

# Together For Better – KPMG Finland Group Sustainability Report





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# About KPMG Oy Ab Group

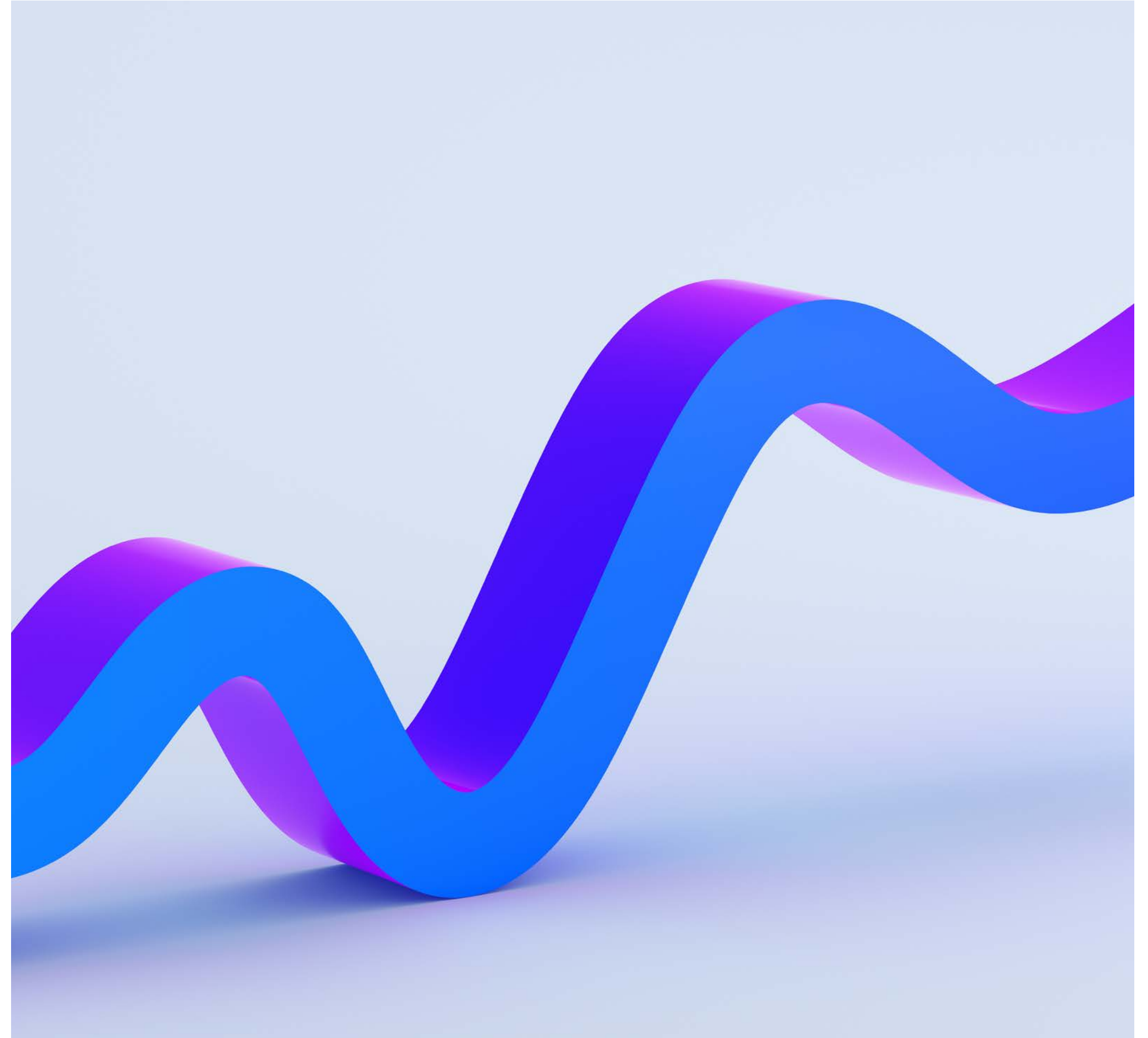
KPMG Oy Ab is a Finnish company and a member firm of the KPMG global organisation. It provides professional services in the field of Audit & Assurance, Tax & Legal, and Advisory services for a wide variety of organisations in the public and private segment. KPMG Oy Ab was established in 1926 and has been granted the status of an audit firm in accordance with the criteria specified in the Finnish Auditing Act. KPMG Oy Ab is a limited liability company owned by its partners working in the firm.

KPMG Finland Group consists of KPMG Oy Ab (parent company) and its Finnish subsidiaries,

referred to as KPMG Finland in this report. It also includes KPMG Oy Ab's Estonian subsidiaries, referred to as KPMG Estonia.

KPMG globally employs more than 265,000 professionals in 143 countries. KPMG Finland Group, with more than 1,800 employees, operates out of 19 offices across Finland and two offices in Estonia.

Read more about KPMG Finland Group in our [Annual Report](#) and Transparency Reports: [Finland Transparency Report](#) and [Estonia Transparency Report](#).



**At KPMG  
we love  
numbers**

**Here are ours  
in Finland and  
Estonia**

**€219.1m**

Total turnover

More than  
**1,800**  
professionals

**People**

**54%**

Women

**46%**

Men

**36**

Average age of personnel

**30**

Nationalities







**By delivering our Purpose, we commit to driving the purposeful growth of our people and clients while creating a positive impact on our society and environment.**





# Highlights of Our Impact Plan in 2022

## People

Our people used an average of

**21.3**

**days per person for training and self-learning** during the financial year.

We organised

**28**

**wellbeing events and campaigns** online and in person with our people.

New members joined KPMG Finland's

**Inclusion, Diversity & Equity Steering Group**

which will be executing our action plan and monitoring the IDE indicators throughout the next financial year.

More than

**100**

**Performance Managers and leaders**

**participated** in each session of the "Leadership Morning Coffees" series we organised in **Finland**.

## Planet

In August 2022, we organised our first

**KPMG ESG Challenge**

to find solutions to real-life ESG challenges together with our clients, students and other stakeholders.

Our greenhouse gas emissions information is **assured by an external third party**.

## Governance

We have analysed and identified **local priorities and set key goals** within the four focal categories of the global Our Impact Plan: People, Planet, Prosperity, Governance.

**100%**

**All** our people attended the annual **independence training** and **training on our Code of Conduct**.

## Prosperity

**The KPMG Community Day**

in Finland brought together more than 100 of our people to support selected charities and initiatives aligned with KPMG's Values and Our Impact Plan.

**247**

**trainees** started their career paths at KPMG Finland Group.

We **donated** almost

**€100,000**

to charities aligned with Our Impact Plan and our Values.



# Message from our CEO

Responsibility and trust are at the very core of KPMG. Today, sustainability is also an integral part of our values and strategy.

We have successfully advanced corporate sustainability in close collaboration with society and our collaboration partners. The constantly changing world and KPMG’s global ESG plan, known as Our Impact Plan, set the targets even higher. ESG is embedded in everything we do.

While we still have a long way to go, I am proud of the progress we have made in Our Impact Plan during the last financial year. We invested substantially in ESG awareness, with 470 of our people participating in different ESG training sessions during the financial year. We began a materiality assessment process to determine the topics material for our key stakeholders and the company. We brought our people together at different events to create innovative ESG solutions to real challenges and support local charities in our communities. Our Inclusion, Diversity & Equity (IDE) strategy

was finalised, and the IDE steering group is currently leading the action plan. This publication details all this and more.

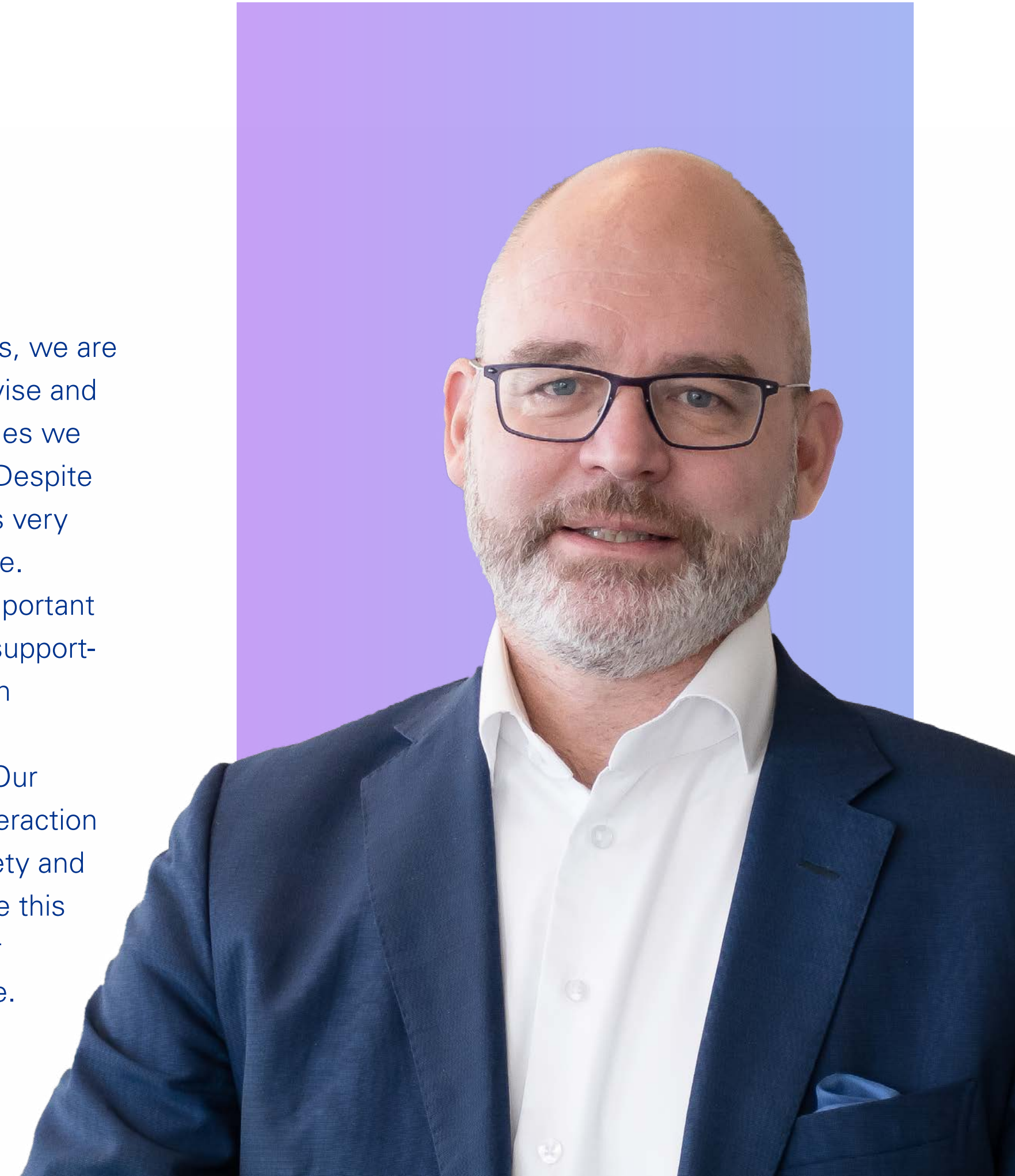
During a large part of the financial year, we were still in the middle of a pandemic. Now that the worst is hopefully behind us, I am happy that colleagues have the opportunity to meet each other and their clients, as well as participate in our events, in person.

At the same time, we have all had to face unprecedented new challenges caused by the Russian invasion of Ukraine. In March, KPMG decided to discontinue the KPMG services offering in Russia and Belarus. KPMG Finland and Estonia have also taken all the necessary steps to support the sanctions imposed by the international community. We stand united in our support for the people of Ukraine and all peoples across the region who have been adversely affected by the war.

In the midst of these rapid changes, we are working closely with our clients to advise and help them through the challenging times we are all facing, and in what lies ahead. Despite the current uncertainties, I believe it is very important to turn our gaze to the future. Sustainable transformation is more important now than ever. We are committed to supporting organisations in this transformation – including our own.

We are not alone on this journey. Our extraordinary people work in close interaction with our clients, the surrounding society and other stakeholders. I would like to take this opportunity to thank all of you for your work in support of a sustainable future.

Together, For Better.  
**Kimmo Antonen**  
 Senior Partner, CEO



# Our approach to corporate sustainability

We are committed to sustainability in everything we do. Our values and policies guide us as we strive to promote sustainable development in Finland, Estonia and globally.

KPMG's Environment, Social and Governance (ESG) commitments are outlined in our global ESG plan, Our Impact Plan.

Our Impact Plan focuses on four categories: **People, Planet, Prosperity, Governance**. Within these categories, we have identified local priorities and set key goals to signpost the journey and keep us accountable for progress.

