



# Our Impact Report

Ireland



# A Message From Our Managing Partner

At KPMG Ireland, our Purpose is to inspire confidence and empower change. That's why, in 2021, we followed KPMG International in sharing our first Impact Report outlining our environmental, social and governance (ESG) performance and commitments against the World Economic Forum's (WEF) Stakeholder Capitalism Metrics. In this report, we share how we are progressing against these commitments.

Today, the world faces enormous collective challenges – from climate change and the knock-on effects of a global pandemic to social injustice and geopolitical instability. As a result, it has never been more important for organisations to be a catalyst for positive change.

In our inaugural KPMG Ireland Impact Report, shared in 2021, we committed to making this an annual update. In this report, I wanted to share how we are progressing in relation to the commitments we set out and our plans for the coming years. This report therefore provides data for the calendar year ending 31/12/2021, unless otherwise stated. Our progress may not always be linear, but we will always be transparent, and lead the way in adhering to best-practice sustainability standards.

At COP26 in Glasgow in 2021, the world's most influential organisations, politicians, environmental visionaries and communities came together to discuss the actions we must take today to protect our planet. It was clear that ultimately, the emergency for our climate comes down to a single metric: the concentration of greenhouse gases in our atmosphere. Today, we know how to stop that number rising and – more importantly – how to reverse it.

At KPMG Ireland, we recognised the imperative for this change early and have been carbon neutral since 2007. In 2021, we took the next step and committed to becoming a net-zero organisation by 2030, as verified by the Science Based Targets initiative. We are making good progress towards achieving this ambition. We are also playing

our part in accelerating the transition to net zero by supporting our clients and the government with their net-zero journeys.

The ESG movement is broader than just climate change, though. It is also challenging businesses to report on the impact we make on our people and society. At KPMG, we are a people business and our success is 100% down to them. We recognise that our employees are our most important asset, so we place huge emphasis on enabling a caring, inclusive and values-led culture that allows them to bring the best of themselves to their clients and communities.

It is clear that the ESG movement has gathered momentum as a result of the passion and energy of the next generation. That's why we established our own NextGen Council to shape, guide and challenge our ESG strategy. This is a multi-generational group of individuals from all levels and functions across our business who are passionate about the ESG agenda. It is fantastic to have such energy and commitment shaping our ESG ambition for the future.

We will continue to build on the foundations set and do the work that's needed to deliver on our commitments.



Seamus Hand  
Managing Partner, KPMG Ireland

**“When it comes to our own footprint, we follow the same advice that we give our clients. I’m delighted to present our second annual Impact Report, which builds on our inaugural report to outline the progress we’ve made against our key Environmental, Social and Governance commitments.”**

**Seamus Hand**  
Managing Partner



# What We Do

KPMG Ireland is part of a global organisation of independent professional services firms that, together, span 145 countries and territories and employ around 236,000 people.

KPMG in Ireland is a provider of professional services, offering a range of Audit, Tax, Deal Advisory and Consulting services to a broad range of domestic and international clients across all sectors of business and the economy. We operate on an all-Ireland basis and had 107 partners and 3,695 people at 31 December 2021. We have six offices located across Ireland in Dublin, Belfast, Cork and Galway. Full details of all the services we offer can be found on our website: [www.kpmg.ie](http://www.kpmg.ie).

Our ambition is to be Ireland's most successful and ambitious professional services firm and to be respected as a trustworthy firm that all our people are proud to be part of. We recognise that our commitment to our people, our clients and our communities is integral to achieving this ambition. Our reputation depends on our impact, as does our ability to achieve all other elements of our strategy.



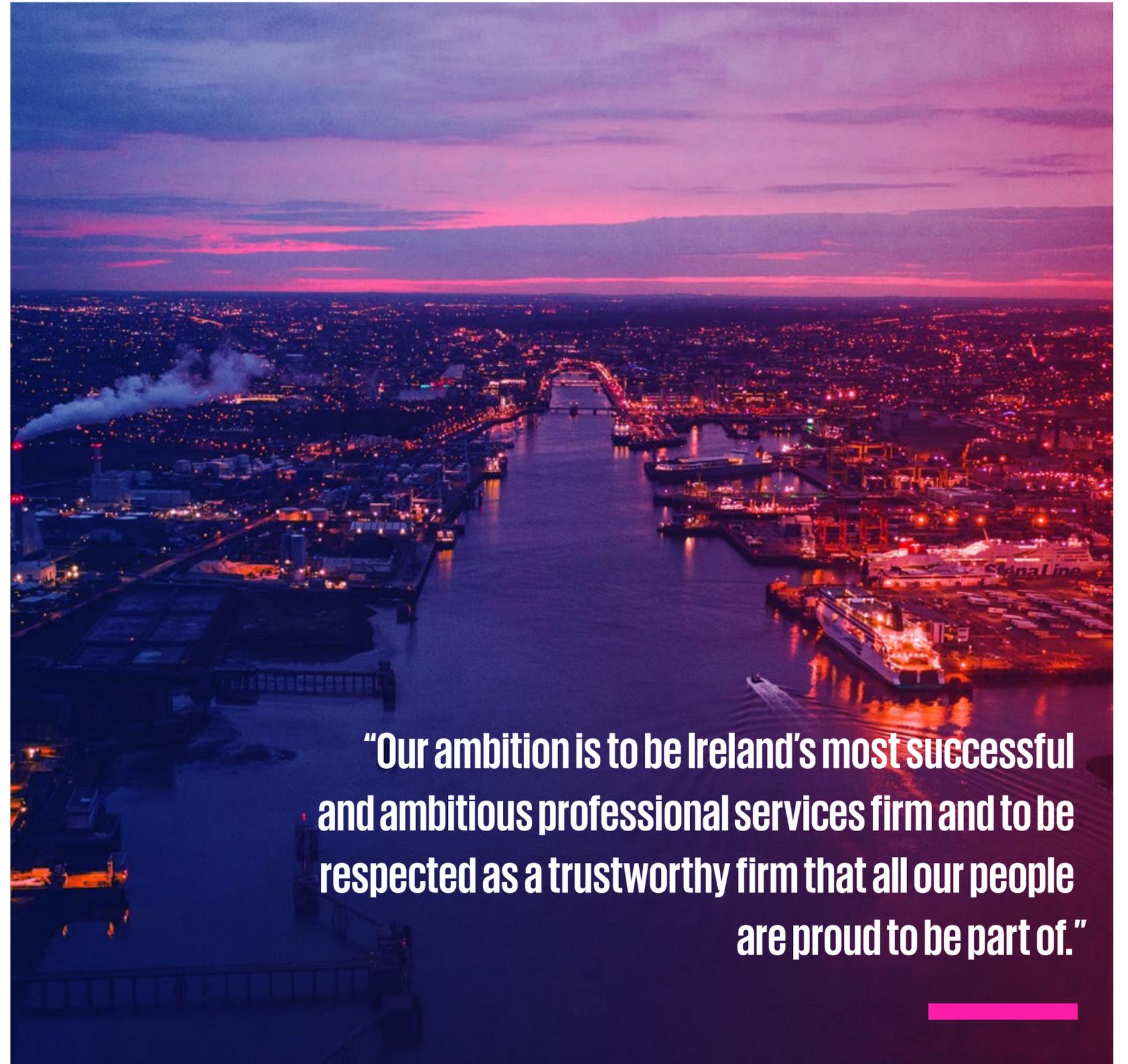
EMPLOYEES



PARTNERS



OFFICES IN IRELAND



# Our Approach

To align with the framework set out by the WEF, we have outlined our commitments across four pillars: People, Planet, Prosperity and Governance. We have then looked at each pillar across our areas of impact: our people, our clients and our communities. We will use these pillars to outline our ESG impact in this report.

