

UN Global Compact Communication of Progress

The following table provides an overview of how KPMG* has implemented the Ten Principles across business and service lines. More information is available on kpmg.com/citizenship.

Principle	Commitment	Systems, Procedures and Values	Professional Services	Performance Highlights from FY '16	Thought Leadership
Human Rights					
<p>1. Businesses should support and respect the protection of internationally proclaimed human rights;</p> <p>2. and make sure that they are not complicit in human rights abuses.</p>	<p>KPMG International and KPMG member firms recognize that human rights are an integral part of corporate citizenship and we respect and support the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights: Implementing the United Nations' Protect, Respect and Remedy Framework'.</p> <p>KPMG International has a Human Rights Statement, in line with international best practice.</p>	<ul style="list-style-type: none"> - Global Human Rights Statement - KPMG Core Values - Global Code of Conduct - Certain member firms' Supplier Code of Conduct - Global Quality & Risk Management manual - People, Performance and Culture manual 	<ul style="list-style-type: none"> - International Development Assistance Services - Climate Change and Sustainability - Risk Consulting - Forensic Services - Aboriginal Client Services 	<ul style="list-style-type: none"> - Following the issuance of a Human Rights Statement in 2012, KPMG has worked towards implementing the statement in the current reporting period. - We have not identified any instances of KPMG member firms causing or contributing to any adverse human rights incidents. - KPMG International and KPMG in the Netherlands worked with the UN Global Compact Netherlands, Shift and Oxfam on Doing Business with Respect for Human Rights - KPMG International was recognised as a leader in supply chain risk management. This has implications for all 10 UNGC Principles 	<ul style="list-style-type: none"> - Doing Business with Respect for Human Rights - Unlocking the Value of Social Investment

*KPMG, "we," "our," and "us" refers to KPMG International Cooperative ("KPMG International"), a Swiss entity, and/or to any one or more of the member firms of the KPMG network of independent firms affiliated with KPMG International. KPMG International provides no client services.



Principle	Commitment	Systems, Procedures and Values	Professional Services	Performance Highlights from FY '16	Thought Leadership
Labor Standards					
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	KPMG International and KPMG member firms do not use forced, compulsory or child labor. KPMG International and KPMG member firms support freedom of association and, where applicable, recognize the right to collective bargaining.	<ul style="list-style-type: none"> - Global Human Rights Statement - Global Code of Conduct - Global People, Performance and Culture team - Global Inclusion & Diversity team - Certain member firms Supplier Codes of Conduct 	<ul style="list-style-type: none"> - Climate Change and Sustainability - Risk Consulting - People and Change Management Consultancy 	<ul style="list-style-type: none"> - KPMG in the US has implemented policies and procedures preventing human trafficking 	<ul style="list-style-type: none"> - Partnerships to help the world's young job seekers
4. the elimination of all forms of forced and compulsory labor;					
5. the effective abolition of child labor;					
6. and the elimination of discrimination in respect of employment and occupation.	Our people want to work for an organization that encourages and respects individuals, and this is one of our Core Values across the KPMG network. Our drive to create a global culture of inclusion and diversity is fundamental to who we are, and critical to retaining our best people. KPMG International is a signatory of the UN's Women's Empowerment Principles .	<ul style="list-style-type: none"> - Global Code of Conduct - Global People, Performance and Culture team - Global Inclusion & Diversity team 	<ul style="list-style-type: none"> - Climate Change and Sustainability - Risk Consulting - People and Change Management Consultancy 	<ul style="list-style-type: none"> - KPMG in the US, was voted one of the Best Places to Work 2016 by Human Rights Campaign 	<ul style="list-style-type: none"> - Bridging the gender gap - Cracking the code - Revisiting the Executive Pipeline - She's Price(d)less: The economics of the gender pay gap

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Environment					
<p>7. Businesses should support a precautionary approach to environment challenges;</p> <p>8. undertake initiatives to promote greater environmental responsibility;</p> <p>9. and encourage the development and diffusion of environmentally friendly technologies.</p>	<p>KPMG International and KPMG member firms are dedicated to managing our environmental impacts proactively and we are committed to working together across borders to make an even bigger difference.</p> <p>KPMG International has a global ambition to reduce our net greenhouse gas emissions by 15 percent per full-time equivalent by 2015 in relation to a 2010 baseline.</p> <p>KPMG International is an active and engaged member of the World Business Council for Sustainable Development on climate change issues.</p>	<ul style="list-style-type: none"> - Global Climate Response - Select member firms have Environmental Management Systems certified to ISO 14001. - Sustainable Procurement Programs and Supplier Codes of Conduct (Select KPMG member firms). 	<ul style="list-style-type: none"> - Climate Change and Sustainability - Energy & Natural Resources - Energy and Sustainability Tax Services 	<ul style="list-style-type: none"> - 2015 was the final year of Phase II of KPMG's Global Green Initiative. The targeted 15% net emissions reduction per FTE from a 2010 baseline exceeded with the KPMG achieving a 16.8% net emissions reduction per FTE. - Since the start of the Global Green Initiative in 2007, KPMG has achieved an overall 37.6% reduction in Net emission per FTE. - For the second time, KPMG partnered with the UNFCCC to provide Climate Talks Live, a social media aggregator, to the Marrakech Climate Change COP. 	<ul style="list-style-type: none"> - COP22: Strengthening the world's response to climate change - SDG Industry Matrix - A greener agenda for international development - Financial Stability Board: Task Force on Climate-related Financial Disclosures
Anti-corruption					
<p>10. Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>KPMG International and KPMG member firms are committed to achieving a high standard of ethical behavior in everything that we do.</p> <p>'We act with integrity' is one of our Core Values and is reflected in the Global Code of Conduct.</p>	<ul style="list-style-type: none"> - Global Code of Conduct - Anti-bribery Policy - Ethics and Compliance - Acceptance and Continuance of Clients and Engagements - KPMG International Hotline - Global Quality & Risk - Management manual - KPMG International Transparency Report 	<ul style="list-style-type: none"> - Financial and other audit and assurance - Forensic: Third party risk management - Risk Consulting - Anti-Bribery and Corruption Services 	<ul style="list-style-type: none"> - Bribery and Anti-Corruption website 	<ul style="list-style-type: none"> - Aid effectiveness – improving accountability and introducing new initiatives - Civil Society Risk Matrix

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