## Material topics

Our Impact Plan is based on KPMG's global materiality assessment of the topics most material to both our local stakeholders and our organisation globally. In addition, we wanted to hear the views of our employees, clients, collaboration partners and alliances, the media, non-governmental organisations and the authorities on our sustainability in Finland and Estonia. During the financial year, we have conducted stakeholder

surveys, interviews and internal workshops to define our local material topics. We target the finalisation of the materiality assessment during the next financial year and will develop our corporate sustainability work and reporting to align with the assessment findings.

Preliminary findings from stakeholder surveys and interviews indicate that our people see health and wellbeing, leadership, learning and development, inclusion, diversity and equal opportunity, as well as transparency and accountability as the most material corporate

sustainability topics for KPMG. Our other stakeholders largely share this view, and they also emphasise the importance of matters related to governance and decarbonisation. KPMG's role as an employer recognised for developing the industry and supporting clients with ESG matters is very widely acknowledged.

Further information on KPMG's global materiality analysis: [Our Impact Plan – KPMG Global \(home.kpmg\)](#)



# Our Impact Plan and KPMG Finland's Key Goals



## People

**We create a caring, inclusive and values-led culture.**

**Our key goals:**

- To provide growth opportunities and a dynamic learning journey for our people.
- To promote wellbeing among our employees through our leading Wellbeing at Work Model.
- To invest in leadership and the development of leadership skills.
- To implement our local Inclusion, Diversity & Equity strategy and execute our action plan.

## Planet

**We reduce our Impact on the environment for a more sustainable and resilient future.**

**Our key goals:**

- To prepare a local carbon roadmap.
- To support our clients in their journey towards decarbonising their operations and value chains.
- To support environmental charities through donations and *pro bono* work.

## Prosperity

**We drive purposeful business practices and good corporate citizenship.**

**Our key goals:**

- To support education and lifelong learning in society we act in cooperation with student bodies, universities, schools and growth companies.
- To offer trainee programmes for many young people as they start their careers.
- To support charities with donations and *pro bono* work based on our Values and our Impact Plan focus areas.

## Governance

**Our Values lie at the heart of the way how we do things; to do the right thing, the right way.**

**Our key goals:**

- To constantly train our people so that we comply with laws, regulations, professional standards and KPMG's Code of Conduct.
- To develop our sustainability reporting.
- To ensure that our suppliers are aligned with KPMG's Global Code of Conduct.



# Corporate sustainability management structure

The KPMG Global Board is the principal governance and oversight body of KPMG International and has the overall responsibility for sustainability matters. KPMG has established working groups with a focus on specific areas of corporate sustainability, reporting to the Global Board. At KPMG Finland Group, the KPMG Executive Committee has the overall responsibility for corporate sustainability matters and is a responsibility that lies with the Head of People, Performance & Culture.

KPMG Finland's Corporate Sustainability Steering Group comprising members representing our functions and segments, as well as sustainability experts, is responsible for developing the corporate sustainability strategy and action plan, as well as coordinating the preparation of our annual sustainability report. The Steering Group sets local priority targets, monitors progress and ensures our actions are aligned with KPMG's global ambitions. Locally, KPMG Estonia operates in a similar manner. During the financial year, KPMG Finland's Corporate Sustainability Steering Group met monthly.



KPMG Finland's Corporate Sustainability Steering Group in November 2022.



# People

We create a caring, inclusive and values-led culture.





# Our approach

Our People are Extraordinary. Together, we create a caring, inclusive, and values-led culture. We want our people to be proud of KPMG, our values and our contribution to society.

Our people’s health – both physical and mental – is a priority for us. We are committed to providing our people with opportunities and a dynamic learning journey, resulting in a motivated and talented workforce of the future. We invest in leadership and develop leadership skills to ensure our people thrive on a flexible career path development.



## Our People key goals

- To provide growth opportunities and a dynamic learning journey for our people.
- To promote wellbeing among our employees through our leading Wellbeing at Work Model.
- To invest in leadership and the development of leadership skills.
- To implement our local Inclusion, Diversity & Equity strategy and execute our action plan.



# Key figures relating to people

**1,816**

Number of personnel

**21.3**

Days of training and self-learning

**54%**

Women

**36**

Average age of personnel

**613**

New employees hired

**46%**

Men

**5** years

Average duration of employment

**247**

Trainees hired

**30**

Nationalities





KPMG Finland Group	30 Sep 2022	30 Sep 2021	30 Sep 2020
Number of personnel	1,816	1,634	1,481
Average age of personnel	36	36	37
Average duration of employment relationship	5	6	7
Women	54%	54%	55%
Men	46%	46%	45%
Nationalities	30	27	24
Days of training and self-learning	21.3	16.2	2.4*
New employees hired	613	516	264
Trainees hired	247	213	111
Employee turnover**	16%	15%	12%

*\*Due to changes in internal reporting systems, FY 2020 data only includes conventional classroom learning and is not comparable with FY 2021 and 2021 data. Ways of learning have diversified and since FY 2021 we have been monitoring learning and development beyond classroom training. During FY 2020 many trainings were cancelled due to Covid-19 restrictions.*

*\*\*Rolling turnover (voluntary) 12 months, only KPMG Finland included. Rapid changes in the working environment have resulted in increased employee turnover. However, in the last months of the financial year, we noted a slowdown in turnover rates, and we expect this trend to continue.*





# Health and wellbeing

## Leading wellbeing at work

Our aspiration is that our people are healthy, enthusiastic, productive employees who feel they are valued. We have set a high priority for our people’s overall wellbeing throughout their careers, and we maintain a focus on preventive mental and physical wellbeing. We strive to build an accepting and supportive and inclusive culture with our people, where matters are addressed in an open and honest environment.

## We protect the health of our people – both physical and mental

Workplace surveys carried out at KPMG Finland in 2022 tell us that our organisational

strengths in respect to our corporate culture combines sense of community, good social interaction and support given by Performance Managers (KPMG’s term for supervisors). The surveys indicate that we need further improvement in psychosocial areas such as workflows and cognitive ergonomics.

We have paid particular attention to mental wellbeing and coping at work by training our Performance Managers and enhancing their leadership competences. We also invest in versatile recreational activities and recurrently organise events for our people. Specifically, we have organised sports events and guided fitness classes on a weekly basis. We also support and encourage social and activity clubs for our people.







**— We organised 28 wellbeing events and campaigns online and in person.**



## Occupational healthcare and health insurances

In addition to statutory preventative occupational healthcare, KPMG Finland provides extensive healthcare services, medical treatment and specialist medical services. All employees in Finland, including those on longer leaves, are covered by these occupational healthcare services.

In addition to the statutory Finnish insurance cover, KPMG in Finland provides its people with voluntary insurance such as health insurance supplementing occupational healthcare, leisure time accident insurance and group pension insurance. The leisure time accident insurance covers all employees. The health insurance covers all permanent employees.

KPMG in Estonia introduced Confido Health insurance services as a benefit for our employees locally.

## Health and safety at work

We work with employee representatives to maintain and promote health and safety at work. Since the autumn of 2022, KPMG Finland has

separately operated an occupational safety and health committee. Previously, health and safety matters were part of the Cooperation Group's responsibilities.

We recurrently assess risks related to our work environment, and we take preventive actions to mitigate potential harms and hazards. Our health and safety committee continuously reviews and develops our processes for risk analyses. We are in the process of implementing a renewed process in 2023.

We maintain active cooperation with our selected occupational healthcare providers in Finland to maintain and further develop matters such as ergonomics at work. Our partners in occupational healthcare provide ergonomic evaluations of workstations and personal support for our people when needed. Our occupational physiotherapist advises on musculoskeletal matters, as well as on treatment and preventive actions.

We have established a Crisis Response Team to support our people in both countries. In the recent past, the focus has been on Covid-19 and the geopolitical situation. The crisis response teams have convened regularly and issued guidelines and recommendations.



## We invest in mental wellbeing

Mental wellbeing of our people is important to KPMG. We actively raise matters relevant to mental wellbeing in our internal communication. We invest in our people’s support and coaching. In Finland, our people have access to various mental wellbeing services, including psychotherapy and low threshold, solution-oriented support, through our occupational healthcare and other partners.

We organise events and campaigns focusing on mental wellbeing, including mindfulness sessions, wellbeing webinars and a “Mental Wellbeing at Work” wellbeing fair. The fair focused on five different themes and provided information, skills and recommendations for how to improve one’s abilities and mental wellbeing during daily work from the perspective of an individual or

a member of a work community. In May 2022, KPMG Estonia organised a health month that included lectures, activities, and other indoor and outdoor events promoting mental and physical health.

## The hybrid working model

In the autumn of 2021, we concluded that greater flexibility should be brought to our people’s daily life, support wellbeing and work-life balance by formalising a hybrid working model. We have created a common framework for hybrid work. We recognise that part of our work can be carried out at the office, part of it can be done from home, and part of it on our clients’ premises. We provide guidelines but let our teams agree the most suitable specific implementation of work.

	FY 2022	FY 2021	FY 2020
Sickness absence rate	1.93%	1.09%	1.32%

*\*Excluding the sickness absence rates of the Estonian subsidiary regarding FY21 and FY20.*

*\*Including cases of both work-related ill health and sickness absences due to other causes. This is because it is impossible to separately report health problems caused or aggravated by working conditions or practices.*

*\*The main causes of sickness absence include infectious diseases, mental illnesses and musculoskeletal disorders. The rise in sickness absence rate during the financial year was caused by our people falling sick with Covid-19 and other infectious diseases.*

	FY 2022	FY 2021	FY 2020
Number of recordable work-related injuries	6	3	6
Rate of recordable work-related injuries	3	2	3

*\*Excluding numbers and rates of the Estonian subsidiary.*

*\*The rates have been calculated based on 1,000,000 hours worked.*

*\*The number of hours worked is based on standard hours of work, taking public holidays into account.*

*\*A recordable incident is any work-related case that causes a fatality, or time lost due to accident or injury requiring treatment (excluding commuting incidents).*

*\*Most work-related injuries are minor and main causes are trips and falls.*



# Promoting inclusion, diversity and equity

At KPMG, we are committed to building an inclusive future. We cultivate a well-educated empathetic workforce and we are a strong advocate of equal opportunity.

We continuously emphasise the importance of Inclusion, Diversity & Equity (IDE) among our people. The importance of IDE stands out in our most recent people survey results.

During the spring of 2021, KPMG Finland established a steering group to create our Inclusion, Diversity & Equity strategy. The strategy was finalised during the autumn of 2021, and is now in the process of being implemented.

Our strategic pillars for 2021–2023 are:

1. *Everyone at KPMG feels included.*
2. *Psychological safety created by empathetic employees.*
3. *Equal opportunities in different career levels and business units.*

We recurrently review our own equality indicators (see the end of this section for more details) and follow up progress. Although we are making progress, we have come to realise we can still improve e.g. on equal opportunities, hence it is one of our three strategic pillars for 2021–2023.

## Executing our action plan

In our IDE action plan, we have focused on communication and training during the financial year. All official communication is now also available in English. We have published our IDE instructions for Performance Managers regarding their responsibilities and how to pay attention to biases in decision making. We have also recently updated our guidelines for promoting good treatment and preventing inappropriate treatment.



KPMG Finland’s Inclusion, Diversity & Equity Steering Group FY22–FY23 will be executing our action plan and monitoring the IDE indicators throughout the next financial year.



IDE is a recurring topic in Performance Manager and partner meetings, as well as in our internal channels. We organise internal online events in support of IDE, including Leadership Coffees, a weeklong Nordic IDE Summit, an International Women’s Day campaign and a KPMG Finland Equality Day event in March 2022. Pride was recognised a week in June 2022, which included campaigns and a virtual event for our employees. KPMG was one of the official partners of Helsinki Pride in supporting the LGBTQ+ community and equality in our society.

Psychological safety is a key focus during the financial year. We collaborate with our occupational healthcare provider and have organised wellbeing events for our people. In addition, our Advisory function participated in a thesis study on psychological safety. The results will be an integral part of the implementation of our action plan during the 2022–2023 financial year.

### Equal pay for equal work

At KPMG, salaries are reviewed primarily in connection with promotions, new roles or responsibilities, expertise development and job changes. A comprehensive organisation-wide salary review is also conducted annually. To increase transparency, we have released a KPMG remuneration policy and equality plan that gives more detailed

information and statistics on overall remuneration and gender pay data to our employees.

During the early stages of employee careers, the gender pay gap is balanced. However, we are aware of variance in salaries occurring at later career stages. Our analysis indicates that this is typically explained by differences in roles and responsibilities. We are exploring further mitigating actions to ensure equal pay.

