



# ENVIRONMENTAL POLICY

July 2023

[KPMG.com.au](https://www.kpmg.com.au)

## Principle

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

## Purpose

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

## Commitment

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

## Application

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

## Action

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

### KPMG people

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

### Clients

- promote best practice environmental sustainability commitments and initiatives with our clients
- consider clients' adherence to environmental legal standards and the potential negative environmental impact of our engagements
- continue to monitor and report the carbon intensity of our client portfolio
- invest in climate change and decarbonisation solutions, services and capabilities to support our economy's transition to net zero
- continue to support our key environmental community partners wherever reasonably possible.

### Operational emissions

- meet our KPMG International commitment of a 50% reduction in our 2019 base year gross emissions by 2030
- continue to source 100% renewable energy for tenancies from 2022, and purchase additional renewable energy to cover 100% residual energy emissions by 2030
- drive continuous operational improvements in existing buildings and ensure new KPMG offices are low or zero-carbon ready by 2030
- reduce gross emissions from Scope 3 sources by 50% by 2030, including from business travel and purchased goods and services
- encourage remote working, virtual service delivery and digital collaboration to reduce non-essential business travel, where possible.

### Supply chain

- consider climate risks and impacts when procuring goods and services
- assess the environmental targets and performance of key suppliers by evaluating their alignment to our Supplier Code of Conduct and Supplier Questionnaire
- engage and support our suppliers to adopt a science-based target (SBTi) or equivalent reduction target by 2025 to reduce our supply chain emissions.

### Waste

- measure waste generation usage across our operations, where possible
- strive to reduce office waste to landfill by 20% and reach 90% diversion (recycling) rate by 2025 in KPMG tenancies
- eliminate all single use plastic items from our operations and supply chain by 2025, including those in our offices, catering and events
- reduce food waste and packaging in our catering through continued education, by working with suppliers and community partners
- promote reuse and recycling in our offices
- implement our Sustainable Procurement Framework to support our suppliers of purchased goods to report and reduce packaging waste.

### Legal and other requirements

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

## Process

In delivering on the Policy, KPMG Australia is committed to a program of continual improvement and will set targets, measure progress against them and share our progress with stakeholders.

## Governance and reporting

Environmental Sustainability Performance indicators are monitored and reported annually through KPMG International's Global Climate Response, our voluntary submission to Climate Active, and KPMG Australia's 'Our Impact Plan'.

Through Climate Active, KPMG Australia is required to report annually on our climate performance, emission reduction initiatives and procurement of carbon offsets to retain our carbon neutral claim. As a voluntary commitment, a third-party limited assurance audit is performed on our reporting boundary, methodology, and all carbon data annually to validate our carbon neutral claim.

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

We will communicate this Policy and our environmental performance internally and externally on a regular basis and through KPMG Australia's annual 'Our Impact Plan'.

## Review

The Policy will be reviewed annually.

## Additional information

Document Level	Public
<b>Version No.</b>	V4.0
<b>Document Owner</b>	Jonathon Collins
<b>Document Administrator</b>	Jonathon Collins
<b>Date of Publication/Effective Date</b>	1 January 2016
<b>Date of last Review</b>	1 July 2023
<b>Regulator (if applicable)</b>	Self-Regulated
<b>Evaluation Mechanism</b>	Annual review of Environmental Policy and Environmental Statement
<b>Review and Approval Body</b>	KPMG Corporate Affairs

# Contact us

## Corporate Citizenship

corporatetcitizenship@kpmg.com.au

**KPMG.com.au**

The information contained in this document is of a general nature and is not intended to address the objectives, financial situation or needs of any particular individual or entity. It is provided for information purposes only and does not constitute, nor should it be regarded in any manner whatsoever, as advice and is not intended to influence a person in making a decision, including, if applicable, in relation to any financial product or an interest in a financial product. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

To the extent permissible by law, KPMG and its associated entities shall not be liable for any errors, omissions, defects or misrepresentations in the information or for any loss or damage suffered by persons who use or rely on such information (including for reasons of negligence, negligent misstatement or otherwise).

©2023 KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation.

Liability limited by a scheme approved under Professional Standards Legislation.

May 2023. 1071436481CC