

KPMG Information for Suppliers

In the course of managing its business, KPMG buys a broad range of goods and services from third-party suppliers and contractors.

As a firm passionate about the quality of service we provide to our clients, it should come as no surprise that we expect the same level of quality from our suppliers. We recognise that the application of best procurement practice (including the selection, development and management of suppliers) can deliver significant advantage and, as such, it is our objective to purchase goods and services from suppliers that offer best value whilst minimising our commercial and operational risk.

For KPMG, best value comprises:

- Goods and services that are fit for purpose and delivered in a timely and professional manner;
- Goods and services that represent the best purchase price in total cost terms over their lifetime;
- Compliance with applicable laws and regulations as well as the firm's own ethical, social and environmental standards.

KPMG's Procurement department

Our central Procurement department supports sourcing, purchasing and supplier management activities across our business ensuring best practice and compliance with the firm's procurement policies and standards.

Ethical Policies

- We insist on the highest ethical standards from both our suppliers and staff and we conduct procurement activities in an open and transparent manner to ensure the highest standards of integrity and to avoid any conduct capable of misinterpretation. Improper approaches from suppliers are reported internally.
- **We** treat all supplier information including pricing and other commercial terms as strictly confidential and we require suppliers to treat our information similarly.
- Our partners and staff are instructed to refuse all offers of gifts, money and/or hospitality from suppliers other than minor gifts of low intrinsic value such as pens, diaries etc. We therefore discourage our suppliers from offering such gifts, hospitality or entertainment which, if offered, will be politely returned.

Corporate Responsibility

Our procurement activities are closely aligned to our Corporate Responsibility policies and programme, ensuring, where possible, that the firm:

- minimises its consumption (e.g. paper, energy);
- purchases from sustainable sources;
- selects suppliers that have a compatible approach to Corporate Responsibility;
- takes applicable environmental factors into account when assessing alternative supplier proposals.

Read more about [Corporate Responsibility](#) at KPMG.

Suppliers who are also clients of KPMG

Many suppliers of goods and services that we require on an ongoing basis are also our clients. In such situations, we apply strict procedures to ensure full integrity and objectivity and that no undue influence is exerted favouring the award of any order or contract to a client of the firm. Conversely, on those occasions when a client does offer best value, our procedures ensure that the award of an order or contract does not lead to a potential, perceived or actual bias, conflict of interest or influence upon the objectivity and integrity of KPMG's relationship with the client in question.

To this end, the Procurement Department is required to demonstrate that all orders and/or contracts awarded to clients of the firm are:

- On an arm's length basis (i.e. reached by means of a transparent and auditable process in line with good commercial practice)
- Undertaken in the normal course of business (i.e., that the goods/services offered are part of the suppliers normal offering and are genuinely required by KPMG for its business activities), and
- Not material to either party.

In summary whilst the firm's clients may be given the opportunity to bid for appropriate orders and contracts, we do not permit purchasing and contracting decisions to be influenced by a desire to create, protect or enhance a client relationship, nor do we permit a supplier relationship to be used as a basis for soliciting business.