### Supporting IDE in recruitment and project teams

When recruiting, we are looking for people who will enrich our culture. The demand for versatile skills is growing, and we see a lot of potential in combining different competences and backgrounds. We take this into account in personnel planning and recruitment. We consider diversity in project teams. Such diversity can be educational, cultural or professional and can also emerge in the form of extraordinary skills, personalities and identities.

### Balancing work, family and other areas of life

We emphasise gender equality and equal opportunities. It is imperative for KPMG that we invest in our people and support a sound work-

life balance. We apply flexible working time arrangements like flexitime, the possibility of working remotely and taking partial childcare leave after returning from parental leave. We also provide support for parents caring for sick children. Our terms for granting parental leave were amended in the autumn of 2022. We grant three months’ paid leave equally for both parents.

During the financial year, KPMG Estonia applied for “Family-Friendly Employer” status, and we introduced several activities to support inclusion and diversity. They include ensuring an equal salary irrespective of gender, promoting and encouraging paternity leave, organising family-friendly events, inviting employees on parental leave to company events, and offering part-time work opportunities. Since the end of the financial year, KPMG Estonia has been awarded Family-Friendly Employer silver status.

### Finnish organisations promoting inclusion, diversity and equity

In March and April 2022, we interviewed 22 large Finnish organisations and prepared a [study](#) to identify, highlight and learn from best practices in promoting inclusion, diversity and equity.



– “We wanted to identify, highlight and learn from best practices in promoting inclusion, diversity and equity. The study was conducted by the KPMG IMPACT Influencer Community, which aims to advance sustainability and ESG topics in our organisation,” says Minna Tuominen-Thuesen, Advisory Partner, People & Change.





# Our inclusion, diversity and equity data

Headcount by gender and career level	FY 2022		FY 2021		FY 2020	
	Women	Men	Women	Men	Women	Men
Partner	16%	84%	14%	86%	15%	85%
Director	36%	64%	39%	61%	33%	67%
Senior Manager	43%	57%	43%	57%	41%	59%
Manager	54%	46%	51%	49%	55%	45%
Senior Associate/Senior Team member	56%	44%	60%	40%	56%	44%
Associate/Team member	67%	33%	66%	34%	69%	31%
Intern	46%	54%	48%	52%	68%	32%

Headcount by gender and age	FY 2022		FY 2021		FY 2020*	
	Women	Men	Women	Men	Women	Men
<25 yrs	57%	43%	55%	45%	67%	33%
25–34 yrs	55%	45%	56%	44%	60%	40%
35–44 yrs	57%	43%	57%	43%	54%	46%
45–54 yrs	46%	54%	47%	53%	47%	53%
55+ yrs	39%	61%	37%	63%	37%	63%

\*Excluding data from the Estonian subsidiary

Promotions by gender and financial year	FY 2022	FY 2021	FY 2020
Men	43%	44%	51%
Women	57%	56%	49%

New hires by gender and career level	FY 2022		FY 2021		FY 2020*	
	Women	Men	Women	Men	Women	Men
<25 yrs	51%	49%	59%	41%	62%	38%
25–34 yrs	54%	46%	50%	50%	53%	47%
35–44 yrs	53%	47%	49%	51%	74%	26%
45–54 yrs	56%	44%	67%	33%	55%	45%
55+ yrs	44%	56%	40%	60%	100%	0%

\*Excluding data from the Estonian subsidiary



# Investing in lifelong learning



KPMG invests locally and globally in our people’s lifelong learning. Our people form the foundation of our business, and continuous personnel development is therefore of the highest importance for us. We invest in the growth of our people and support everyone’s journey on their career path. Ensuring equal opportunities for all our people is a priority for us.

We apply a 70/20/10 model for competence development. This implies that 70% of learning takes place on-the-job, 20% in networks and interaction, and 10% in conventional training and coaching. This culture of competence development and the contributing processes are systematically developed.

We offer a wide range of training through our local, global and Nordic networks. KPMG’s Nordic L&D Centre of Excellence designs, develops and delivers high-quality and innovative learning and performance support solutions for all employees

across the Nordic and Baltic region. Furthermore, we support our people’s competence building by offering the opportunity to take part in external training.



Read more about lifelong learning at KPMG from our [Planet Act](#).



## Career development at KPMG

KPMG applies a learning curriculum enabling personalised and equal development opportunities. Moreover, KPMG offers career-long support and training. To support individual development, KPMG has established processes for development paths for all career levels.

Specific descriptions and job-level criteria are maintained and developed within the functions. They constitute a common ground for promotions. Vacancies are openly communicated through our communication channels and are available to everyone.

## Diverse learning experiences

During the 2021–2022 financial year, we have focused on leadership and technology skills, the onboarding processes for new recruits, and diverse learning experiences.

We develop our onboarding of new recruits to ensure uniform content and experience. We aim to provide new recruits all the necessary tools and information from day one.

We have invested in a modern learning experience platform to provide better common information about the available self-learning content and

training – all to support lifelong learning at KPMG. All training content can be accessed through mobile devices. Technology skills in our working environment is a key, and the emphasis is therefore on boosting how we use technology in our daily lives.

During the financial year, we continued our long-standing focus on leadership by providing a wide range of training and support for our Performance Managers. Read more about leadership development in the [next chapter](#).

# 21.3

**days of training and self-learning**

*Average training and self-learning days per person.*

# €1,747.5\*

*Average training costs per person.*

*\*Including external training costs and internal costs for preparing trainings and training colleagues. Participation in internal trainings, that constitute a significant part of our trainings, is not included in costs.*

## Listening to our people

The annually recurring Global People Survey (“GPS”) constitutes a foundation for KPMG’s global internal “people-listening” strategy. We listen to our people to ensure 1) that we deliver the experience we have promised; 2) that our people bring our culture to life; and 3) that we understand what our people are looking for. In addition to the annual GPS survey, we gather and analyse information on our people’s needs through topical “Pulse Surveys” carried out recurrently. The GPS engagement index is included as one of our strategic KPIs.

GPS Engagement Index	FY 2022	FY 2021	FY 2020
KPMG Finland	74	71	75
KPMG Estonia	79	78	82



# Leadership development – A strategic priority

We want to ensure our culture is caring, inclusive and values-led. KPMG is committed to continuously developing our people’s leadership skills.

Leadership at KPMG is built on our Global Values Charter – Integrity, Excellence, Courage, Together For Better. In the context of leadership, Courage denotes that we communicate openly and honestly. We value individuality and want our people to be comfortable speaking up if necessary, even about difficult matters. We lead by example.

We see diversity matters becoming increasingly more important. We act accordingly. We are becoming more global in our everyday lives, and so is our pool of Talent. KPMG client service opportunities will increasingly attract Talent from diverse backgrounds. Our leaders must be equipped with the right skillset and mindset to lead our people.

## Our approach to developing our people

“Open Performance Development” is our selected process for people development. Through Open Performance Development, we foster a culture for providing and receiving feedback. Regular discussions and feedback throughout the year create fair and transparent assessments and evaluations of our people’s performance. Collaboration between Performance Managers and team members is strengthened by cultivating a culture of coaching for challenges, goals and new opportunities, and thus enabling a culture of development and growth. We want our people to build their careers based on their passions and strengths. Our career path principles ensure the right people are selected for appropriate roles.







## Performance Managers and leaders greatly appreciated the “Leadership Morning Coffees”.

### Leadership in everchanging environments

Leadership development during Covid-19 also featured further support for the leadership of remote and virtual teams. There is a special emphasis on supporting the ability to lead in everchanging operating environments with multilocation and asynchronous work. All employees in leadership roles are invited to “Leadership Morning Coffees” every six weeks. The Leadership Morning Coffee

series has included various topical themes such as hybrid leadership, inclusive leadership, and the power of empathy and trust.

### High-quality and consistent leadership

A new development path was introduced for new Performance Managers that aimed to ensure high-quality and consistent leadership. The path focuses on leading by example, leadership frameworks and values, how to lead wellbeing at work, time management and situational leadership.

At KPMG, we want our clients to see a difference in us. We are committed to high-quality standards and outcomes, and our engagement managers and project leads play critical leadership roles during engagements. To support them, we have created an engagement leadership programme in which the participants interactively gain a common understanding of what excellence means in our client projects. The programme is now an integrated part of career paths to ensure we constantly attain high quality in engagement leadership.



Lifelong learning and development are key themes at KPMG. Our training and coaching programmes are versatile, catering for employees at different stages of their careers. Furthermore, our training helps our people acquire the skills that will enable them to support our clients in the future.

**CASE**

# “Great team spirit is the core of it all”

## – Annukka’s career story

**Annukka Mannerkoski:**

“I joined KPMG in 2011 having returned from France, where I had lived for the previous 11 years. I was looking for an organisation that would allow me to combine the knowledge I’d gained from my previous positions and studies, and I felt that working as a consultant would provide a great opportunity to do this. Currently, I am responsible for the Government business area at KPMG’s Tax & Legal function.

My team has grown steadily over the years, and at the same time, I’ve been allowed to grow into the role of a Performance Manager. In this regard, I’d like to highlight the value of constructive feedback as one of the most important tools for me. Open and honest discussion between myself

and the other team members always leads to a good work environment – and that, in turn, leads to a great team spirit, which I view as the core prerequisite for everything. When people enjoy time spent at work, they take on new challenges, broaden their responsibilities and interact more freely. At the beginning of my Performance Manager career, KPMG’s Leadership Coffee events were also very useful, as they helped me see things from different perspectives and hear the opinions of more experienced Performance Managers.

KPMG has also offered me tremendous flexibility in many ways, from moving and growing within the organisation to fulfilling my potential. I’ve been able to maintain a healthy balance between juggling the demands of family life with working in leading

positions and progressing in my career. This is also related to a cause that is close to my heart – mentoring other women. In my opinion, women should be encouraged to believe in themselves more and to courageously take on new challenges without having to worry about potential sacrifices. At KPMG, it is completely possible to combine work and family life.

For me, the key to success is letting everyone truly be themselves. All of us have our own unique style, and recognising this should be the basis for leading and motivating others. My own team consists of people who are very different from each other, but we value diversity – there’s no need for everyone to be the same, as long as we all work well together.”





## CASE

# From invoicing to auditing – Timo's career story



Timo Hirvonen has a long history with KPMG – in fact, he is celebrating his fifteenth anniversary of working at KPMG this January. Initially, he joined KPMG as a trainee in the finance team while he was still studying. After the initial traineeship, he stayed on as a summer trainee until he was offered a permanent position. At first, Timo supported the finance team with various administrative tasks. Later, he focused on invoicing, became an admin user of different platforms, and acted as a support person for new recruits.

In 2017, Timo started studying again for a master's degree from Metropolia University of Applied Sciences. A partner from KPMG knew about his ongoing studies and approached Timo to ask if he had ever considered a career in auditing. The option had not previously occurred to Timo,

but after some consideration and when the recruitment for new audit professionals started, he decided to apply.

Fast forward to today, and Timo is now a senior at Audit 3, focusing on KPMG's Enterprise sector clients. At first, his tenure was a job rotation, but when he realised how much he enjoyed the tasks and variety audit work offered, he wanted to stay for good. The learning opportunities are especially good at audit, where everyone is encouraged to participate regularly in various training courses. In the future, Timo is keen to become an Authorised Public Accountant, and he is already aware that KPMG offers its employees a lot of support to achieve this goal. All in all, KPMG has allowed him to grow in his own way and has supported him along the way.

“When I was still studying, I was able to combine my studies with working full-time very well thanks to the flexibility our organisation offers. My postgraduate studies also led me to a new career path within KPMG. While I am very familiar with the organisation itself, the new tasks have proved to be varied, and working directly with our clients is something I've greatly enjoyed. In general, I've had many different responsibilities during my time at KPMG, and I've learnt that once you show interest, you get the opportunity to try new things like training others or mastering a certain platform. However, people have always been the main reason I've enjoyed working at KPMG. My colleagues both within the same department and around the organisation have kept me good company over the years.”



## CASE

# Taking a step to unknown led to a permanent move – Sophia's career story

Originally from Munich, Germany, Sophia Hauswurz moved to Finland in March last year without ever having visited the country before. The courageous move had its roots on the global pandemic; being confined into her small apartment, Sophia craved for a change of scenery. She'd been working on project with KPMG Finland and in order to improve the collaboration between our two countries, her performance manager suggested that maybe Finland could be option to consider, and Sophia jumped at the opportunity.

