hand, the retention rate was



Learning and development

We maintain an environment of continuous learning at KPMG, so that we can exceptionally develop our talents and, this way, always deliver the best services, be prepared to deal with the high volume of market uncertainties and boost the attractiveness of our brand.

In 2021, we modified and improved some internal processes to adapt to the new reality of the online world, without interfering with the annual training schedule.



Investments in learning and development



Average training hours per year, per employee



Training methodologies

E-learning
180,926 h

External
122,251 h

In-person/Live streaming
249,491 h

Leaders lecturing in training programs

314 partners
632 managers

Trainings about sustainability, socio-environmental responsibility, diversity and inclusion

20 courses
1,972 professionals participated
8,102 hours

Mobility and exchange programs Global Opportunities

02 professionals received
05 professionals sent
05 countries involved:
Japan, UK, US, Netherlands and Germany

Our communities

The connection with the SDGs guides the firm’s daily activities. Globally, our approach to corporate citizenship in communities prioritizes SDG#4/ Quality Education and SDG#13/Combat Climate Change. Lifelong Learning is adopted as a strategy to break the cycle of poverty. In Brazil, education is one of the major issues that need to be addressed, as public data on quality and coverage indicate.

Therefore, encouraging education is present in all interactions we establish with our stakeholders. When we look at the community, this translates into direct investment in initiatives that encourage learning, pro bono audits for non-profit organizations, mentoring and corporate volunteering and mobilization campaigns.

Globally, we are committed to empowering 10 million vulnerable youth through education, access to work and entrepreneurship by 2030.

Local investment in communitarian impact projects

R\$ 2.9 MM
in 2021

78.1%
in education projects

21.9%
in pro bono/compensation work,
to which
2,818
hours

Participation of
2,115
professionals,
who dedicated

4,580
hours to
volunteer work



Our relationship with clients and the market

Clients are at the heart of our attention. To transform their operations and improve their performance, we have developed an increasingly diverse and comprehensive portfolio of solutions that holistically combine our business knowledge with the new technologies that emerge every day.

Clients served

6,240 in 2021 **4.2%** more than in the previous cycle

Satisfaction survey


84%

of the responding clients are satisfied with our work, in aspects such as relationship, service quality, understanding of their business, technical knowledge, communication and responsiveness

Shared knowledge

To qualify the debate on complex subjects that we deal with in the business world, we make available to our stakeholders a wide repertoire of information, built by the KPMG network day by day. Some of the strategies to share this knowledge are collaborations with the press, dissemination of research and studies, participation in debates, sponsorship and promotion of events.

175 publications released
R\$ 2.4 MM in events
533 own and sponsored events
97 mil participants

Presence in the press

19,344 mentions
13,738 published materials
959 published articles



Audit Committee Institute (ACI)


It is a forum for disseminating good corporate governance practices, political-economic, corporate, legal and tax trends that are decisive for business. In 2021, ACI events in Brazil were held online, due to the covid-19 pandemic.


9
ACI meetings in Brazil

1,024
participants

2021 Results

 Number of registrations **1,292**  Radio hits **14,502**

 **753** texts **56** videos **78** podcasts

 **4,966** Professionals **89,873** Accesses
166,784 Accesses **1,063,861** Accesses

App KPMG South America Cluster

Free application that gathers news, videos, podcasts, webcasts, Business Magazine, events calendar and a radio broadcasting daily music and information programs, to provide dynamic, specialized and reliable content to our stakeholders.



Public commitments

As a way of demonstrating our commitments to the future, we are voluntary signatories or supporters of various global and national initiatives. They are:

Development and Environment

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

Human Rights

- Guiding Principles on Business and Human Rights
- Ethos Human Rights

Diversidade

- Women’s Empowerment Principles – UN Women
- HeforShe – UN Women
- Fórum de Empresas e Direitos LGBTI+
- Iniciativa Empresarial pela Igualdade Racial
- Coalizão Empresarial pelo fim da violência contra mulheres e meninas
- Women Corporate Directors (WCD)
- Movimento Mulher 360

Ethics and Integrity

- Partnership Against Corruption Initiative / World Economic Forum

Relationship with suppliers

Our suppliers are classified according to the impact they can have on our operations: high, medium and low. This assessment is done at the time of contracting, before signing the contracts, and is revalidated annually. Based on this classification, our approach to each group is defined:

High impact

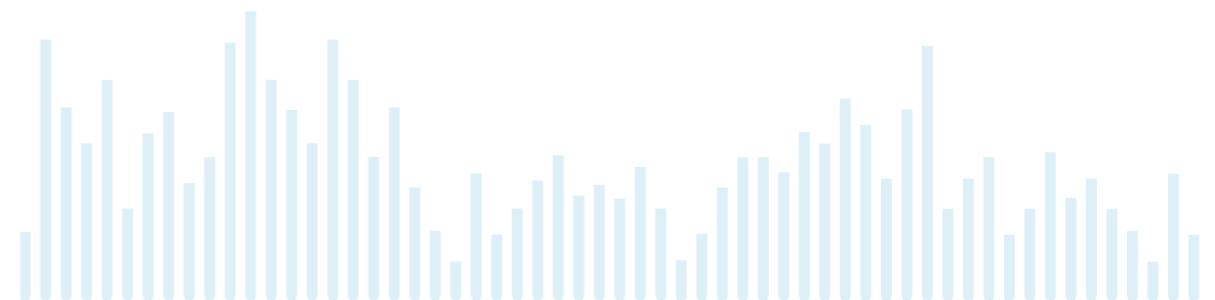
in case of interruption, there is high complexity in the replacement (low supply or lengthy process). Critical business services, used on a large scale, which can affect essential operations, reputation, brand value or the well-being of our professionals. Suppliers in this group may have access to KPMG’s confidential, physical and digital information or provide full-time resident labor in our offices.

Medium impact

in case of interruption, there is some complexity in the replacement (medium supply). Business support services/products, which can be used on a large scale, but do not pose risks; Third Party - client facing.

Low Impact

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



Environmental performance

To reduce the environmental impacts of our operations and encourage the implementation of more sustainable business models, we have developed several global and local initiatives. Our action is guided by global frameworks:





Greenhouse gas emissions

In 2021, our emissions were neutralized with the acquisition of credits by an afforestation and reforestation Project, classified as a Clean Development Mechanism (CDM) and **UN** certified.

In 2022 KPMG Brazil joined the Brazilian GHG Protocol Program and will report our inventory to the Public Emissions Registry. This way, the inventory

of greenhouse gas emissions (base year 2021) was verified by a third party.

For the base year 2021, there were low emissions in the categories that make up Scope 1 (direct emissions) because for most of the year our professionals remained working at home. Furthermore, we replaced motorcycles powered by fossil fuels, used in São Paulo offices,

for others powered by electric energy.

Regarding the electricity, that makes up Scope 2, there was an increase in emissions linked to the GRID electricity factor, due to the need to activate thermoelectric plants to supply the country's energy demand in the face of a water shortage scenario.

KPMG's greenhouse gas emissions inventory in tCO2e by category

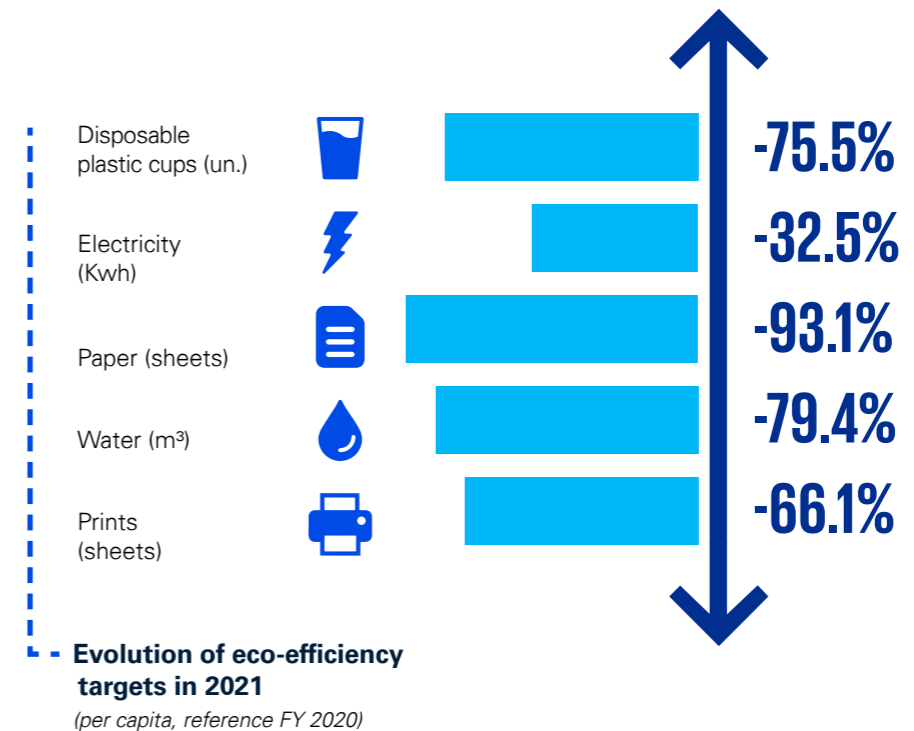
Category	2021	2020
Mobile combustion	4.4	17.0
Stationary combustion	1.0	0.5
Fugitive emissions	0.4	0.4
Total Scope 1 (tCO2e)	5.8	17.9
Electricity (location approach)	213.8	111.0
Electricity (purchase choice approach)	185.8	-
Total Scope 2 (tCO2e)	213.8	111.0
Business travel (land)	758.6	1,400.3
Business travel (air)	280.6	880.0
Hotel accommodation	47.8	93.7
Upstream transport and distribution	5,179.6	1,301.0
Purchased goods and services	5,440.4	8,592.3
Total Scope 3 (tCO2e)	11,706.9	12,267.3
Montreal Protocol: HCFC 22 (tCO2e)	-	16.2
Total emissions (tCO2e)	11,926.5	12,396.2
Total employees	4,806.0	4,600.0
TOTAL PER CAPITA (tCO2e/nr of professionals)	2.5	2.7

Note:

- Data collected by KPMG Brazil and calculated according to the Brazilian GHG Protocol Program, which requires the reporting of emissions considering the calendar year (January to December 2021). We report here the 2021 emissions and the 2020 history considering the calendar year and no longer the fiscal year (FY), as done in previous reports.