**“Guided by our values and driven by our purpose, we believe we are uniquely placed to make a positive impact – for our people, our clients and our communities.”**

**Seamus Hand**  
Managing Partner



# Our Impact Plan Commitments

Delivering our Purpose: to inspire confidence and empower change



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

#### **Our Commitments**

- Build an inclusive culture that values diversity
- Eliminate discrimination with respect to 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



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

#### **Our Commitments**

- Achieve net-zero carbon emissions by 2030
- Provide financial markets, clients and our leaders with clear, comprehensive, high-quality information on the impacts of climate change
- Understand and improve our impact on nature and biodiversity



**Driving purposeful business practices and good corporate citizenship.**

#### **Our Commitments**

- Act with clear purpose at all times
- Lead the profession in audit quality
- Drive a responsible tax practice
- Support education, lifelong learning and UNESCO's Global Education Coalition



**Putting our values at the heart of the way we do things.**

#### **Our Commitments**

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

# Our Progress at a Glance

## PEOPLE

**84%**

OF OUR PEOPLE SAY THAT KPMG IS A GREAT PLACE TO BUILD THEIR CAREER

**€15m+**

INVESTED IN TRAINING OUR PEOPLE IN 2021

**49%**

OF OUR WORKFORCE IS FEMALE

**40%**

OF EMPLOYEES PROMOTED TO PARTNER IN 2021 WERE FEMALE (+7% ON 2020)

 **352**

OF OUR EMPLOYEES RECEIVED A PROFESSIONAL QUALIFICATION IN 2021

 **No.1**

GRADIRELAND GRADUATE EMPLOYER 2021

## PLANET

 **Net Zero**

KPMG IRELAND PLEDGED TO BECOME A NET-ZERO CARBON ORGANISATION BY 2030, VERIFIED BY THE SCIENCE BASED TARGETS INITIATIVE

**100%**

RENEWABLE ENERGY ACROSS OUR ESTATE

 **1 of 69**

LOW CARBON PLEDGE SIGNATORIES WITH BUSINESS IN THE COMMUNITY

## PROSPERITY

**1,055**

NEW HIRES (56% MALE, 44% FEMALE)

**+16%**

HEADCOUNT GROWTH IN 2021

**€162m**

PAID IN PAYROLL TAXES, VAT AND CORPORATE TAX

**+16%**

REVENUE GROWTH IN 2021

**12,000+**

VOLUNTEER HOURS LOGGED (+2000 ON 2020)

**€2m**

RAISED FROM CASH DONATIONS, EMPLOYEE FUNDRAISING AND IN-KIND DONATIONS (+€200K ON 2020)

**7,180**

BOOKS DONATED WITH CHILDREN'S BOOKS IRELAND

**56**

FEMALE ENTREPRENEURS PARTICIPATED IN THE GOING FOR GROWTH INITIATIVE IN 2021

## GOVERNANCE



**100%**

COMPLETION OF ACTING WITH INTEGRITY TRAINING

**90%**

OF OUR PEOPLE SAY THAT KPMG'S COMMITMENT TO QUALITY IS APPARENT ON A DAY-TO-DAY BASIS

# People

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

## **OUR COMMITMENTS**

- Build an inclusive culture that values diversity
- Eliminate discrimination with respect to 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



# Who We Are

Ultimately, our people are our business. We depend upon them to work side by side with our clients and stakeholders to address their most pressing challenges and unlock their most compelling opportunities. And we strive to create an inclusive and values-led culture that enables them to thrive and deliver the best outcomes.

We continuously check in with our people to see how they think we are doing and look for their insights. This is what they told us in our 2021 People Survey:

## Trust & Leadership

83%

SAY THEY TRUST THE LEADERSHIP OF THE FIRM

78%

THINK LEADERS DEMONSTRATE OUR VALUES

## Collaboration

89%

FEEL WE MAKE GOOD USE OF TECHNOLOGY TO COLLABORATE MORE EFFICIENTLY WITH PEOPLE IN DIFFERENT PLACES

## Quality & Risk

90%

SAY THAT KPMG'S COMMITMENT TO QUALITY IS APPARENT IN WHAT WE DO ON A DAY-TO-DAY BASIS

## Career Growth

84%

SAY KPMG IS A GREAT PLACE TO BUILD THEIR CAREER

## Learning

84%

THINK THE PEOPLE THEY WORK FOR DO A GOOD JOB OF SHARING THEIR KNOWLEDGE AND EXPERIENCE

**“Our focus is always on attracting, engaging and retaining the best talent. I truly believe that KPMG attracts the best people not only because of the work we do for our clients, but because our culture supports employees who want to make a difference in the communities where we live and work.”**



**Colm Gorman**  
Head of People

# Who We Are

Inclusion and diversity are integral to who we are at KPMG. We believe a culture of equity helps everyone advance and is a multiplier of innovation and growth.

Attracting and retaining the best talent is all about creating an environment that celebrates inclusion and belonging.

We know that every voice counts. And we want to empower all our people to stand up, speak out and know they'll be heard. That's why, in 2021, we formed our Inclusion and Diversity (I&D) Steering Group, focuses on five areas: gender, LGBT+, ethnicity, ability and socioeconomic background.

The Steering Group is central to making sure conversations around inclusion and diversity translate into meaningful change.

In 2021, over 17% of our workforce were from approximately 53 countries. Our workforce gender split was 51% men and 49% women. Those at Manager level and above were 53% men and 47% women. Our Partner Team was 79% men and 21% women. And at 7.9%, our mean gender pay gap was below the national gender pay gap of 11.3% and the overall EU gender pay gap of 15%.

We know we have more to do to close this gap. And we are actively focused on addressing the imbalance at more senior levels through our Inclusion and Diversity strategy. Over the last few years our focus has been on making sure we have the right support programmes and recruitment strategy in place to create a more balanced leadership pipeline. In 2021, 40% of the

employees promoted to partner were women, compared with 33% in 2020 and 22% in 2019.

The percentage of eligible employees that receive a bonus is equal at 96% of both men and women. All employees, including our on-site contractors, are paid above the Living Wage for Ireland.

While we are confident we have made good progress on the diversity of our workforce over recent years, we're also aware there is more to do. We are committed to ensuring that all levels and governance bodies within our organisation represent the society we live in and we are focused on the actions we need to take to achieve this.

In 2021, KPMG International set a target to achieve 33% female representation at a leadership level (which includes Partners and Directors) by 2025.

We have already achieved this target at KPMG Ireland so are actively working on setting our own local stretch target.

We believe that everyone – regardless of gender, ethnicity, age, disability, religion, socioeconomic background or sexual orientation – can reach their full potential by being valued for being themselves.

## Initiatives

Unconscious Bias training delivered across the firm

All training programmes reviewed through an I&D lens

Graduate recruitment reviewed through an I&D lens

Personal development and coaching sessions for people returning from extended leave

30% Club involvement at Steering Group level and on our Professional Services subgroup

Partner pipeline reviewed through an I&D lens

Gender focus on leadership development programmes

Gender pay review

Celebration of Pride

Annual celebration of International Women's Day

Members of Involve & work with BeLonGTo

**"I work closely with the Leadership Team at KPMG to continually create, promote and celebrate a culture that is vibrant and diverse across every dimension. That is what makes our firm one our people are proud to be a part of."**