Sophia's career at KPMG started while she was still a student. She attended a seminar organised by KPMG Germany on the lessons learned from the great financial crisis, which caught her interest in financial risk management and especially in recovery and resolution planning. After the seminar, Sophia started her career in

recovery and resolution planning at KPMG, first as a trainee and then as a full-time employee. During her time working for KPMG Germany, Sophia had the opportunity to work with a lot of clients around Europe, one of the most memorable being a project that took place in Paris.

Initially, ending up in Finland was a pure coincidence more than anything else, but from the start Sophia quickly found her feet and realised she enjoys the Finnish working atmosphere quite a lot and in her opinion the work-life balance is great. This combined with her personal life led her to officially become a permanent employee of KPMG Finland from the beginning of 2023. Her German colleagues were very sad to see her go, but luckily her career at KPMG continues as do her joint projects with KPMG Germany.

"Since my specialty topic, recovery and resolution planning for financial institutions, is still quite new in Finland, I have been able to share the knowledge I'd already gathered in Germany. I am passionate about my work and my vision is to make us the market leader – hopefully I can help us to succeed with my experience. What has surprised me the most in Finland has been how friendly and caring the people are. For example, when it was my first day in Helsinki I returned to my desk after everyone else had already left the office to find a note from my colleague. The note had her private phone number and encouragement to contact her should I need any help or if I simply wanted to hang out over the weekend. This really warmed my heart, and it also shows how welcoming everyone has been. For me KPMG is all about the people – it has



been through my whole KPMG experience so far. I am still in touch with my colleagues from KPMG Germany and get to work with them on different projects and my team here in Finland is equally wonderful. Without the KPMG network and the opportunities it offers I would not necessarily be in Finland today, but I am very happy I am here."



# Planet

We reduce our Impact on the environment for a more sustainable and resilient future.





# Our approach

KPMG launched the Global Climate Response programme in 2008 to actively seek ways to reduce the global negative environmental impact. In November 2020, we set the bar even higher and committed to achieving net-zero carbon emissions globally by 2030. This requires halving our carbon emissions by 2030 – a target that is aligned with a 1.5°C trajectory and approved by the Science Based Targets initiative (SBTi). In Finland, we are in the process of creating our local carbon roadmap to ensure we reach the shared target.

In our ESG services, we also support our clients as they transform their businesses and value chains to rapidly reduce carbon impacts. Our people are helping clients e.g. to reduce and measure carbon emissions, transition to low-carbon economy and renewable energy and integrate climate risk into their asset management and corporate strategies. We are also assisting various environmental charities and non-profit organisations through donations and pro bono activities.



## KPMG Finland key goals

- To prepare a local carbon roadmap outlining a route to net-zero carbon emissions by 2030.
- To support our clients in their journey towards decarbonising their operations and value chains.
- To support environmental charities through donations and *pro bono* work.



# Our carbon footprint

During the financial year, we have been preparing KPMG Finland Group’s carbon roadmap with our in-house climate experts. We are striving to continually develop our climate reporting and data coverage to target our actions and reduce our impact on the environment more precisely. We report our greenhouse gas emissions according to international GHG Protocol reporting principles. Our greenhouse gas emissions information has been assured (limited assurance) by an external third party for the first time.

As a professional services firm, most of our emissions are attributable to purchased goods and services, energy consumption, heating and cooling related to the use of our office premises, business travel and employee commuting.

During Covid-19, business travel decreased significantly. During the second half of our current financial year, the pandemic restrictions were lifted. Now increasing numbers of people have returned to our offices and have been meeting clients and collaboration partners in person more frequently. All this has also resulted in more travel, and emissions have therefore increased.

Greenhouse gas emissions, tCO <sub>2</sub> e				
Scope	Emission Source		FY 2022	FY 2021
Scope 1	Owned or Leased Vehicles 1)		84.6	88.6
<b>Scope 1 Total</b>			<b>84.6</b>	<b>88.6</b>
Scope 2	Purchased Electricity (location-based) 2)		163.2	178.0
Scope 2	Purchased Electricity (market-based) 2)		65.2	58.5
Scope 2	Purchased Heating and Cooling (location-based) 2)		389.4	417.5
Scope 2	Purchased Heating and Cooling (market-based) 2)		159.6	417.5
<b>Scope 2 (location-based) Total</b>			<b>552.6</b>	<b>595.5</b>
Scope 3	Business Travel – Air 3)		412.1	36.9
Scope 3	Business Travel – Car 3)		138.7	114.5
Scope 3	Business Travel – Train 3)		4.2	0.9
Scope 3	Hotel Accommodation 3)		112.4	24.2
Scope 3	Employee Commuting 4)		460.4	233.3
Scope 3	Purchased Goods and Services 5)		6,216.6	5,728.6
Scope 3	Upstream Emissions of Purchased Electricity 2)		160.2	106.7
<b>Scope 3 Total</b>			<b>7,504.5</b>	<b>6,245.2</b>
<b>Total</b>			<b>8,141.7</b>	<b>6,929.3</b>
<b>tCO<sub>2</sub>e/FTE</b>			<b>5.2</b>	<b>4.9</b>

1) Owned or Leased Vehicles emissions are based on the estimated mileage of cars owned and leased by KPMG.

2) Purchased Electricity and Heating and Cooling values for Finland are based on the kWh consumption from the Helsinki office, which accounts for 73% (FY22) of KPMG Finland’s total FTE (full-time equivalent). The purchased electricity of the Helsinki office is produced by 100% renewable energy (FY22 and FY21). In FY22, the heating and cooling energy in the Helsinki office has also been produced with 100% renewable energy. The electricity and cooling energy consumption of the offices in Estonia is based on data obtained from the offices’ electricity bills, and the heating energy consumption is an estimate. According to an estimate, 83% of the purchased electricity and 59% of the heating and cooling were from renewable energy sources at the KPMG Finland group level in FY22 (in FY21, the renewables share of purchased electricity was 83%, and of heating and cooling 0%).

3) Business travel emissions are based on air, car and rail travel kilometres and on the number of country-specific hotel stays.

4) Employee commuting emissions are based on an annual personnel survey, which is used to determine the average commute, the average mode of commuting and the average number of working days at the office.

5) Purchased goods and services include IT, training, marketing and car-related purchases.



## Sustainable travel

One of the key areas on our path to decarbonisation is sustainable travel. In the last financial year, we expanded our emissions reporting and included a new category – employee commuting. Thanks to our people’s input we have been able to report the carbon emissions resulting from our people’s daily commute to work this year. As a result of our investments in technology and the new hybrid and remote ways of working identified during the pandemic, we have seen significant reductions in emissions caused by commuting over the last two financial years.

To offset the increased emissions caused by more employees returning to the office and simultaneously motivate our people to use public transport when commuting between home and work, we provided every full-time employee a public transport benefit worth 100 euros in August 2022. We have also encouraged cycling by providing bicycle benefits.

## Green Office

Our largest office located in Helsinki holds an environmental management certificate that meets the Green Office criteria of the World Wildlife Fund (WWF). The first certificate was issued on 8 January 2015. Our office in Helsinki, also known as KPMG House, has also been awarded the LEED Gold certificate. The KPMG House, where most of our energy is consumed, uses 100% renewable electricity and heat.

In May this year, our Green Office team of volunteers in Helsinki initiated a bicycle maintenance service at the KPMG House. A team of KPMG volunteers also joined the WWF’s other volunteers in weeding invasive alien species in Rastila and another team to clean Töölö Bay of litter during our Community Day 2022.

In honour of World Bee Day 2022, we welcomed a bee colony on the roof of the KPMG House. The idea of hosting bees on the roof of KPMG House came from our people, and this year we seized the opportunity to provide a summer home for a research beehive. By hosting the bees



and providing a honey sample from the KPMG House beehive, we participated in a research project organised by the University of Helsinki in collaboration with the HumbleBee Housing Project. Its goal is to discover how biodiversity can be better considered in developing urban

environments. DNA technology enables researchers to identify the plants from which the bees have collected nectar as part of the process of making honey. By supporting the study, we wanted to raise awareness of the importance of biodiversity in cities.



Laura Savikoski heads KPMG Finland’s Climate Services, as part of the ESG team’s overall sustainability offering. Her study background is in law, and she specialises in climate and environmental law.

**CASE**

# “Climate change matters for business”

**Laura Savikoski:**

“In a nutshell, we help our clients include climate perspectives in their business decisions. At a more detailed level, our services include carbon footprint and handprint calculations, strategic approaches to climate change and decarbonisation, climate roadmaps and goal setting based on Science-Based Targets, evaluating the climate business risks and opportunities using the TCFD framework, and services connected with emissions compensation, carbon sinks and removals, for example. Our understanding of climate impact has evolved tremendously in recent years, and all corporate business today is affected by the need to mitigate and adapt to climate change.

We have a wide range of clients, from listed companies and financial institutions to small and medium businesses. Regardless of the industry or service, being science-based is an important

theme, both in our engagements and for clients. We base our work on established KPMG tools and methodologies, as well as external collaboration. An example of the latter is work related to credible carbon removal programmes and measurement in collaboration with Climate Analytics Finland and the University of Helsinki’s climate scientists, which enables business advice based on solid scientific research.

The impact of our work for clients is an inspiring and interesting topic. As an ESG professionals team, we are net positive from a climate perspective. We also support our firm internally in KPMG’s own climate work. However, our main impact comes from client engagement. Climate matters are business matters, and we help bring them to the appropriate place on the agenda in the organisations with which we work. Moreover, when we

advise investors, we help them understand the relevance of climate matters, which in turn may affect the allocation of capital in investments and throughout the economy.

The most rewarding – and at the same time, most challenging – part of our job is the speed and scale at which things can change. In recent months, KPMG has participated in the UN-led COP15 on Biodiversity and COP27 on Climate. In the same period, significant updates also took place in the European Union’s emissions trading regulation (EU ETS), and an agreement on the carbon border adjustment mechanism (CBAM) was reached – and this is just scratching the surface. It is extremely motivating to be able to support our clients with the new developments, and at the same time, it is exciting to navigate in a field that is in a state of constant change.”





# Prosperity

We drive purposeful business practices and good corporate citizenship.





# Our approach

Through Audit & Assurance, Tax & Legal, and Advisory Services we work with businesses for fair and transparent operation, to create value for society, and to address the big issues facing our planet.

We promote an open dialogue between stakeholders and we are involved in many projects that develop the society and the industry where we operate.

We employ more than 1,800 people and hire more than 200 trainees every year. For many people, KPMG is the first true contact to the professional working life. We endeavour to offer our trainees growth opportunities and a versatile start to their careers. To support education and lifelong learning in society we act in cooperation with student bodies, universities, schools and growth companies. We aspire to provide our people omni-insight to the society through our support of, and, collaboration with not-for-profit organisations.



## KPMG Finland key goals

- To support education and lifelong learning in society we act in cooperation with student bodies, universities, schools and growth companies.
- To offer trainee programmes for many young people as they start their careers.
- To support charities with donations and *pro bono* work based on our Values and Impact Plan focus areas.



# ESG is embedded in everything we do

As the world faces a significant time of unrest, KPMG is guided by our purpose and values in making the right decisions. We are committed to investing in people and technology. We embed ESG at the very core of our professional services, and we emphasise the importance of ESG in the networks and communities to which we belong. We execute our Impact Plan to generate purposeful work for our people and value for society.

To serve our clients and deliver purposeful work, we encourage our people to proactively participate in discussions on ESG and sustainability. We aspire to continuously deepen our people's insight into ESG.