Eco-efficiency Targets

We set local eco-efficiency targets to inspire the adoption of more sustainable habits at KPMG and in the personal lives of our professionals.



In 2021, all eco-efficiency targets were exceeded. The big difference compared to the previous year is largely explained by the absence of professionals in our offices due to the covid-19 pandemic.

KPMG: Our Impact Plan

Environment that brings together our commitments to the planet, stipulates eco-efficiency targets and promotes constant dialogue with our stakeholders to develop awareness and engagement towards sustainability.

KPMG IMPACT

Platform that leverages the expertise of KPMG professionals around the world to help clients reduce carbon emissions, transition to renewable energy and integrate climate risk into corporate strategies.



We also provide extensive advice on green finance and are working with the World Economic Forum to drive systemic change to accelerate the energy transition.

Economic performance

Through our audit and tax services, we seek to collaborate so that business is run fairly and transparently, and through KPMG IMPACT and our advisory services, support clients to become more effective and resilient in the face of current and future challenges and opportunities.

These practices not only help the companies and organizations we serve, but also foster a broader economic growth and prosperity for the whole society. Our results reflect our responsible attitude. In 2021, when we faced the impacts of the pandemic during the 12 months of the year, our revenue was R\$ 1.7 billion, an amount 22.8% higher than in the previous cycle.





Added Value Statement* (R\$ thousand)

Category	2021	2020	2019
Direct economic value created	R\$ 1,753,262	R\$ 1,427,643	R\$ 1,422,918
a) Revenues	R\$ 1,753,262	R\$ 1,427,643	R\$ 1,422,918
Economic value distributed	R\$ 1,399,426	R\$ 1,193,036	R\$ 1,175,763
b) Operational costs	R\$ 264,157	R\$ 254,159	R\$ 253,963
c) Employee wages and benefits	R\$ 772,038	R\$ 636,681	R\$ 622,166
d) Payment to capital providers	R\$ 14,318	R\$ 14,661	R\$ 13,761
e) Payments to the government	R\$ 348,912	R\$ 284,917	R\$ 283,419
f) Investments in the community	R\$ 2,829	R\$ 2,616	R\$ 2,452
Voluntary contributions (including pro bono) to social, environmental and cultural projects	R\$ 2,829	R\$ 2,616	R\$ 2,452
Contributions to social, environmental and cultural projects under tax incentive laws**			
Accumulated economic value	R\$ 353,835	R\$ 237,223	R\$ 249,608

*This information refers to the periods from January to December 2021, 2020 and 2019 and represents the operations of all independent companies operating under the name KPMG in Brazil. In accordance to a current legislation, independent companies operating under the KPMG brand in Brazil are exempt from disclosure of balance sheets.

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

Credits

Overall coordination

Environmental, Social & Governance (ESG) Advisory Services
Corporate Citizenship Department - KPMG Brazil

GRI consulting, review and compilation of disclosures

Environmental, Social & Governance (ESG) Advisory Services

Publication Coordination

Janaina Arantes do Nascimento Clementoni - DWI Agência Online

Publishing project and texts

Carmen Nascimento and KPMG

Design and layout

Frederico Clementoni - DWI Agência Online

Images

Fernando Duque Vieira, supported by Camila Sant'Ana Nascimento

Independent Assurance

Green Domus

KPMG headquarters in Brazil

Rua Arquiteto Olavo Redig de Campos, 105, Torre A, 6° ao 12° andar
Chácara Santo Antônio – São Paulo – SP – CEP 04711-904

Contact information



Danilo Vieira
dvieira@kpmg.com.br



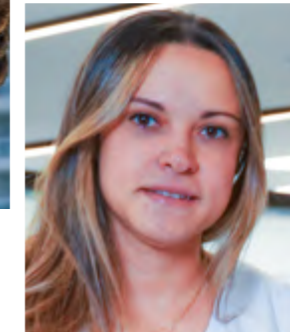
Eliane Momesso
emomesso@kpmg.com.br



Nelmara Arbex
narbex@kpmg.com.br



Gabriela Amaral
gvamaral@kpmg.com.br



Mayara Oliveira
mayaraoliveira1@kpmg.com.br

Channel for information about this report



E-mail

BR-DLRelatoSUSKPMG@kpmg.com.br

Share with us your comments, questions, suggestions or criticisms!

Sustainability Report

2021



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