**Karina Howley**  
Head of Corporate  
Citizenship & Diversity

# Employee Breakdown

## Age Profile of Our Workforce

AGE % BY LEVEL AT 31 DECEMBER 2021

55+ 45-54 35-44 25-34 <25

ALL



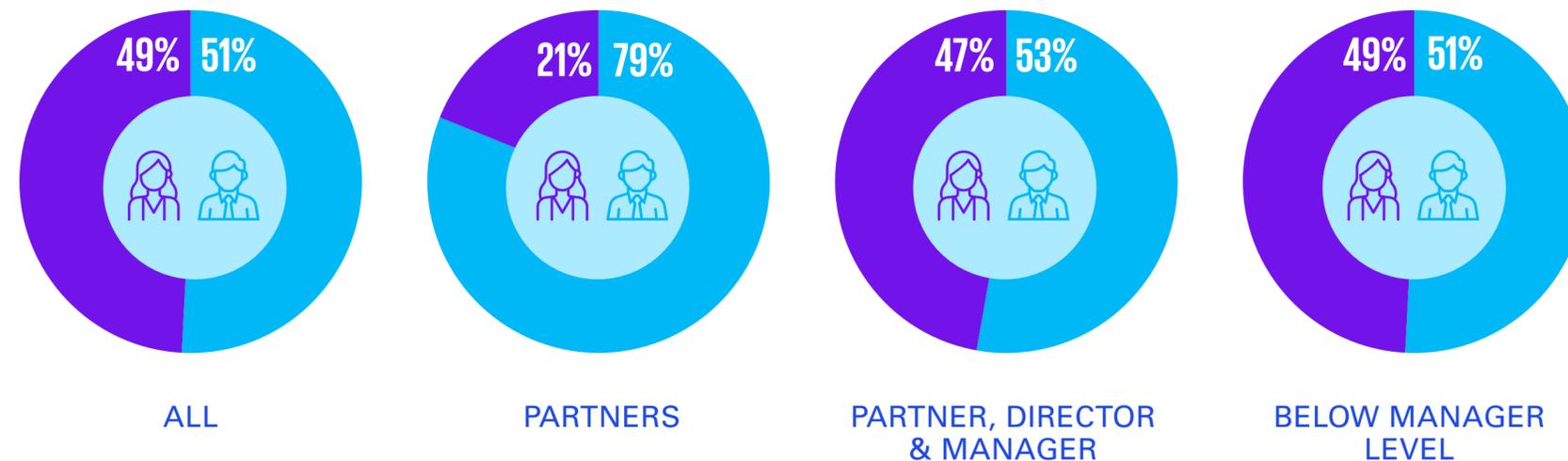
PARTNER, DIRECTOR & MANAGER



BELOW MANAGER LEVEL



## Gender Diversity Profile of Our Workforce



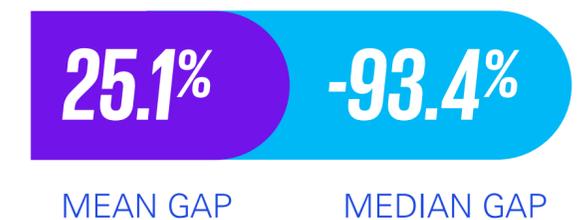
## Gender Pay Gap

We believe in equal pay for men and women. The mean gender pay gap is calculated by adding up the hourly pay of all KPMG employees broken down by gender and dividing it by the number of employees. The bonus pay gap is the difference in average bonus paid between men and women who received a bonus. The bonus is reported as the value of the bonus that was paid in the period. The mean gender pay gap for KPMG Ireland was 7.9% for a snapshot period of January 2022. The mean gap was 8.2% for the same period in 2021.

### Pay:



### Bonus:



# Our Communities

We are proud to support organisations and individuals who share our values and mission to create positive change.

**“I’m proud to partner with KPMG, a progressive firm that aligns so closely with my own values. They have been a long-standing supporter of women’s sport and are continuing to pave the way. Having backing and support from a company of their calibre is a huge boost for me as I continue on my journey.”**

**Rachael Blackmore**  
Irish jockey, winner of Grand National and Cheltenham Gold Cup



**LEONA MAGUIRE**

At KPMG, we’re dedicated to investing in young, talented people and supporting them in fulfilling their potential. We are therefore proud sponsors of Leona Maguire. On top of her inspiring Solheim Cup performance, Leona recently became the first Irishwoman to win an event (the Drive-On Championship) on the LPGA tour. Leona represented Ireland at the Tokyo Olympics and was nominated for the RTE Sports Personality of the Year award in 2021. She holds the records for most weeks at No. 1 in the World Amateur Golf Rankings, and best career scoring average for Division 1 Women’s Golf.

## Highlights

### **BE FREE** FREE TO BE ME CAMPAIGN

In 2021, KPMG and Children’s Books Ireland were delighted to announce the launch of Free To Be Me: The Diversity, Inclusion and Representation project. The project showcases the rich diversity of modern Ireland. It aims to ensure that every child can see themselves reflected in a book, as well as learning about the lives of others whose experiences and perspectives may differ from their own. In 2021, our volunteers visited many schools around the country, leading creative workshops and giving each school a Little Library of 100 books from the guide.

### **GOING FOR GROWTH**

We have supported this initiative, which focuses on driving female entrepreneurship in Ireland, for over seven years. In 2021, the 56 participants in the 13th cycle of Going for Growth grew net employment by 163, and net revenues by 9%, during the six months of the programme. Since KPMG became involved, over 450 female entrepreneurs have taken part in a cycle of Going for Growth.

### **PROUD SUPPORTERS OF PRIDE**

Pride celebrates inclusion and diversity in modern Ireland. We are also corporate members of Involve and work with BeLonG To.

### **30% CLUB IRELAND**

We are a founding member of the 30% Club in Ireland, an initiative focused on achieving a minimum of 30% female participation at Board level.

# Wellbeing

We strive to provide our people with a world-class benefits experience that supports their physical, financial and emotional wellbeing. We continuously check in with our people and with the market to make sure we are focusing on the right areas and update our approach regularly.



## Our Wellbeing Programme

- Mental Health First Aid training
- Resilience programmes
- Couch to 5k running support
- Talks and demonstrations on healthy eating
- Employee Assistance Programme
- Unlimited access to a virtual doctor
- Eyesight testing
- Flu vaccinations
- The ability to purchase additional annual leave
- Flexible working options
- Access to employee discounts
- Talks on parenting in a hybrid working environment
- Yoga classes

## Our Employee Benefits

- Competitive salaries
- Pension scheme for those aged over 30
- Flexible Benefits Allowance
- Employee Discount Scheme
- Early leaving Fridays (Bank Holidays and summer months)
- Leave (maternity, parental, paternity etc)

*In 2021 we added benefits to the firm's offerings, including:*

- An increase in annual leave allowance
- Improved flexible benefits
- Working from home allowances



## Our Future of Work

Over the last two years, our employees have been working remotely as a result of the COVID-19 pandemic. In 2021, we established a working group to look at how the lessons from the pandemic could influence our Future of Work.

We asked for our people's input in shaping this agenda. And we used their feedback, along with the feedback from our annual People Survey, to form the basis for our new hybrid working model.

We heard one consistent piece of feedback from our people: they wanted flexibility. That's the flexibility to return to the office some of the time, for face-to-face interactions and for the opportunity to connect in person with their colleagues and clients. (The collegiality and friendships in our firm are a huge part of our culture and who we are.) It's also the flexibility to be able to work from home when it makes sense. That is why our new hybrid working is built on a foundation of trust and flexibility. As we define, shape and build a workplace fit for the future, we're involving our people every step of the way.

# Continuous Learning

We fully support all our employees to reach their full potential – by empowering them through access to lifelong learning opportunities that will equip them to innovate, drive impact and develop future-proof skills. We do this in many ways, including on-the-job learning, peer interaction, training events, e-learning, feedback and recognition from professional bodies. We also invest heavily in our Learning and Development programme, focusing our investment on early in our employees' careers.

In 2021, we invested over €15.6m in our training programme, including internal and external costs. This equates to an average investment per person of €4,137. And while this investment is across all levels in the firm, our focus remains on the early careers of our employees.

One of our investments was in a Learning Experience Platform, Degreed. This offers our people the opportunity and flexibility to learn from a variety of content sources, including LinkedIn Learning, Pluralsight, getAbstract, Business Insider, Microsoft Learn and TED@Work.



## Our Learning and Development Programme

At KPMG we apply the 70:20:10 approach, with 70% of learning coming from stretch projects, 20% from interaction with others and 10% from formal and structured learning. This includes:

- Technical training
- Leadership and people management training
- Director Development Centre including 360-degree feedback and personality profiling
- Partner Assessment Centre
- Executive coaching and mentoring to support progression to more senior grades
- Bespoke programmes in, for example, Project Management, Innovation and Personal Impact
- Continued investment in the latest learning platforms so people can access learning content when they need it most



## Embedding ESG throughout our organisation

ESG is now a critical strategic issue for virtually every corporate board in the world. In response, KPMG International recently made a commitment to place ESG at the heart of its market strategy, investing \$1.5 billion to enhance our ESG offering to clients.

To deliver on this commitment locally, we have:

- Rolled out ESG 101 training across all levels in the firm
- Appointed ESG Champions within each function and supported the ongoing development of KPMG's client-focused ESG services

**“A willingness to learn is probably the most important attribute for future leaders. That’s why we continuously invest significantly in the capabilities of our people to meet the needs of our clients and enhance our ability to attract the very best talent in our industry.”**

**Gillian Kelly**  
Co-head of Consulting



# Our NextGen Council

Our ESG NextGen Council was established to ensure our ESG strategy represents all our people. It is an internal forum with direct access to the Managing Partner and includes employees from all levels and functions. This multi-generational council supports the implementation of KPMG Ireland’s overall ESG strategy.

“In every market and every industry, there is one standout leader; when it comes to ESG, we want KPMG to be that leader.”

**Sergio Alonso**  
Audit  
NextGen Council Member



## Our Achievements



Launched KPMG Connect – a series of internal ESG-themed sessions for our people



Hosted ESG townhalls across our functions



Implemented environmental initiatives for Enable Ireland and WEEE Ireland



Rolled out an employee pensions health check that assesses ESG factors



Launched a dedicated Biodiversity Working Group



Developed sustainability initiatives for our new Dublin HQ

## Looking to the Future



**Planet:** Develop and integrate further measures within our business with an environmental focus



**People:** Educate and engage our people on our ESG agenda through themed events and initiatives, including our inaugural ESG summit



**Society:** Deepen our community impact through our corporate citizenship programme

# Planet

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

## **OUR COMMITMENTS**

- Achieve net-zero carbon emissions by 2030
- Provide financial markets, clients and our leaders with clear, comprehensive, high-quality information on the impacts of climate change
- Understand and improve our impact on nature and biodiversity



# Reducing Our Greenhouse Gas Emissions

Reducing our carbon footprint has always been high on our agenda at KPMG Ireland. In 2021, we made a commitment to become a net-zero carbon organisation by 2030. To achieve this, we will cut greenhouse gas emissions across all our activities by 50% between 2019 and 2030, as verified by the Science Based Targets initiative (SBTi).