## Training and development

We provide relevant ESG training to all our people to ensure KPMG has the capabilities needed by our clients and society. Our approach is backed by leading global academic institutions, including Cambridge University and New York

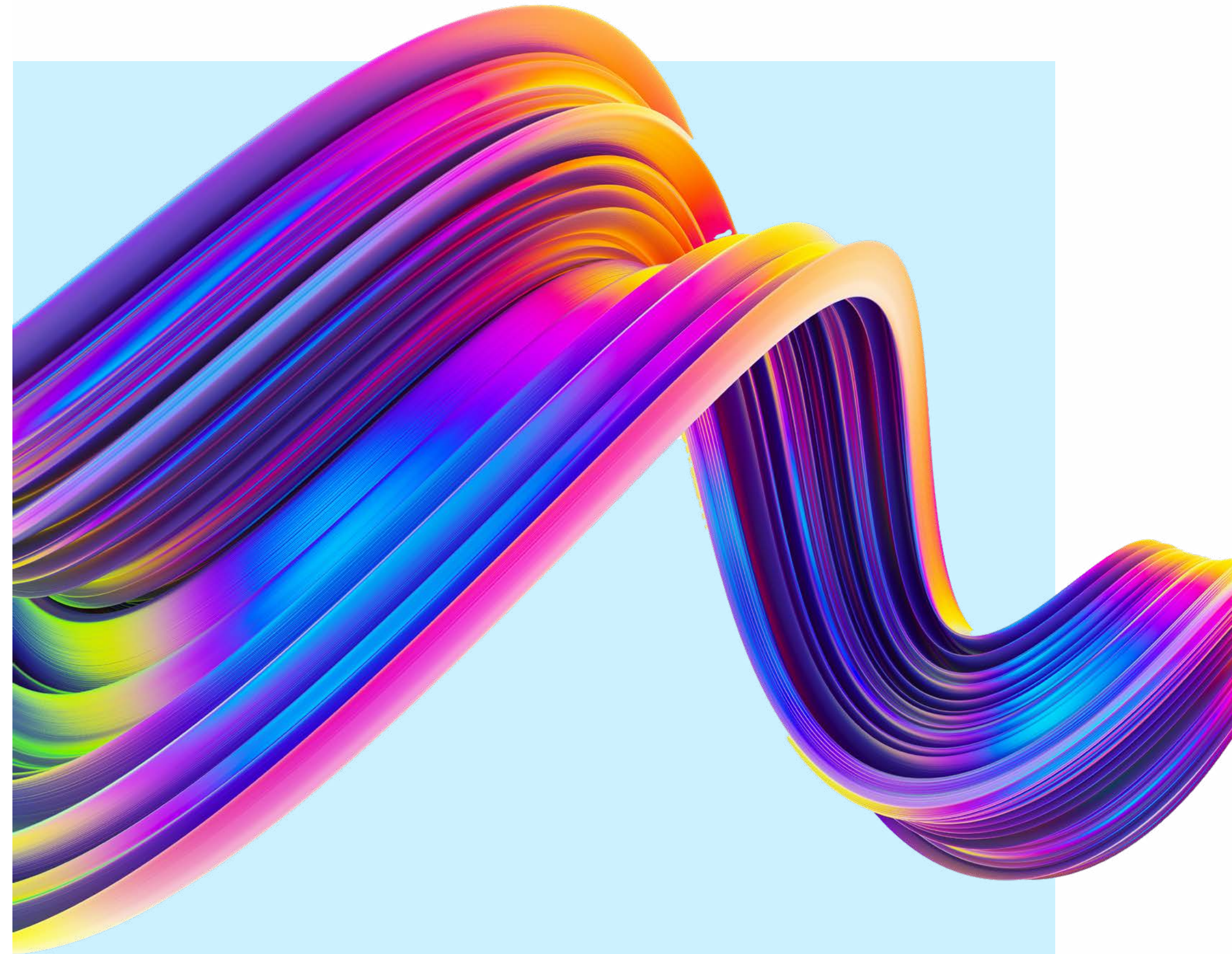
University, as well as KPMG's own ESG experts, globally and locally.

## With insights we provide solutions

We develop and provide leading climate and ESG solutions and technologies for clients, including:

- Designing strategic approaches for ESG with targets and KPIs
- Implementing ESG roadmaps and integrating ESG into corporate governance, business processes and operations
- Deploying sustainable finance solutions
- Managing ESG data to monitor progress against ESG targets and sustainable development goals
- Reporting relevant ESG information to stakeholders and providing assurance ESG disclosures

We develop and employ technology-based ESG data management solutions. We also support our people to access valuable ESG insights through data.





## Partnerships and alliances are core to our *modus operandi*

KPMG co-creates and delivers ESG services and solutions with an ecosystem of [global alliances](#), as well as with many regional companies and organisations

## Creating a culture of ESG awareness

Our culture of sharing insights and awareness of ESG also has the effect of inspiring our people to make responsible decisions in our daily lives. We lead by example and try to impact behavioural changes, aiming for an even bigger social impact.

During the autumn of 2021, we created the KPMG ESG Influencer Community. This community's ambitious goal is to advance the sustainable transformation at KPMG and integrate ESG into everything we do. The Community is open to everyone at KPMG predominantly based in Finland and Estonia. One of the most influential projects during the financial year was a study of good practice in large Finnish organisations for

promoting inclusion, diversity and equity. Read more about the study [here](#).

KPMG has thousands of ESG professionals providing services worldwide. Our ESG services team in Finland and Estonia constitutes part of the ESG team of professionals globally, in EMA, and in the Nordic and Baltic countries.

To embed ESG in the services KPMG provides, we have launched the **ESG Hub** model, in which the ESG business group acts as the critical mass for ESG business and expertise with named contacts to each of the other business groups across Audit & Assurance, Tax & Legal and Advisory. We can thus identify the relevant ESG aspects for each engagement independent of service and further enrich our ESG strategy and implementation advice with appropriate insights from the organisation.

We have also introduced seven Propositions for certain service areas requiring cross-disciplinary skills, one of which is the **Proposition for ESG Transformation**. With representation from different business groups and account management, our proposition work finds solutions to the many ESG opportunities and challenges our clients face.



Members of KPMG's Finland and Estonia ESG teams meeting in Helsinki in June 2022.





**ESG is relevant to all our clients, and the business impact of ESG is becoming increasingly complex. Our core ESG skills combine strategic thinking and sound financial and regulatory assessments,” says Tomas Otterström, Leader of KPMG’s Nordic and Baltic cooperation within ESG services.**





# Working together for a sustainable world

Together, we want to build a sustainable future. We are involved in numerous projects and we work with a number of organisations aimed at the development of our industry and our society. These include but are not limited to:

KPMG Finland is one of the founding members of **FIBS (Finnish Business & Society)**, which is the leading non-profit corporate responsibility network in Finland and the Nordic countries.

KPMG Finland is a member of **FINSIF (Finland's Sustainable Investment Forum)** which has a member base consisting of practically all major institutional investors and asset managers active in Finland.

As a partner of **The Planet Company**, a platform for sharing Impactful Acts, KPMG's experts help organisations e.g. identify, describe and evaluate their impactful acts. KPMG's service design, change management and sustainable development experts also support The Planet Company in further developing the platform.

KPMG and **Climate Analytics Finland Ltd (CAF)** have cooperated to create a new concept for impartial verification of carbon sinks with the objective of providing measurement and evaluation services for carbon offsets and removals. CAF is an independent advisory and technology company offering especially impartial science-based carbon removal verification service.





# Voluntary work, donations and support for not-for-profit organisations

We are involved in many organisations and projects aiming to develop our society. During this financial year, we supported charities and initiatives with donations and *pro bono* work aligned with our values and Impact Plan.

We are one of the key sponsors and collaboration partners for the Helsinki Olympic Stadium and for the Amos Rex museum. Like Amos Rex, we want to be seen as an organisation that values the past, lives in the present and work for a sustainable future. Our collaboration with the Olympic Stadium, gives us an opportunity to participate on a path where everyone can enjoy this fantastic arena for cultural and sporting events alike.

## Community Day at KPMG Finland

In August, our people came together for the Community Day. More than 100 of our people from our offices in Helsinki, Turku and Tampere came

together for a good cause. This was also a long wished for event following the pandemic lockdowns.

In collaboration with the Finnish Red Cross's Youth Shelter and Ukrainian Association in Finland, our people held CV clinics for young people and Ukrainians in Finland. Our people also gave digital aid to seniors at the Roihuvuori retirement home, donated blood, cleaned Töölö Bay and the banks of the Aura River of litter, and weeded invasive alien species in Rastila together with other volunteers.



Read more about **Community Day** from our [Planet Act](#).





## Supporting the community

We support selected charities with donations for the important work they carry out in our society. The purpose of our donations traditionally is to promote physical and mental health, reduce inequality, support education and help protect the environment. This financial year, we allocated a large part of our donations to the children of Ukraine through UNICEF. KPMG Finland and Estonia together supported the people of Ukraine through UNICEF and the Red Cross with a donation of €55,000, and in addition KPMG globally donated more than one million US dollar.

During the autumn of 2021, we also supported the WWF in protecting the biodiversity of the Finnish forest, the Mannerheim League for Child Welfare’s work in preventing bullying, and MIELI Mental Health Finland’s work in promoting mental health and providing crisis support. During the lockdown, we actively in leadership and people communications encouraged our people to exercise and participate in outdoor activities. In connection with this internal campaign, we helped spread the joy of sport for children and young peo-

ple by donating to Save the Children Finland’s “Eväitä Elämälle” (Fuel for Life) programme.

Our Christmas present to our employees was an extra day of fully paid leave to rest and prepare for the holiday celebrations. KPMG Finland also gave a donation to a selected charity voted for by our people. Half our donation was for the benefit of “Hope – Yhdessä & Yhteisestiry” charity which support families with limited means and/or experiencing crises in Finland. The rest of the donation was divided between the Finnish Red Cross, Plan International and the Finnish Association for Nature Conservation.

KPMG Estonia organised three larger volunteer projects during the financial year. In December, Estonian employees packed and delivered food parcels intended for low-income families in collaboration with Toidupank (Foodbank). In May, KPMG Estonia organised a tree planting project in which all the employees were invited to participate. A regular voluntary project that again took place this year was “Minu Unistuste päev” (“The Day of My Dreams”), in which we help fulfil the dreams of those in need through our expertise.





# Supporting lifelong learning

KPMG invests globally in lifelong learning as part of our sustainability work. In addition to supporting the studies and development of our people, this includes the support for further education. We collaborate with universities, student bodies, colleges and other educational institutions in Finland and Estonia.

## Learning with our university partners

In addition to offering a significant number of trainee positions to students, our experts actively share their subject matter expertise through relevant courses, guest lectures, workshops, student projects and mentoring. We partner with Aalto University's School of Business, the Hanken School of Business and Haaga-Helia University of Applied Sciences, as well as with several student unions and student organisations across Finland. In Estonia, we have also introduced a KPMG scholarship for master's degree students and actively contribute to university courses through lectures given by our subject matter experts.



Now when most Covid-19 restrictions were lifted, many virtual events have become live events again. We have hosted student groups at our premises, and, have also actively participated at career fairs arranged by universities and schools to share the career opportunities for students at KPMG.

During the financial year, we participated in Aalto University's School of Business Capstone course, this year with the topic "Family Friendly KPMG 2.0 – renewing family leave practice in connection with law reform". During our Cyber Day campaign in 2021, we built cyber security awareness among young-



**Read more about lifelong learning at KPMG from our Planet Act.**

sters by reaching out to more than 2,000 school-children living in Finland.

In December 2021, to examine leadership pathways to sustainability transformation, KPMG Finland published a thought leadership study entitled "Making Every Step Sustainable", which built on global KPMG sources and publications and a management research challenge prepared for Henley Business School. We also hosted an online event with the Business School when the study was published. The event brought together C-level business leaders, an inspirational keynote speaker, Professor Andrew Kakabadse, and panellists from leading Finnish companies.





## Seeking solutions with growth companies

Our mission to support lifelong learning also includes the collaboration with networks for start-up and scale-up companies providing KPMG expertise and insights. In doing so, we learn and develop together.

During 2018 to 2021, we have supported more than 500 growth companies in the early stages of their operations. We also arrange various types of topical training for entrepreneurs and investors and together seek solutions for the challenges the companies are facing.

We collaborate with the Maria 01 start-up community and their members, and provide access to our extensive international network of experts at their disposal. As a partner in Kasvu Open, we share our expertise and networks and offer support for growth-seeking SMEs to develop their businesses. Through the Finnish Business Angels Network (FiBAN), we offer training

and the expertise of our international network of experts to all investors involved and investing in the unlisted companies of the network and their portfolio companies. As an associate member of the Finnish Venture Capital Association, we actively participate in the development of the industry and internationalisation of numerous companies.



**Read more about our support for growth companies at KPMG from our [Planet Act](#).**



# Our tax footprint

A tax footprint refers to the tax revenue and tax-like payments accumulated for the benefit of society from the company’s operations. Our tax footprint covers all KPMG’s subsidiaries in Finland and Estonia.

The Group’s total tax footprint for the 2021–2022 financial year was EUR 110.3 million, which represented 50.3% of our turnover. The tax footprint in Finland totalled EUR 104.5 million.

