

ENVIRONMENTAL POLICY

January 2022

Principle

As a signatory to the United Nations Global Compact (UNGC), KPMG Australia acknowledge the immediate opportunities and challenges that climate change presents to the firm and our clients, stakeholders and communities.

Purpose

We recognise that we have a moral obligation towards our people and the broader community to ensure that we are actively managing and minimising the impact of our operations and services on the environment.

Commitment

Consistent with the environmental principles contained within the UNGC, we are committed to embedding leading environmental practices into our business strategy, operations and supply chain, as well as cultivating environmental awareness and climate action among our internal and external stakeholders.

Application

The Environmental Policy ("Policy") applies to offices of the Australian Partnership, including Adelaide, Brisbane, Canberra, Darwin, Gold Coast, Hobart, Melbourne, Newcastle, Parramatta, Penrith, Perth, Rhodes, Sydney and Wollongong. The Policy also applies to other controlled entities in locations of Fiji (Suva and Nadi) and Papua New Guinea (Port Moresby).

Action

We acknowledge that the activities required to deliver our services have both a direct and indirect impact on the environment. To support our commitment, we will:

KPMG People

- Communicate the importance of environmental issues as they relate to the firm and our people.
- Provide best practice information, support, tools and training for our people on environmental, social and governance (ESG) risks and opportunities.
- Offer opportunities to raise awareness of climate action and embed environmental sustainability into the way we do business.

Clients

- Promote best practice environmental sustainability commitments and initiatives with our clients.
- Consider clients' adherence to environmental legal standards and the potential negative environmental impact of our engagements.
- Continue to evolve of the maturity of our assessment of climate risk in our service delivery.
- Prioritise investment in areas of our practice which deliver research and client solutions with positive environmental outcomes.
- Continue to support our key environmental community partners wherever reasonably possible.

Operational Emissions

- Meet our global commitment of net zero by 2030 by achieving a gross reduction in our emissions of half our 2019 emission levels.
- Power our operations with 100% renewable energy sources by end of 2022.
- Consider sustainability performance in the procurement, design, refurbishment and management of the buildings we lease and own.
- Track and report on our internal price on carbon (IPC) initiative for business travel quarterly, as introduced in 2022.
- Encourage remote working, virtual service delivery and digital collaboration to reduce our business travel.

Supply Chain

- Consider climate risks and impacts when procuring goods and services.
- Assess the environmental targets and performance of key suppliers by evaluating their alignment to our Supplier Code of Conduct and Supplier Questionnaire.
- Embed environmental performance as a component of our procurement policy and engage our suppliers to adopt science-based targets to reduce our supply chain emissions.

Waste and Water

- Measure waste generation and water usage across our operations, where possible.
- Strive to reduce and divert waste to landfill from our operations.
- Eliminate all single use plastic items from our operations and supply chain by 2030, including those in our offices, catering and events.
- Reduce food waste and packaging in our catering through continued education, by working with suppliers and aligning to food rescue organisations, where possible.
- Promote reuse and recycling in our offices, including new recycling streams for office waste.

Legal and other requirements

- Regularly monitor the Policy and seek to ensure we conduct our activities in full knowledge and in compliance with all environmental laws, regulations, and our KPMG network stakeholders' expectations.
- Review and revise the Policy annually.

Process

Environmental Sustainability is a key focus area within our Corporate Citizenship Social Impact Framework. In delivering on the Policy, KPMG Australia is committed to a program of continual improvement and will set targets, measure progress against them and, where appropriate, share our progress with stakeholders.

Governance and Reporting

Environmental Sustainability Performance indicators are monitored and reporting annually through KPMG International's Global Climate Response, our voluntary submission to Climate Active, and our KPMG Australia IMPACT Report.

Through Climate Active, KPMG Australia are required to report annually on our climate performance, emission reduction initiatives and procurement of carbon offsets to retain our carbon neutral claim. Our reporting boundaries, methodologies and all carbon data must be reviewed and assured by a third-party provider every three years.

Each KPMG person retained by KPMG Australia is responsible for complying with our Policy. We're working closely with our Suppliers to ensure they are supported to help meet our commitments in the Environmental Policy.

We will communicate internally and externally the Policy and our environmental performance on a regular basis.

Review

The Policy will be reviewed annually.

Additional Information

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