We have made positive progress in cutting our Scope 1 and 2 emissions, reducing them by 50% since 2010. Our focus is now on cutting our Scope 3 absolute emissions. We commit to reducing these by 30%, and our Scope 1 and 2 absolute emissions by 80%, by 2030.

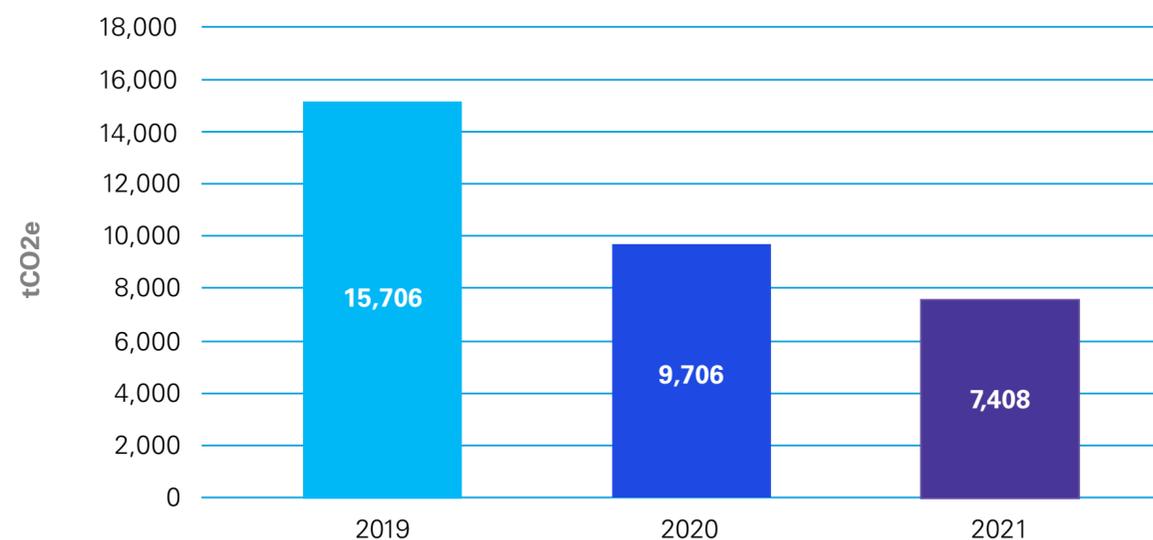
In 2019, our baseline scope 3 emissions were calculated at 15,706t CO<sub>2</sub>e. Over the past two years we have seen significant reductions in all our greenhouse gas our emissions. A significant proportion of this reduction has been a result of reduced activity due to the impacts of the pandemic. As more normal operations resume, this will drive an increase in certain aspects of our Scope 3 profile. For this reason, we will be using the 2019 metrics as our baseline for measuring our progress towards our goals.



Scope 1 & 2 Greenhouse Gas Emissions



Scope 3 Greenhouse Gas Emissions (tCO<sub>2</sub>e)



## Scopes explained



### SCOPE 1

**Direct emissions created by your activities**

This is the exhaust emissions that come from the vehicles on your campus, the natural gas that your buildings directly consume, and the generators you might run.



### SCOPE 2

**Indirect emissions from the production of the electricity or heat you use**

This type of emission comes from the traditional energy sources that power your office buildings or your home.



### SCOPE 3

**Indirect emissions from all other activities in which you're engaged**

These emission sources can be extensive. They cover all parts of your supply chain, from the materials in your buildings, the business travel for your team and your product life cycle all the way to the electricity your customers consume.

This is the largest category of all the different emission scopes and represents one of the biggest areas for improvement.

# Our Achievements



**Carbon neutral status maintained since 2007**



**Just 11% of employees commuting by car before COVID-19**



**Compliance with the EU's Single-Use Plastics Directive**



**Electric vehicle charging points for employee use**



**Building upgrades underway, including calorifiers, pump and boiler upgrades to increase efficiency levels**



**Signatory to the Business in the Community Ireland Low Carbon Pledge**



**Chemical-free (plant-based) cleaning products ONLY**

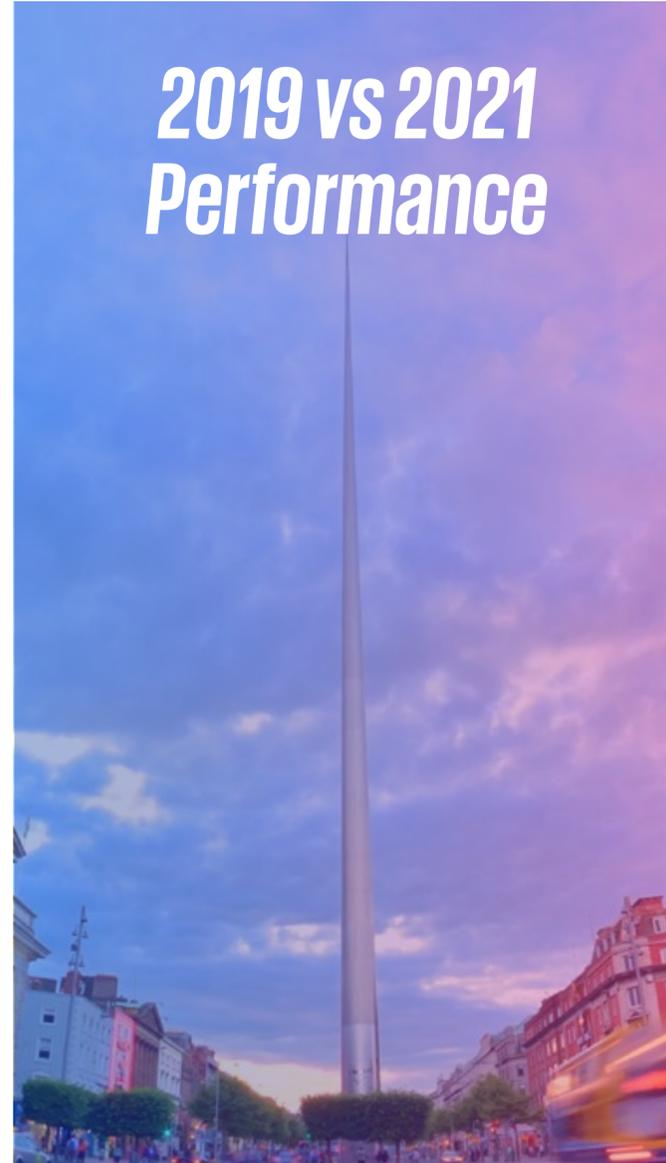
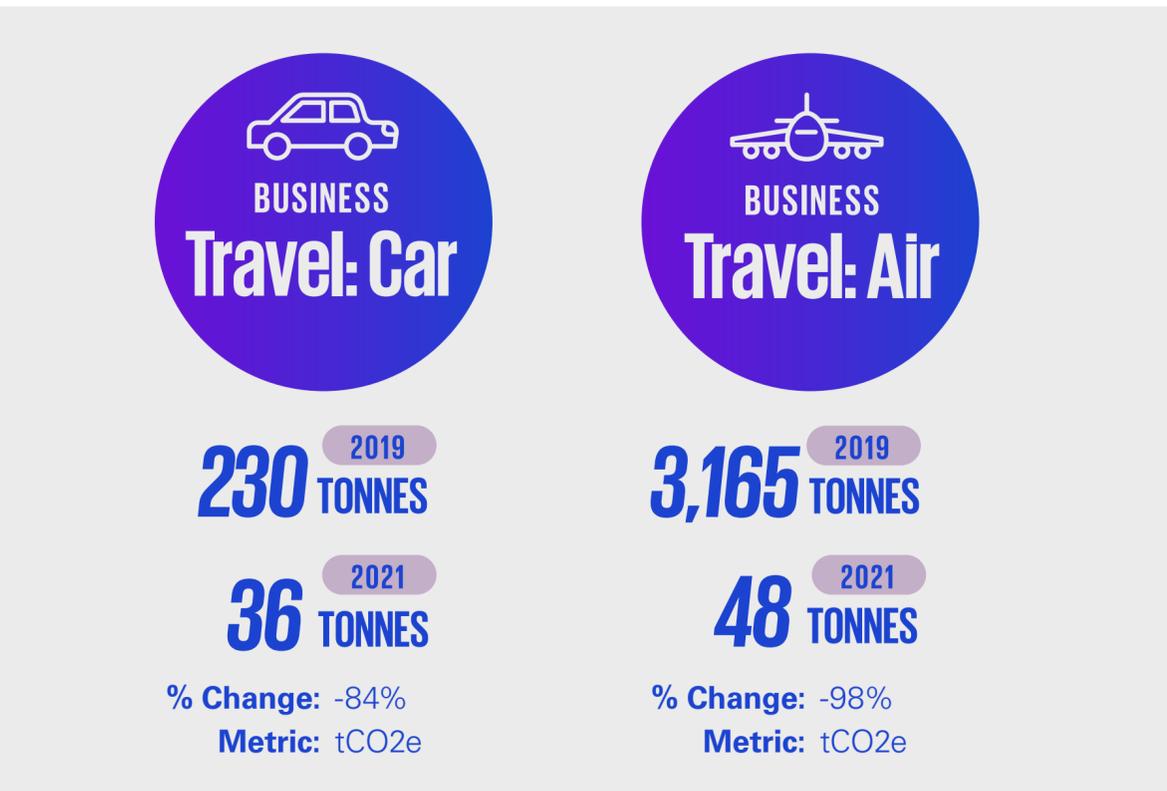