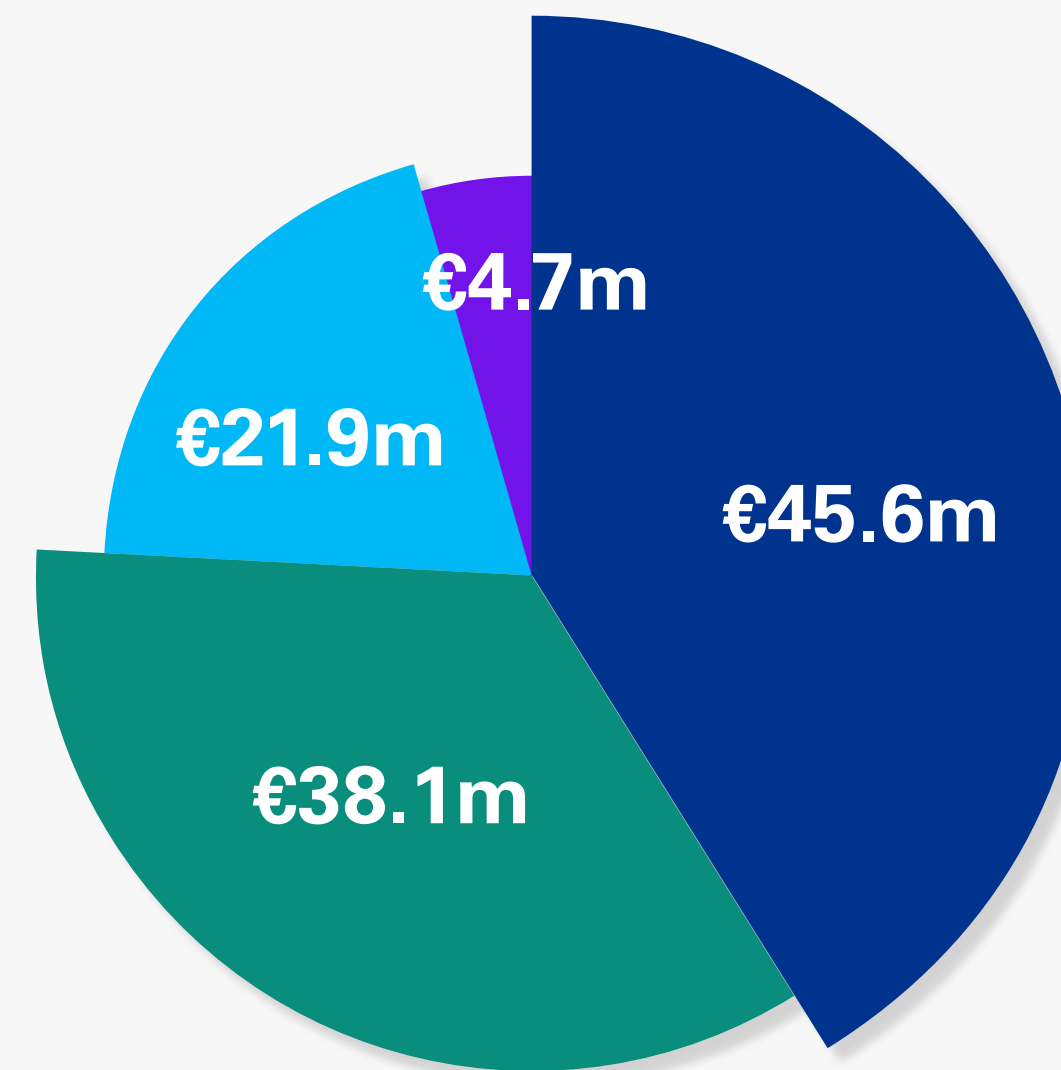
Due to our industry, personnel-related tax payments constitute most of our tax footprint. During the financial year, personnel-related tax payments totalled EUR 60.0 million. Indirect taxes, which mainly consisted of the VAT paid, totalled EUR 45.6 million. In addition, corporate income tax totalled EUR 4.7 million.

During the financial year, KPMG Finland Group received no financial assistance nor any subsidies from the government.

## EUR 110.30 million

Tax footprint  
KPMG Finland Group

- Indirect taxes: VAT and tax on insurance premiums
- Personnel’s income taxes and social and pension insurance contributions
- Employers’ health insurance contribution
- Direct taxes: corporate income tax





CASE

# KPMG ESG Challenge

With our clients, our mission is to build a more sustainable and resilient future. Our people’s insights can help businesses address the pressing issues facing our planet and turn them into opportunities. Every one of us can contribute.

To drive ESG innovation at KPMG Finland and in our community, we organised the KPMG ESG Challenge Day at the end of August at KPMG House in Helsinki. The goal was to find solutions to several real-life ESG challenges presented by Ponsse Oyj, S Group and Papu Design Oy.

The challenge was open for everyone at KPMG, and we were also happy to welcome students from the Hanken School of Economics to join our brainstorming teams.

“Our challenge setters were quite surprised by how much we were able to achieve in a short time through efficient teamwork. Some of the ideas brainstormed during the day could be introduced directly into their business processes and everyday lives,” remarked KPMG’s

Minna Tuominen-Thuesen, Advisory Partner – People & Change, after the event.

Ponsse Oyj, S Group and Papu Design Oy selected the winners by evaluating which teams had come up with the best solutions for their respective challenges. The winners were praised for their customer orientation, the scalability of their solutions, and the utilisation of gamification and stakeholder engagement.

“It was great to see people with differing skills, views and backgrounds collaborating and innovating during the day. In a very tangible way, we saw how everyone could contribute to building a more sustainable future,” remarked Minna with a twinkle in her eye.



Moments from the day and comments from the participants are captured in this video: <https://www.youtube.com/watch?v=IWhpTC0Hh9I>



# Governance

Our Values lie at the heart of the way how we do things;  
to do the right thing, the right way.





# Our approach

KPMG Finland Group is committed to the highest standards of personal and professional behaviour in everything we do. We are guided by our values and a deep commitment to doing everything correctly and with integrity. This will deliver excellence far into the future. KPMG International is a signatory to the UN Global Compact, and we work against corruption in all its forms, including extortion and bribery.

A strong global and local governance structure oversees KPMG Finland Group's activities, sets policies and aligns our strategy with our purpose. Our Code of Conduct incorporates the KPMG Values and defines the standards of ethical conduct towards colleagues, clients and our collaboration partners that is required of all KPMG people. The Code of Conduct also guides us in making a positive impact on society. Our people complete training regarding adherence to laws, regulations, professional standards and KPMG's Code of Conduct.



## KPMG Finland key goals

- To constantly train our people so that we comply with laws, regulations, standards and KPMG's Code of Conduct.
- To develop our sustainability reporting to serve the needs of a diverse range of stakeholders.
- To ensure our suppliers are aligned with KPMG's Global Code of Conduct.



# Our ambition is to be the most trusted and trustworthy professional services firm

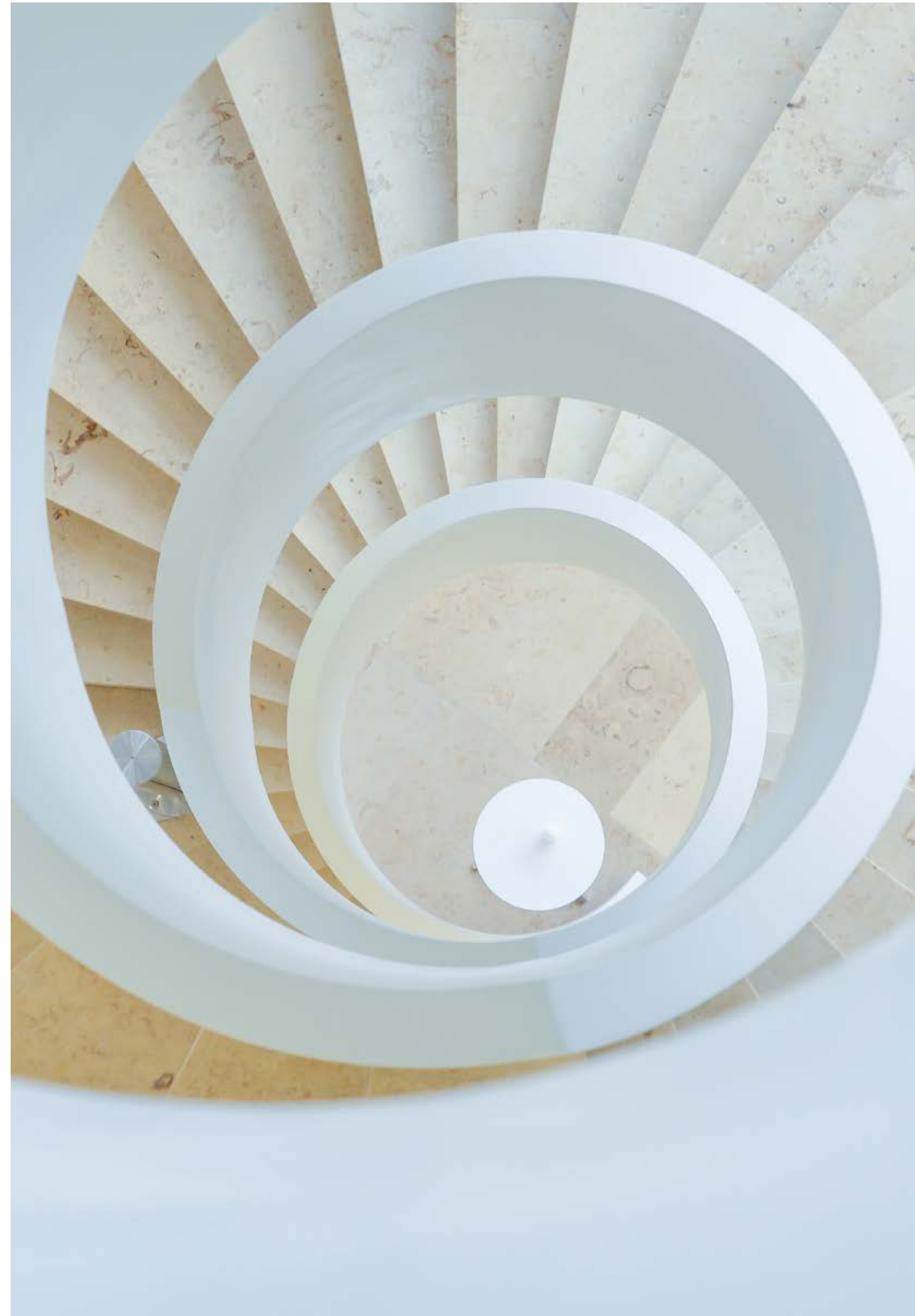
The objectives of our governance principles are transparency and responsible activity. Every year, we publish a transparency report that provides readers information about our organisation and our quality control system.

Last financial year, we have also published our sustainability report, covering our progress towards the key goals of Our Impact Plan. This is intended to increase transparency and serve the needs of a diverse range of stakeholders.





# Risk and quality management



KPMG Oy Ab and the Estonian subsidiary KPMG Baltics OÜ are audit firms subject to supervision by the authorities. Such supervision is mainly carried out by the Auditor Oversight Unit at the Finnish Patent and Registration Office (PRH) and the Estonian Auditing Activities Oversight Board.

However, risk management and quality control are the responsibility of all KPMG personnel. This responsibility includes the need to understand and adhere to firm policies and the associated procedures in carrying out their day-to-day activities. KPMG’s risk management and quality control processes apply to all business functions, including auditing and assurance, tax and legal services, and advisory services.

The quality control policies set out by KPMG International applying to all KPMG firms are included in KPMG’s Global Quality & Risk Management Manual. These policies and associated procedures are designed to guide member firms in complying with the relevant professional standards and regulatory and legal requirements, and

in issuing reports that are appropriate for the circumstances. All quality control policies and procedures are based on the International Standards on Quality Control/Management issued by the International Auditing and Assurance Standards Board (IAASB) and on the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA).

KPMG Finland and Estonia implement the policies and procedures of KPMG International, while adopting additional locally determined policies and procedures designed to address the requirements of local legislation.

Leadership plays a critical role in setting the right tone and leading by example. Our leadership team is committed to building a culture based on high quality, integrity and ethical behaviour, demonstrated through their actions, communications, presentations and one-to-one discussions. In line with the requirements of International Standards on Quality Control/Management, our CEO has assumed ultimate

responsibility for the KPMG Finland Group’s quality control system. The Risk Management Partner is responsible for setting the overall professional risk management and quality control policies and for monitoring compliance. The Risk Management Partner also heads the Quality & Risk Management team (QRM), which monitors our professional risks and supports the management in developing the quality of our operations.

KPMG Finland Group’s risks are assessed annually through our enterprise risk management process, in which the ESG risks are also integrated. Our most critical business risks are related either to the execution of our defined strategy or to possible failures in client assignments. ESG risks are currently considered low.

Further details concerning our quality and risk management policies are available in our Transparency Reports: [Finland Transparency Report](#) and [Estonia Transparency Report](#).