**1 of only 17 companies in Ireland to have their net zero targets approved by the Science Based Targets initiative**

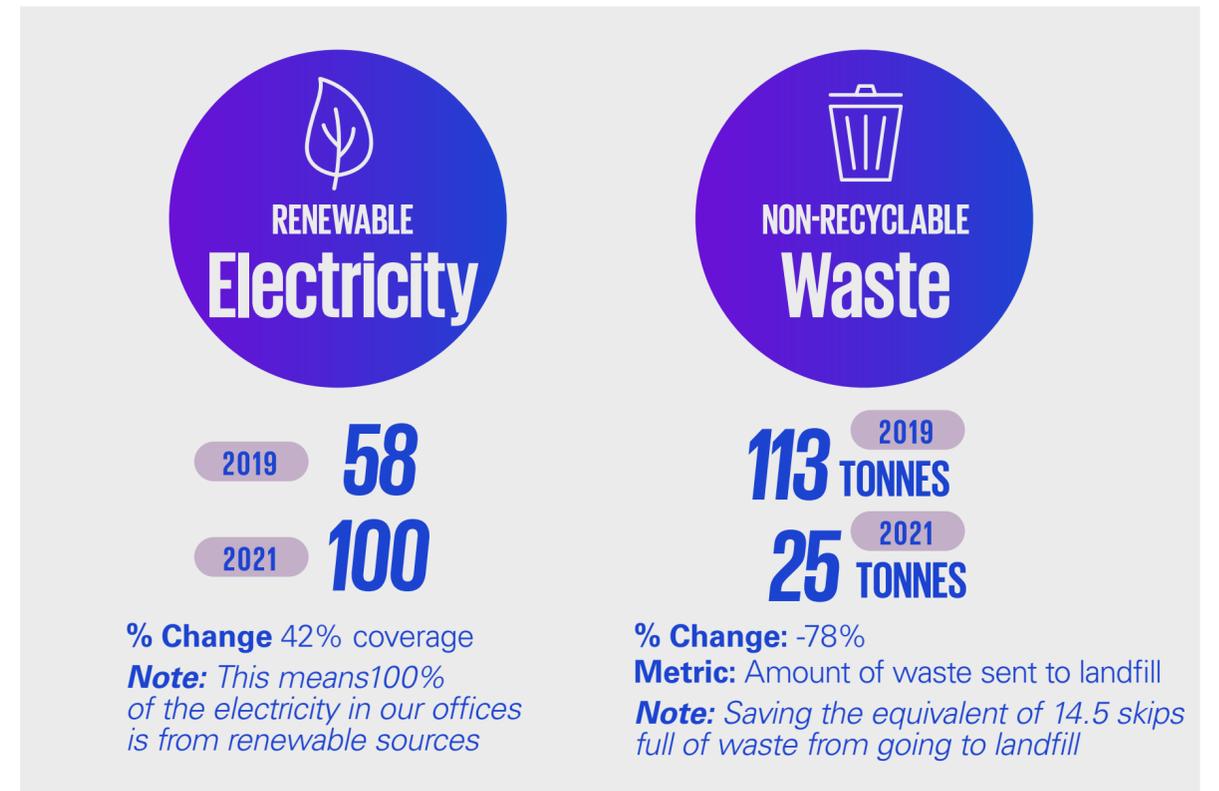


**Internal carbon price set by KPMG International**

# How We've Reduced Our Emissions



**Note:** A significant proportion of the reductions shown here have resulted from a reduction in activity due to the impacts of the pandemic. As more normalised operations resume this will drive an increase in certain aspects of our Scope 3 profile. For this reason we are using the 2019 metrics as our baseline.



# Biodiversity

At KPMG Ireland, we are committed to playing our part in protecting biodiversity by better understanding our impact on nature. To do this, we engage with experts in the field to understand our biodiversity impact – direct and indirect – along our value chain and on our business dependencies. Initial findings highlight that none of the KPMG Ireland sites operate within, or adjacent to, key biodiversity areas and therefore pose little risk in this regard.

We are involved with a number of initiatives to help support biodiversity activities in our communities, including:



Registering as a Business Supporter of the All-Ireland Pollinator Plan



Capturing early-stage biodiversity design for our new-build HQ



Identifying suitable sites for beehives, bug hotels and natural wild-flowering



Developing a staff-driven Biodiversity working group

KPMG Ireland is providing expert support to the National Parks and Wildlife Service in the development of the 4th National Biodiversity Action Plan. The project team is a consortium of ecologists, biologists, sustainability practitioners, planners and consultants. To date, it has completed an extensive desktop review of existing and emerging biodiversity and climate policy, research, strategy and legislation.

The next phase of work consists of stakeholder engagement with biodiversity experts, industry, eNGOs and the wider public via consultation. This will culminate in the National Biodiversity Conference held in Dublin Castle in June 2022. The 4th National Biodiversity Action Plan is due to be published later in 2022.



# What's Next On Our Internal Sustainability Agenda



ESG Week



Assessing ESG risk in our service delivery and supply chain



Driving cultural change to improve sustainability behaviours at work and at home



Developing a sustainable & responsible Procurement Programme



Introducing biogas to our estate



Integrating ISO Management systems



Assessing staff commuting patterns from a hybrid working perspective



Amplifying the employee voice in influencing our ESG agenda via the NextGen Council



Integrating early-stage sustainability design for our new HQ



Assessing circularity options



Transparent and time-bound reporting



Building critical market partnerships to integrate technology and innovation into our Sustainability Plan



ESG Training Programme

# Sustainable Futures

In response to the global growth of the ESG topic, and increasing demand from our clients, we set up an entirely new division called KPMG Sustainable Futures.

Established in early 2020, KPMG Sustainable Futures is a dedicated cross-functional team of experts. We help corporates and public sector clients to plan and execute programmes addressing Environmental, Social and Governance (ESG) topics, decarbonisation and climate risk. The team brings together sustainability practitioners, economists, engineers, corporate strategists, accountants and financiers to help clients navigate complex and fast-evolving climate change and sustainability challenges.

We believe that the organisations that rise to these challenges and show leadership will be rewarded by their stakeholders and gain access to new opportunities. Those businesses that fail to act may put their margins and even business models at risk. Whether an organisation is just beginning its sustainability journey, implementing change, reporting on its progress or financing new initiatives, KPMG Sustainable Futures has the knowledge and the people to support.



**“The sustainability agenda has progressed more in the past 18 months than during the previous 20 years. It has evolved from being an optional corporate social responsibility item to being the number one strategic priority for organisations globally.”**

**Russell Smyth**  
Head of Sustainable Futures Practice

## Highlights

**We are currently working with a large number of organisations to help them solve key ESG issues.**

**1. STRATEGISE**  
ESG Strategy Development



**Developing structured solutions** to enable technology companies to decarbonise their supply chain using a variation on corporate power purchase agreements.



**Partnering with businesses** at the start of their ESG journey to determine level of ambition, dynamic risk from ESG, alignment with corporate strategy and disclosure of performance.



**Providing ESG regulatory advisory support** to Irish funds and asset managers needing to comply with new and evolving European Sustainable Finance regulation.



**4. COMMUNICATE**  
ESG Reporting & Assurance



**Developing blockchain solutions** to measure progress on greenhouse gas emission targets and to validate the data for stakeholders, avoiding any accusations of greenwashing.



**Developing future-proof climate strategies** for our clients by identifying and quantifying climate risks and opportunities across all sectors.

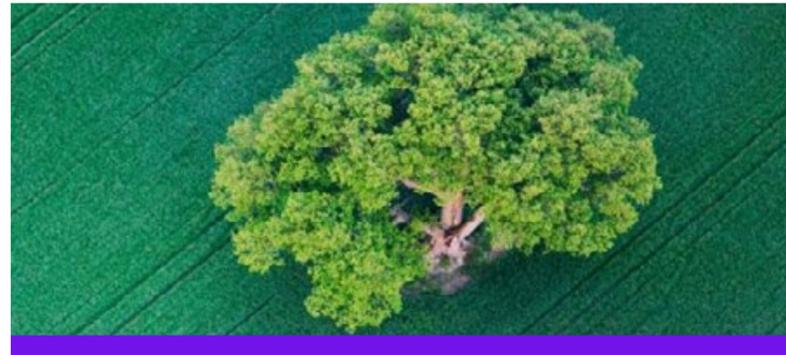
# How We're Supporting Our Clients

## [Ireland's 2030 Carbon Emissions Targets: An Economic Impact Assessment for the Agricultural Sector \(October 2021\)](#)



- KPMG was commissioned by the Irish Farmers Journal to undertake an assessment of the agriculture sector's ability to decarbonise in line with a range of potential carbon budgets/scenarios. The report analysed the potential farm-level and economy-wide impacts of four scenarios for reducing agriculture's carbon emissions.
- Following the publication of this report, KPMG Sustainable Futures has been involved in extensive public discussions with key stakeholders, including government ministers, on the findings of the report.

## [Impact Assessment of Northern Ireland's proposed Climate Change Bill \(August 2021\)](#)



- KPMG Ireland was commissioned to conduct an economic impact assessment on Northern Ireland's Private Member's Bill in August 2021.
- The report analysed the proposed Climate Bill for Northern Ireland, which set an economy-wide, net-zero carbon target by 2045, and assessed the relevance of these proposals to the agriculture industry. The report considered a range of mitigation actions agricultural sub-sectors needed to take to meet emissions goals and the costs of achieving these.

## [Independent report for Gas Networks Ireland & Devenish \(October 2021\)](#)



- KPMG Ireland was commissioned by Gas Networks Ireland (GNI) to produce an independent report assessing the environmental sustainability of a proposed national agricultural-led biomethane industry.
- The report provides scientific analysis and real-world data on key questions and knowledge gaps concerning the sustainability of such an industry in Ireland.
- The core aim of the report was to assess whether Ireland can develop an environmentally sustainable biomethane industry without creating unintended negative consequences.

# Prosperity

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**Driving purposeful business practices and good corporate citizenship.**

## **OUR COMMITMENTS**

- Act with clear purpose at all times
- Lead the profession in audit quality
- Drive a responsible tax practice
- Support education, lifelong learning and UNESCO's Global Education Coalition



# Our Firm

We strive every day to contribute to the prosperity of our economy and our local community. We do this through:

- Delivering results for our clients
- Generating employment and paying taxes
- Investing in the communities where we are based
- Giving back through our corporate citizenship programme
- Enhancing the diversity of our organisation
- Protecting our planet

In 2021, we grew our revenue by 16% and increased our headcount by over 16%.

## Our Contributions to the Irish Economy (2021)



We invested significantly in our real estate in 2021, including our brand-new, state-of-the-art innovation hub, Platform X, in Dublin’s financial district. In 2021, we also signed the lease for our firm’s new headquarters, which will bring all our Dublin-based employees together from 2026. This was one of the biggest developments in Dublin city centre and clearly demonstrates our confidence in the capital’s role at the heart of Ireland’s economy.

**“Our physical office of the future will be designed in a way that is forward-thinking and creative. This move provides us with the opportunity to design an office space that will have best-in-class environmental credentials, ensuring we continue to play a leading part in the climate change agenda. I’m hugely optimistic about our future. And I’m looking forward to our new headquarters being an attractive location to meet the needs of tomorrow’s workforce, and enabling continued success for our clients.”**

**Seamus Hand,**  
Managing Partner

# New Hires

**OVERALL NUMBER OF NEW HIRES: 1,055**

Employees are our most important asset, and due to increased and evolving client demand, we have been actively investing in growing our headcount over the last few years. In 2021, we added 1,055 new members to our team. In line with our commitments, this is a diverse group of individuals – joining either directly from college via our Graduate programme, or from different industries as experienced hires.

## THE PROFILE OF OUR NEW HIRES



We're committed to providing equal opportunities for all and building a diverse global team. We pro-actively advertise roles to reach a wider talent pool, tracking our application demographics to make sure we're attracting a variety of candidates. We've also built relationships with local colleges to seek new and diverse talent for our apprentice scheme.

# Inclusive Hiring

We invest in a number of university partnership programmes to make sure more people receive the support and skills development they need to give them better opportunities in life.

- UCD & KPMG Denis O'Connor Memorial Scholarship Fund – over a ten-year period, each of the 40 recipients of the fund will be offered a €12,000 bursary spread over the duration of their college degree. Recipients will also have the opportunity to complete an internship at KPMG, as well as a one-to-one mentorship with a Director in KPMG.
- UCC Scholarship – This programme involves a total commitment of €38,000 to support four "KPMG Outstanding Scholar" scholarships and one "KPMG Woman in Accounting Prize" annually for a period of five years. Each recipient receives a financial reward as well as a student internship opportunity.
- Queens University Belfast Scholarship – KPMG provides £3,000 annual sponsorship as well as a guaranteed place on our summer internship programme to three students annually.
- DCU Access – KPMG contributes €10,000 annually to the programme. We also offer annual internship opportunities to high-performing students.
- Trinity College Dublin – KPMG provides financial support of €15,000 to the TAP Access programme each year, along with coaching, training and workshops for students.

**"I was a past student from CBS Westland Row who had a KPMG mentor and that made such a difference to me personally. I'm delighted I can now pay it forward by being a mentor to a 5th year student in the school.**

**The experience is hugely rewarding."**

**Aaron O'Doherty**  
Tax



# Driving Purposeful Business For Our Clients

We help businesses to run in a fair and transparent way. Everything we do has to be underpinned by objectivity, independence, ethics and integrity – from our commitment to audit quality and responsible tax practices to delivering the highest-quality advice to our clients.

This in turn fosters wider economic growth and prosperity. We are committed to making a significant contribution to society by playing a key role in market stability and the development of our economy. We work with Irish businesses and our wider stakeholders to address the biggest challenges facing our planet and society. By supporting our clients, society and the wider economy, we are building public trust and inspiring confidence in capital markets.

**“By supporting our clients, society and the wider economy, we are building public trust and inspiring confidence in capital markets.”**

**Emer McGrath**  
Head of Audit



## LEAD THE PROFESSION IN AUDIT QUALITY

Audit quality and independence has long been a core focus for KPMG. We believe audit quality is fundamental to maintaining public trust in the capital markets.

Our quality control system and selected individual audit engagements are subject to regular inspections by our external regulators, including the Irish Auditing and Accounting Supervisory Authority (IAASA).

We are constantly working to improve audit quality. We do this by implementing KPMG’s Global Audit Quality Transformation initiative and developing our own local initiatives.



## DRIVE A RESPONSIBLE TAX PRACTICE

We believe KPMG has a responsibility to take a leading role in the public debate about fair and effective taxation. As part of this process, we have established responsible tax practice principles. These cover how we advise our clients on tax issues.

Through our Global Responsible Tax Project, we have led roundtables and stakeholder discussions with government, politicians, business representatives, academics, NGOs, community organisations and the media.

# Using Our Skills in Our Communities

We know it is our responsibility to make sure that the communities where we live and work aren't left behind. Supporting the development of a prosperous ecosystem also means preparing communities for the future. We do this through our corporate citizenship programmes, along with our commitment to education and lifelong learning.