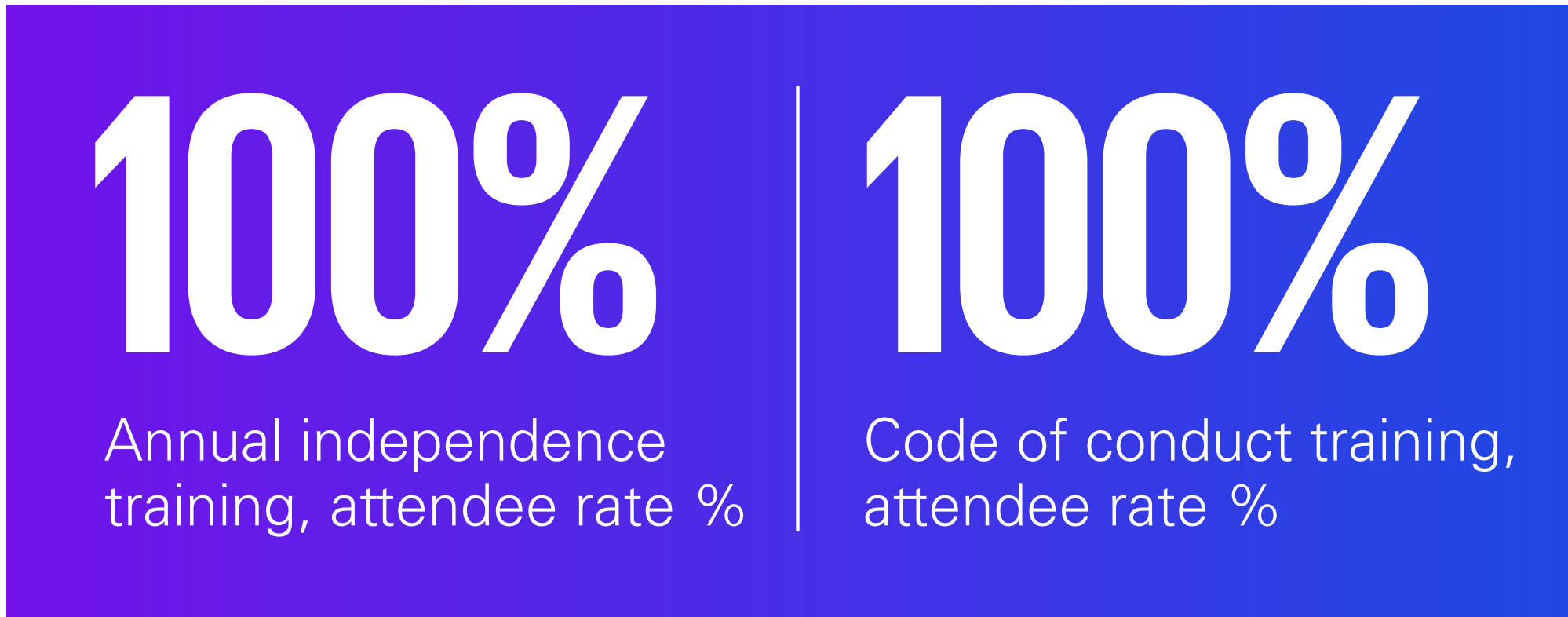


# Ethical standards and compliance

KPMG’s operations are subject to compliance with directives, laws and regulations and with oversight by regulatory bodies. Compliance with directives, laws, and regulations is a core responsibility for everyone at KPMG Finland Group. The firm’s commitment to act lawfully and ethically is codified in our Global Code of Conduct, which standards of personal and professional behaviour are applicable to all our personnel (all employees and governance body members). The KPMG Values embedded in the Code of Conduct also require us to act with integrity in our day-to-day activities. The requirements of the applicable laws and regulations are further implemented and monitored through KPMG’s numerous global and local internal policies, processes and controls, which enable and ensure compliance.

At the beginning of their employment and regularly thereafter, (all employees and governance body members) must complete training covering compliance with laws, regulations, professional standards and the Code of Conduct. They must also annually confirm their understanding of and compliance with the Code of Conduct.

The Code of Conduct further requires that anyone noticing illegal or unethical behaviour at KPMG must “speak up” about their observations. Any identified occurrences of non-compliance with laws and regulations are to be investigated and addressed in accordance with the appropriate procedures.





## Anti-corruption and bribery

KPMG has a zero-tolerance approach to bribery and corruption. In addition to KPMG's Global Code of Conduct, the requirement to refrain from any actions that could amount to or be perceived as corruption is set out in KPMG Finland Group's Guidance on Anti-Bribery and Corruption. KPMG's Global Code of Conduct and KPMG Finland Group's Guidance on Anti-Bribery and Corruption have been communicated to the entire personnel, including all members of governance bodies. KPMG Finland Group also requires all its personnel to complete compliance training that covers the anti-bribery and corruption topic at the beginning of their employment and regularly thereafter.

## Working with third parties

With respect to third parties engaged, for example, as subcontractors or suppliers of the KPMG Finland Group, we conduct comprehensive risk assessments that also cover the overall ethical environment and anti-bribery policies and procedures that may apply to such third parties, as well as any issues identified, such as allegations of corruption or breaches of human rights. As a basic rule, KPMG requires third parties to adhere to the requirements of its Code of Conduct or equivalent policies, as well as to commit to specific anti-corruption terms. KPMG Finland Group also conducts an annual anti-bribery and corruption risk assessment in which various factors that may lead to a risk of corrupt behaviour across its operations are evaluated, and in which the existence and effectiveness of mitigating actions are evaluated.

During the financial year, we renewed our third-party risk assessment processes technically and by adding further evaluations. Our people were offered training regarding the renewed processes.

KPMG continuously monitors and complies with the applicable regulations related to international trade sanctions. Due to the significant developments in this field caused by the war in Ukraine, we further enhanced our processes related to this topic during the financial year. All our client and third-party business relationships are constantly re-evaluated with respect to the applicable regulations, as well as to any additional policies laid down by us and the KPMG International network.



## Speaking up

All KPMG personnel are encouraged to act with courage and speak up if they see something which makes them feel uncomfortable. Every person at KPMG is responsible for reporting – and is required to report – any activity that could potentially be illegal or in violation of KPMG policy or of the applicable laws, regulations or professional standards. This includes situations when one knows or suspects that colleagues, clients or parties associated with clients, or suppliers, subcontractors or associated third parties are engaged – or may be about to engage – in illegal or unethical activity.

KPMG personnel may report their concerns to KPMG’s Risk Management Partner. Anonymous reporting is also possible through the KPMG International hotline. The KPMG International hotline is a vehicle for KPMG personnel, clients and other third parties (such as suppliers, contractors, subcontractors, external consultants, alliance partners, or other third-party resources) to confidentially report concerns they have related to

certain areas of activity by KPMG or KPMG personnel. The KPMG International hotline is operated by a third-party administrator of telephone and web-based hotline services.

KPMG will act whenever non-compliance with KPMG policy or the applicable laws is identified.

Individuals who speak up in good faith will suffer no harm, regardless of whether the concern is ultimately substantiated or not. KPMG and KPMG personnel are prohibited from retaliating against individuals who have the courage to speak up in good faith. Retaliation will be regarded as a serious violation of KPMG policy, and any retaliation by KPMG personnel will result in disciplinary action.

## Information security and data protection

A key element of KPMG’s information security operations is our centralised security governance model, known as the Information Security Management System (ISMS). Our ISMS provides a risk-based approach to protecting KPMG’s oper-

ations with various state-of-the-art security controls. Furthermore, our local security team is supported by the KPMG Global Network, including a 24/7/365 Security Operations Centre overseeing KPMG’s IT infrastructure.

KPMG Finland Group’s Information Security Management System is ISO/IEC27001-certified. Our performance with respect to maintaining and continuously improving our ISMS is annually assessed by an independent third party.

KPMG’s Global Privacy Policy, with the corresponding requirements of the current data protection legislation, determines our policies for processing personal data. These privacy requirements apply to all processing of personal data across our operations, and are taken into account throughout the personal data lifecycle. Our privacy team works closely with teams across KPMG to support privacy compliance throughout the organisation and ensure our technology solutions and third-party vendors meet privacy requirements. Our employees receive regular training on both information security and data protection.



**KPMG Finland Group’s Information Security Management System is ISO/IEC27001-certified**



CASE

# Whistleblowing – More than fulfilling a duty required by law

The EU whistleblowing directive was first adopted in 2019, and the national law is expected to come into force from the beginning of 2023. The purpose of the law is to protect whistleblowers who report suspected fraudulent behaviour, corruption or violations of the law by offering them a secure channel for reporting these issues. The law guarantees that reporters acting in good faith will be protected against any retaliation.



Antti Aalto, Head of Legal Compliance services: “The European Union directive differs from the original US whistleblowing model; instead of monetary gain, its aim is to offer a high level of protection for reporters and ensure anyone can securely voice their concerns. Transparency International recognises that the European system sets out adequate protection for whistleblowers and enables managements to discharge their legal duties.

In practice, there are strict requirements for the reporting channels – they must be both technically secure and protect the information

shared through them. It is worth noting that the protection obligation is on a par with banking. Not many systems can fulfil these stringent conditions. We offer our clients a resource-saving turnkey solution: the outsourced service takes care of the lawful requirements and offers peace of mind for decision makers, who ultimately have the duty to act based on the whistleblowing reports.

The management has a duty to review all the reports and intervene as appropriate, and the protection the reporting channel offers has helped reporters share sensitive information

without fear of retaliation and in compliance with GDPR and other privacy laws. Occasionally, we have noticed that our clients have struggled with internal conflicts that may have led to damage to their public image and reputation, which in turn inevitably hurts the business in the long run. Once the internal reporting channel has been set up enabling the internal reports to reach the management without a delay while avoiding conflicts of interest, the effect on the overall image is visible. The improved internal communication flow enables early detection and the addressing of potentially harmful activities.

We can even go as far as to call the change a revolution in communication. Setting up the system can be arduous administrative work, but it will repay itself in many ways. A working whistleblowing system is the best auditing tool. Compared to other controls, whistleblower protection has unique properties and effectiveness. A well-maintained administrative system is also a good measurement of the management’s responsible actions; our work in turn is to ensure decision makers can sleep in peace, knowing their legal obligations will be detected early and can be fulfilled in the normal course of business.”



# About this report

## Reporting principles

This is KPMG Finland Group's first sustainability report, covering our ESG (economic, social and governance) progress during the financial year for the 12 months ended September 2022. In the future, we will publish our report annually. KPMG Finland's Executive Committee and Board of Directors have reviewed and approved the sustainability report.

Unless otherwise stated in the IBC Index, all information and data cover the entire KPMG Finland Group. Finland and Estonia are KPMG Finland Group's significant locations of operation.

The report has been prepared in accordance with the WEF IBC Stakeholder Capitalism Met-

rics. The metrics were developed in cooperation with Bank of America, KPMG and the other Big Four organisations (2020). In our WEF IBC Index, we measure our performance against the 21 recommended core metrics.

### Financial data

All financial data has been collected through our financial reporting systems. All financial figures presented and referred to in this report are based on KPMG Finland Group's consolidated and audited financial statements.

### Emissions data

KPMG Finland Group adheres to the KPMG Global guidelines (Global Climate Response, GCR) for emissions reporting. The GCR emissions inventory follows the globally recognised Greenhouse Gas Protocol (GHG Protocol) reporting principles.

Following the GHG Protocol, the GCR includes all emissions from Scope 1 and Scope 2 activities, and relevant Scope 3 indicators in its inventory.

Our greenhouse gas emissions information for financial year 2022 has been assured (limited assurance) by an external third party, Hill Audit Oy.

### People and governance data

All the people and governance data reflect the situation at the end of the financial year on 30 September 2022 unless otherwise stated and cover all KPMG Finland Group employees and governance body members. Workers who are not employees (e.g. subcontractors and external consultants) are excluded from people and governance data.

KPMG Finland and KPMG Estonia have their own employee benefits and collaboration partners. Finnish legislation prevents the employer collecting information in connection with diversity indicators (e.g. ethnicity), so this information is not reported.



# Vocabulary

**Code of Conduct** – Provides employees and third parties with guidance and encompasses guidelines for responsible, ethical, and legally compliant behaviour. KPMG Finland Group applies KPMG’s Global Code of Conduct.

**ESG** – Abbreviation of environmental, social, and corporate governance. In some contexts, the acronym is better known as sustainability or corporate responsibility.

**Financial year** – KPMG Finland Group’s 2022 financial year covered a period of 12 months ended September 2022.

**Global People Survey (GPS)** – KPMG’s annual Global People Survey serves as the foundation for KPMG’s global internal people-listening strategy.

## **Inclusion, Diversity and Equity (IDE)**

- An acronym for the thematic cluster of Inclusion, Diversity and Equity. In some contexts, the acronym is better known as DEI.