## Our community contributions



**€2m**

RAISED FROM CASH DONATIONS, EMPLOYEE FUNDRAISING AND IN-KIND DONATIONS

**12,347**

TOTAL VOLUNTEER HOURS LOGGED

**€37,000**

DONATED TO UNICEF VACCINE CAMPAIGN

**1,045**

STUDENTS IMPACTED BY OUR PROGRAMMES

**56**

FEMALE ENTREPRENEURS PARTICIPATED IN THE GOING FOR GROWTH INITIATIVE SUPPORTED BY KPMG WORKSHOPS



**€1m**

IN-KIND DONATIONS

**144**

COMMUNITY CONNECTIONS MADE

**17**

IRISH COUNTIES IMPACTED

**7,180**

BOOKS DONATED

**10**

PEOPLE PLACED ON BOARDS THROUGH BOARDMATCH – BRINGING THE TOTAL SINCE 2017 TO 42



**11,692**

SKILLS-BASED VOLUNTEERING HOURS LOGGED

**655**

NON-SKILLS-BASED VOLUNTEERING HOURS LOGGED

**1,506**

EDUCATIONAL VOLUNTEER HOURS

**1,070**

PEOPLE ATTENDED I&D EVENTS

**1st**

CYBER MONTH HELD WITH A NUMBER OF SCHOOLS

**“Through KPMG & Boardmatch I joined the Board of the National Adult Literacy Agency. It is hugely rewarding to be in a position to leverage my professional skillset for a cause I feel very passionately about.”**

**Hazel Cryan**  
Corporate Finance



## Enhancing Social Inclusion and Prosperity



### Boardmatch

Boardmatch Ireland is the leading governance charity, supporting the development of the community and voluntary sector (the not-for-profit sector) by strengthening boards and management committees,

KPMG Ireland has been supporting Boardmatch since 2017. In 2021, we placed 10 skilled Directors from our business on not-for-profit boards, bringing our total to 42. This very focused, skills-based volunteering ensures that the operations of local not-for-profit organisations benefit from the professional service expertise of our senior people.



### Project Bright

Through Project Bright, an internal entrepreneurial programme, we encourage staff to come up with bright ideas to address local social and environmental needs.

Each year, our people identify local social and environmental issues and come up with unique solutions. By working with community organisations, and using the skillsets of our own employees, Project Bright makes a real difference.



### Enactus

Enactus is an international non-profit organisation that works between business and higher education to mobilise university students to make a positive difference in their communities. At the same time, it helps students to develop the skills to become socially responsible business leaders. We have led the charge in getting Enactus established in Ireland and we chair its Board of Directors.

1,600 universities in 37 countries around the world participate in Enactus, which is a wonderful opportunity to showcase the best of Ireland's talent.



### Gift a Book campaign

Along with Children's Books Ireland and the Arts Council, we supported the #GiftABook campaign. In 2021, we donated 7,180 books through Gift a Book, library donations and the Bold Girls programme to children in need.

The books were distributed via Threshold, Barnardo's, Children in Hospital Ireland, BUMBLEance, St Vincent de Paul Society and various direct provision centres, charities and homeless hubs across Ireland.

All the donated books are by Irish authors, illustrators and publishers. Our hope is that more children in need across Ireland will experience the wonders of books through the #GiftABook campaign.

# Governance

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Putting our values at the heart of the way we do things.

## OUR COMMITMENTS

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



# Our Firm

We believe leadership and a clear set of values are essential to setting our culture of quality and accountability in KPMG. Our Values lie at the heart of the way we do things. They drive our daily behaviours, guide our decisions and shape our character.

They form the foundation of a resilient culture, ready to meet challenges with integrity – so we never lose sight of our principal responsibility to protect the public interest. And they propel us forward, through our work and the example we set, as we inspire confidence and empower change throughout the world.

Our Values are backed up by a system of quality control and governance that ensures our performance meets the highest professional standards. We apply those high standards consistently to make sure we stay at the forefront of good governance. We are committed to building a culture based on quality, integrity and ethics, demonstrated through our actions.

**“Our Values lie at the heart of the way we do things. They drive our daily behaviours, guide our decisions and shape our character.”**



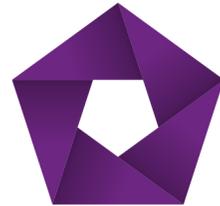
***Integrity***

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***Excellence***

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***Courage***

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***Together***

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***For Better***

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# Our Firm

KPMG Ireland applies high standards of corporate governance and we are committed to staying at the forefront of this important area.



## Partnership

In Ireland, KPMG operates as a number of partnerships, formed under the Partnership Act 1890. These are governed by a formal Partnership Deed, where each partner has one vote. At 31/12/2021, there were 107 partners in KPMG Ireland. The makeup of the Partnership was 21% women and 79% men.



## Managing Partner

The Managing Partner acts as the chief executive of KPMG Ireland and manages the firm in accordance with its policies. Executive authority over all Partners is vested in the Managing Partner and extends to all areas of the firm, in accordance with the terms of the Partnership Deed.



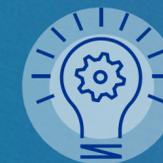
## Executive Leadership Team (ELT)

The ELT is the firm's key executive management team. It is responsible for developing and implementing the business plan, within the overall strategy approved by the Policy Committee. It deals with operational matters affecting the firm, including managing and monitoring operating and financial performance, quality and risk, budgets, new business proposals, innovation, marketing, technology development, recruitment, retention and remuneration. The ELT meets regularly. In 2021, 10% of the ELT were women and 90% were men. Functional Executive Teams in Audit, Tax, Consulting and Deal Advisory lead and monitor their respective functions in consultation with the ELT.



## Policy Committee

The Policy Committee is responsible for ensuring that the firm is run in the interests of its partners and employees as a whole. It approves the strategy of the firm, oversees its implementation by the ELT, considers quality, risk and reputational matters, recommends partner candidates and considers the firm's overall financial performance. The Committee has nine members including the Managing Partner (ex-officio Chair). Other members are elected by the Partnership. Many Policy Committee members are involved in senior roles with not-for-profit organisations in areas such as education, inclusion and diversity. In 2021, 30% of the Policy Committee were women and 70% were men.



## Public Interest Committee (PIC)

The PIC comprises three externally appointed members along with the Managing Partner and the Risk Management Partner. It is supported by a partner who acts as Secretary to the Committee. The PIC exercises its duty of care through the oversight of matters of public interest, with an emphasis on risk and quality. Its mandate specifically relates to Public Interest Entities. But, in practice, it has extended to include high-profile assignments of public interest, general reputational issues and consideration of the evolving regulatory debate regarding auditing and the audit profession. In 2021, the makeup of the PIC was 20% female and 80% male.

# Our Clients & Communities

## Understanding the material risks to our business and our stakeholders

We have a diverse range of stakeholders, including our people, our clients, our local communities, governments, regulators, academia, the media and the capital markets. Our enterprise risk management framework (ERM) involves identifying, assessing and mitigating material risks to the firm and our stakeholders.

The Executive Leadership Team meets periodically to review and update the ERM framework and identify appropriate mitigating actions for material risks. Emerging risks and issues are discussed and mitigating actions agreed upon. We also place a high priority on engaging with our people to help shape and drive our agenda. We continue to gather feedback through our annual People Survey – our people have a lot to say about what they expect from work, as demonstrated by the 67% response rate.

### Promoting continual improvement

The Audit Committee Institute Ireland (ACI), supported by KPMG, provides knowledge to non-executive directors and a resource to which they can turn at any time for information, or to share knowledge. The ACI's offerings promote continuous improvement of public and private company governance and cover the array of challenges facing Audit Committees and businesses today. That's everything from risk management and emerging technologies to strategy, ESG and global

compliance. In recognition of the demanding and important role Audit Committees play for the capital markets, and the challenges they face in meeting their responsibilities, the ACI aims to help committee members enhance their commitment and ability to implement effective processes. ACI provides Audit Committee members with guidance on matters of interest, such as cyber security and corporate culture. It also offers the opportunity to network with their peers during an extensive programme of technical updates and awareness seminars. Further details and insights on the ACI can be found [on our website](#).

### Integrating risks into business processes

Before accepting or continuing a client relationship or performing a specific engagement, KPMG firms are required to identify and evaluate any potential risks. Where our policies and processes for evaluating client and engagement acceptance and continuance find significant risks, additional approvals are needed. You can read more in our [Transparency Report](#)

## Key Areas of Increasing risk



### Environmental, Social and Governance (ESG)

Stakeholders expect increasingly ambitious, rigorous responses to climate change, health and wellbeing, inequality and other ESG issues. In 2020, we launched KPMG Sustainable Futures, which brings together our global capabilities to help our clients address these issues.



### Macroeconomic Environment

Organisations today need to stay on top of changes resulting from geopolitical events or economic volatility. We support our clients to better anticipate, evaluate and adapt to the macroeconomic trends affecting their businesses.



### Technology & Information Protection

The pace of technological change means we need an effective technology and digital enablement strategy to meet our stakeholders' expectations and our financial growth objectives. As a result, we continue to invest in technology, innovation and people.

# Our Clients & Communities

We know that trust is earned by doing the right thing. That's why we're committed to maintaining the highest standards of personal and professional behaviour. Ethics and integrity are core to who we are and our values lie at the heart of everything we do.

Our Code of Conduct outlines the responsibilities all KPMG people have to each other, our clients and the public. It shows how our Purpose and Values inspire our greatest aspirations and guide all our behaviours and actions. And it defines what it means to be part of KPMG, as well as our individual and collective responsibilities.

All our employees are required to confirm their understanding of, and compliance with, the Code of Conduct on joining KPMG and annually after that. To do this, they complete Acting With Integrity training which includes Code of Conduct training and anti-bribery and corruption training. We monitor our people's completion of this training, as well as training on bribery and compliance with laws, regulations and professional standards. Any contractors providing services to the firm also undertake applicable training. KPMG is required to assess its bribery and corruption environment annually and establish and maintain processes to monitor these risks. We are also bound by the International Code of Ethics for professional accountants.

We have a comprehensive approach to monitoring and reporting any illegal or unethical acts. Our Code of Conduct clearly states that we don't tolerate illegal or unethical behaviour – within KPMG or from clients, suppliers or public officials with whom we work. The Code also sets out a clear process for anyone seeking advice or wanting to report illegal or unethical behaviour. And we openly encourage a culture of speaking up without any fear of reprisal. Supporting our 'speak up' culture, KPMG International has a hotline for reporting any suspected instances of unethical behaviour. The service is managed by a third party and is available to all KPMG people, clients and other third parties. This is in addition to other mechanisms that exist within our firm.

**“Our Code of Conduct sets out a clear process for anyone seeking advice or wanting to report illegal or unethical behaviour. We openly encourage a culture of speaking up without any fear of reprisal.”**

**David Wilkinson**  
Head of Risk Management



# Metrics

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# Our Metrics Framework

This report discloses our data following the framework of the WEF Stakeholder Capitalism Metrics. Where we have not provided the data for a specific metric, we have included a reason for omission using the following categories:



**Materiality (M):** our assessment did not identify these as the most material metrics for our stakeholders and organisation. Capturing data for them is not a priority in this reporting year.

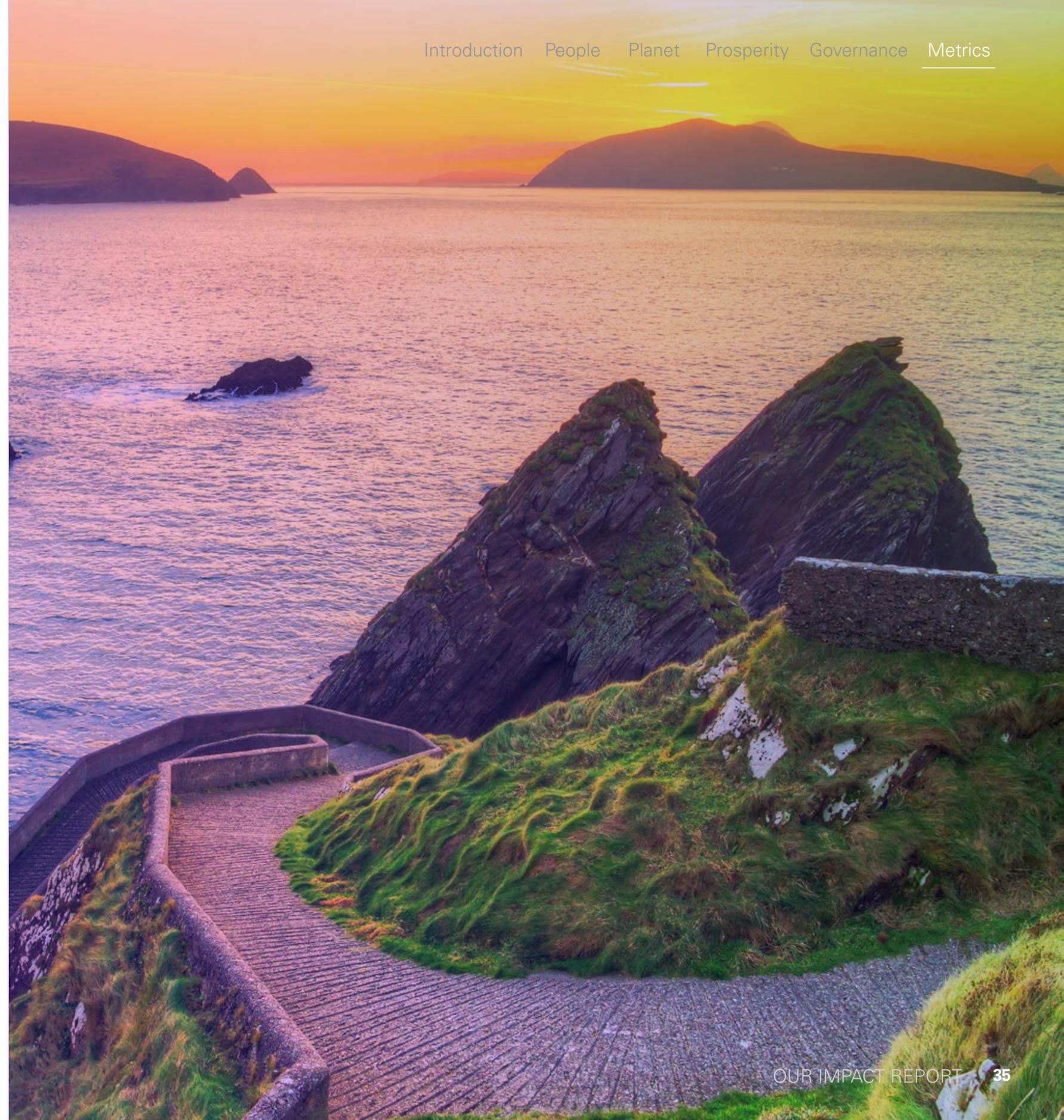


**Legal Considerations (L):** these metrics relate to issues for which there are legal prohibitions or restrictions to data collection.



**Data definitions and collection (D):** we are developing a roadmap to improve the scope and relevance of our reporting of these metrics.

The reporting period for disclosures is 01/01/2021 to 31/12/2021, unless otherwise stated. A number of our metrics have been externally assured. For those that have not, we are developing a roadmap towards external assurance in future years.



# WEF Stakeholder Capitalism Metrics

## People

	Core Metric	Disclosed in Our Impact Report	Disclosed in Our Impact Data
Dignity and equality	Diversity and inclusion (%)	9 & 10  Some elements not included for legal and other reasons	13
Dignity and equality	Pay equality (%)	9 & 10  Some elements not included for legal and other reasons	13
Dignity and equality	Wage level (%)	9 & 10  Some elements not included for legal and other reasons	
Dignity and equality	Risk for incidents of child, forced or compulsory labour	 Not included – Materiality	
Health and wellbeing	Health and safety (%)	12	15
Skills for the future	Training provided (#, \$)	13	14

## Planet

	Core Metric	Disclosed in Our Impact Report	Disclosed in Our Impact Data
Climate change	Greenhouse gas (GHG) emissions	16 & 18	16
Climate change	Climate-related Financial Disclosures	16 & 18	16
Nature loss	Land use and ecological sensitivity	19	
Freshwater availability	Water consumption and withdrawal	 Not included – Materiality	

# WEF Stakeholder Capitalism Metrics

## Prosperity

	Core Metric	Disclosed in Our Impact Report	Disclosed in Our Impact Data
Employment and wealth generation	Absolute number and rate of employment	25  Some elements not included for legal and other reasons	18
Employment and wealth generation	Economic contribution	24 & 27  Some elements not included for legal and other reasons	17 & 19
Employment and wealth generation	Financial investment contribution	 Not included – Materiality	
Innovation in better products and services	Total R&D expenses (\$)	24	NA
Community and social vitality	Total tax paid	24  Some elements not included for legal and other reasons	17

## Governance

	Core Metric	Disclosed in Our Impact Report	Disclosed in Our Impact Data
Governing purpose	Setting purpose	30	NA
Quality of governing body	Governance body composition	31	NA
Stakeholder engagement	Material issues impacting stakeholders	32	NA
Ethical behaviour	Anti-corruption	33  Some elements not included due to data availability	
Ethical behaviour	Protected ethics advice and reporting mechanisms	33	NA
Risk and opportunity oversight	Integrating risk and opportunity into business process	32	NA



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Produced by: KPMG's Creative Services. Publication Date: April 2022. (7833)