- Inclusion means individuals feel welcome, valued, respected and visible in the community, regardless of the categories that define their identity.
- Diversity implies the presence of difference. In the workplace, diversity is understood in terms of different identities such as, but not limited to, gender, education, ethnicity, nationality, religion, and sexual orientation.
- Equity ensures everyone has equal access to the same opportunities, such as community resources, social networks, and empowerment. Equity recognises people’s different starting points and the existing biases in terms of advantages and barriers, and commits to addressing these issues.

**ISO/IEC27001 certification** – An international standard for information security management systems (ISMS) and their requirements.

**LEED Gold certificate** – Green Building Certification Institute (GBCI) awards points to new or existing buildings on carbon, energy, water, waste, transportation, materials, health and indoor environmental quality.

**Our Impact Plan** – KPMG’s global ESG plan, which clarifies our commitments and actions across four important categories: People; Planet; Prosperity; and Governance.

**Performance Manager (PM)** – KPMG’s global term for supervisors.

**Publicly listed audit clients** – The definition of a public interest entity used in this report corresponds to the definition used in Finland’s Accounting Act (1336/1997, as amended).

**QRM** – KPMG’s Quality & Risk Management team, which monitors our professional risks and supports the management in developing the quality of our operations.

**Scope 1 emissions** – Greenhouse gas emissions caused by KPMG Finland Group’s own activities (e.g. fuel consumption of owned or leased vehicles).

**Scope 2 emissions** – Indirect greenhouse gas emissions caused by energy production outside of KPMG Finland Group (e.g. electricity, district heating, district cooling). Location-based emissions apply grid emission factors to all energy, regardless of contractual purchase arrangements, whereas market-based emissions apply supplier-specific emission factors.

**Scope 3 emissions** – Greenhouse gas emissions caused by upstream and downstream value chain activities (e.g. purchased goods and services, business travel).

**SDGs** – Abbreviation of the 17 Sustainable Development Goals, adopted by all United Nations Member States in 2015, aiming to eliminate poverty, protect the planet and ensure people enjoy peace and prosperity.



# WEF IBC Index

Theme	Core metrics and disclosures	Location and notes
<b>People</b>		
<b>Dignity and equality</b>	<b>Diversity and inclusion</b> Percentage of employees per employee category, per age group, gender and other indicators of diversity (e.g. ethnicity).	<a href="#">Promoting inclusion, diversity and equity, p. 20</a>  FY 2020 figures excluding data from the Estonian subsidiary.
	<b>Pay equality</b> Ratio of the basic salary and remuneration for each employee category by significant countries or territories of operation for priority areas of equality: women to men, minor to major ethnic groups and other relevant equality areas.	<a href="#">Promoting inclusion, diversity and equity, p.19</a>  We are currently analysing statistics on overall remuneration and gender pay data internally and look forward to publishing more information in our report in the future.
	<b>Wage level</b> Ratios of standard entry level wage by gender compared to local minimum wage.  Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	Not applicable as Finland does not have minimum wage.  Partially reported. Information regarding salaries and benefits paid to the CEO and the board of directors can be found in our annual financial statements.
	<b>Risk for incidents of child, forced or compulsory labour</b> An explanation of the operations and suppliers considered to have significant risk for incidents of child labor, forced or compulsory labor. Such risks could emerge in relation to: 1. Type of operation (such as manufacturing plant) and type of supplier 2. Countries or geographic areas with operations and suppliers considered at risk.	<a href="#">Ethical standards and compliance, p. 50</a>  According to our current view, risks in our own operations of causing or contributing to incidents of child labour, forced or compulsory labour are low.
<b>Health and well-being</b>	<b>Health and safety</b> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.  An explanation of how the organisation facilitates workers' access to nonoccupational medical and healthcare services, and the scope of access provided for employees and workers.	<a href="#">Health and wellbeing, p.15–17</a>  Workers who are not employees (e.g. subcontractors and external consultants) are excluded from the occupational health and safety management system and services as they are covered by such a system through their own employer. KPMG works with subcontractors or external consultants only occasionally. The number of workers who are not employees but whose work is controlled by KPMG during the financial year is therefore low, less than 10 workers.



<p><b>Skills for the future</b></p>	<p><b>Training provided</b> Average hours of training per person that the organisation’s employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees).</p> <p>Average training and development expenditure per full-time employee (total cost of training provided to employees divided by the number of employees).</p>	<p><a href="#">Investing in lifelong learning, p. 22</a></p> <p>Excluding information regarding average hours of training per person by gender and employee category to be included in the future. Our policies require all professionals to maintain their professional competencies. For audit personnel we annually determine obligatory professional training and monitor their completion.</p>
<p><b>Planet</b></p>		
<p><b>Climate change</b></p>	<p><b>Greenhouse gas (GHG) emissions</b> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions.</p> <p>Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.</p> <p><b>TCFD implementation</b> Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050</p>	<p><a href="#">Our carbon footprint, p. 30</a></p> <p>KPMG Finland Group has not implemented the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). However, KPMG has globally committed to a 1.5 °C Science Based Targets initiative (SBTi) target of 50% emissions reduction by 2030. This target applies to KPMG Finland Group. KPMG Finland Group is currently in the process of creating our local carbon roadmap to ensure we reach the shared target.</p>
<p><b>Nature loss</b></p>	<p><b>Land use and ecological sensitivity</b> Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).</p>	<p>Not applicable because all KPMG offices in Finland and Estonia are located in city centres.</p>
<p><b>Fresh water availability</b></p>	<p><b>Water consumption and withdrawal in water-stressed areas</b> Report for operations where material, mega litres of water withdrawn, mega litres of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI Aqueduct water risk atlas tool.</p> <p>Estimate and report the same information for the full value chain (upstream and downstream) where appropriate</p>	<p>Not applicable as KPMG’s offices in Finland and Estonia are not located in high or extremely high water-stressed areas according to WRI Aqueduct water risk atlas tool.</p>



## Prosperity

	<p><b>Absolute number and rate of employment</b></p> <p>1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region.</p> <p>2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.</p>	<p><a href="#">Key figures relating to people, p. 14</a>  <a href="#">Promoting inclusion, diversity and equity, p. 20</a></p> <p>Reported in rates by age group and gender rather than total numbers.</p> <p>The turnover data covers only total voluntary employee turnover in Finland.</p>
<p><b>Employment and wealth generation</b></p>	<p><b>Economic contribution</b></p> <p>1. Direct economic value generated and distributed (EVG&amp;D), on an accrual's basis, covering the basic components for the organisation's global operations, ideally split out by:</p> <ul style="list-style-type: none"> <li>— Revenues</li> <li>— Operating costs</li> <li>— Employee wages and benefits</li> <li>— Payments to providers of capital</li> <li>— Payments to government</li> <li>— Community investment</li> </ul> <p>2. Financial assistance received from the government: total monetary value of financial assistance received by the organisation from any government during the reporting period</p>	<p><a href="#">Annual Report (in Finnish), p. 8–22</a>  <a href="#">Highlights of Our Impact Plan in 2022, p. 6</a>  <a href="#">Voluntary work, donations and support for not-for-profit organisations, p. 39–40</a>  <a href="#">Our tax footprint, p. 43</a></p>
	<p><b>Financial investment contribution</b></p> <p>1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy.</p> <p>2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.</p>	<p><a href="#">Annual Report (in Finnish), p. 5, 10, 13</a></p>
<p><b>Innovation of better products and services</b></p>	<p><b>Total R&amp;D expenses</b></p> <p>Total costs related to research and development.</p>	<p><a href="#">Annual Report (in Finnish), p. 9, 15–17</a></p>
<p><b>Community and social vitality</b></p>	<p><b>Total tax paid</b></p> <p>The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.</p>	<p><a href="#">Our tax footprint, p. 43</a></p>



Governance		
<b>Governing purpose</b>	<p><b>Setting purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p>	<p><a href="#">About KPMG Oy Ab Group, p. 3–5</a>  <a href="#">Message from our CEO, p. 7</a>  <a href="#">Our approach to corporate sustainability, p. 8–9</a>  <a href="#">ESG is embedded in everything we do, p. 35–37</a></p>
<b>Quality of governing body</b>	<p><b>Governance body composition</b> Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, including the nature of said commitments; gender; membership of under-represented social groups; stakeholder representation.</p>	<p><a href="#">Annual Report (in Finnish), p. 5–7</a>  <a href="#">Transparency Report Finland (in Finnish), p. 12–16</a>  <a href="#">Transparency Report Estonia (in Estonian), p. 13–14</a></p> <p>Excluding board competencies matrix to be included in the future.</p>
<b>Stakeholder engagement</b>	<p><b>Material issues impacting stakeholders</b> A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.</p>	<p><a href="#">Material topics, p. 8</a></p>
<b>Ethical behaviour</b>	<p><b>Anti-corruption</b>                      1. Total percentage of governance body members, employees and business partners who have received training on the organisation's anti-corruption policies and procedures, broken down by region.                      a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years                      b) Total number and nature of incidents of corruption confirmed during the current year, related to this year                      2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.</p>	<p><a href="#">Ethical standards and compliance, p. 49</a></p> <p>There have been no incidents of corruption confirmed during the current financial year, related to current financial year or previous years.</p>
<b>Ethical behaviour</b>	<p><b>Protected ethics advice and reporting mechanisms</b> A description of internal and external mechanisms for:                      1. Seeking advice about ethical and lawful behaviour and organisational integrity.                      2. Reporting concerns about unethical or unlawful behaviour and lack of organisational integrity.</p>	<p><a href="#">Ethical standards and compliance, p. 51</a></p>
<b>Risk and opportunity oversight</b>	<p><b>Integrating risk and opportunity into business process</b> Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.</p>	<p><a href="#">Risk and quality management, p. 48</a>  <a href="#">Annual Report (in Finnish), p. 4</a>  <a href="#">Transparency Report Finland (in Finnish), p. 8–9, 26–29</a>  <a href="#">Transparency Report Estonia (in Estonian), p. 9–10, 24–30</a></p> <p>Risks and opportunities are listed briefly and response to changes described throughout our reports.</p>



# AUDITOR'S ASSURANCE REPORT

## To the management of KPMG Oy Ab Scope

We have undertaken a limited assurance engagement of the greenhouse gas emissions information in KPMG Finland Group's sustainability report for the reporting period of 1.10.2021–30.9.2022.

## Responsibility of Management

The management of KPMG Oy Ab is responsible for the preparation of the greenhouse gas emissions information in accordance with reporting criteria; the company's own KPMG Global Guidelines and Greenhouse Gas Protocol (GHG Protocol) -reporting principles.

This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the greenhouse gas emissions information that is free

from material misstatement, whether due to fraud or error.

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

## Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA). We apply the International Standard on Quality Control (ISQC) 1.

## Our Responsibility

Our responsibility is to express a limited assurance conclusion on the greenhouse gas emis-

sions information of KPMG based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3410, "Assurance Engagements on Greenhouse Gas Statements" issued by the International Auditing and Assurance Standards Board, and we have agreed on the terms of the engagement with KPMG Oy Ab. ISAE 3410 requires that we plan and perform this engagement to obtain limited assurance about whether the greenhouse gas emission information is free from material misstatement. The nature, timing, and scope of the assurance procedures selected are based on professional judgment, including an assessment of material misstatement due to fraud or error. We have not applied any measures to the information outside the greenhouse gas emission information, and therefore no conclusions of any kind are presented consid-

ering the information outside greenhouse gas emissions. We believe that the evidence we have obtained is sufficient and appropriate for our limited assurance conclusion.

## Description of Procedures Performed

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. We have designed and performed the engagement to obtain sufficient and appropriate evidence for limited assurance and we have based our conclusions on that evidence. Our audit procedures have therefore not included the acquisition of as extensive evidence as is required to obtain reasonable assurance.



Although we considered the effectiveness of internal controls in determining the nature and scope of our procedures, our assurance engagement is not designed to assure internal controls. Our procedures did not include control testing or performing procedures related to combining and calculating data within the IT systems. The limited assurance engagement consists of inquiries to the persons who are responsible for preparing the KPMG sustainability report and related information, as well as performing analytical and other procedures.

Given the scope of the engagement, in performing the procedures listed above:

- We have evaluated the application of the reporting criteria and principles in the preparation of greenhouse gas emissions information.
- We have evaluated the processes and practical procedures to collect and combine the greenhouse gas emissions data.
- We have gone through the greenhouse gas emission data and evaluated the correctness of the data and the calculation limit definition analytically and on a spot test basis.

## Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that greenhouse gas emissions information in KPMG Finland Group's sustainability report for the reporting period of 1.10.2021–30.9.2022 is not prepared, in all material respects, in accordance with the reporting criteria and principles.

Helsinki, January 12<sup>th</sup>, 2023

Hill Audit Oy  
Authorised Public Accountants

Lauri Mäki  
Authorised Public Accountant (KHT)



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