



cutting through complexity

AUSTRALIA

# Corporate Citizenship 2011

A report for our people

[kpmg.com.au](http://kpmg.com.au)



*The Sum  
of Us.*

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## Shared value



Citizenship is created through the sum of our collective leadership, insight, passion, relationships and, most importantly, actions.

The sum of our actions delivers real change and shared value for both KPMG and our communities.

*Our potential is created in The Sum of Us.*

(L-R) Irene Lai (Jawun Secondee, KPMG); Tom Roth (Jawun Secondee, KPMG); Farida Dad (former ABCN Mentee); Victor Morgan (Tribal Warrior Association); Catherine Hunter (Director, Corporate Citizenship, KPMG); James Woodward (National Chairman's Awards Leadership winner 2009, KPMG); Shane O'Connor (Jawun Mentor, KPMG); Graham Howe (ZooX Ambassador, KPMG); James Mabbott (Jawun Secondee, KPMG); Ebony Allen (Indigenous Program Manager, Corporate Citizenship, KPMG).

## A message from our leaders

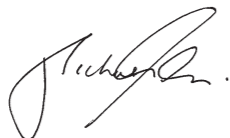
Our aspiration at KPMG is to be the best firm to work with – for our people, clients and communities.

We see a direct connection between good business and better lives. Our approach to Corporate Citizenship is founded on the belief that business has a distinct and vital role to play in helping solve important social and environmental issues.

In today's complex world, this is more important than ever before. But it is not enough to simply respond to the challenges facing us now. That businesses should act responsibly is a given. Corporate Citizenship is about pushing ourselves beyond mere compliance to questioning how we can best apply our knowledge and skills today to create a better world for tomorrow.

As citizens of society, we can individually and collectively harness the power of our network to create lasting change. Which is why we are committed to proactively doing more – moving beyond good governance, ethical behaviour and philanthropy to work with our clients, governments, communities and not-for-profit organisations – to tackle issues at a global and local level.

By involving and applying our greatest asset – our people – to this task, they gain insight and perspective, resulting in personal and professional growth and most importantly, advocacy for social change. Advocacy is expressed in many ways and leadership can be found at all levels of our organisation. From our senior executives to our new graduates, our people can all connect with their clients, community and each other through our shared humanity.



**Michael Andrew**  
Global Chairman, KPMG



**Peter Nash**  
Chairman, KPMG Australia



**Geoff Wilson**  
CEO, KPMG Australia



(L-R) Geoff Wilson (CEO, KPMG Australia); Michael Andrew (Global Chairman, KPMG International); Peter Nash (Chairman, KPMG Australia).

## Corporate Citizenship at KPMG

**Our investment in Corporate Citizenship makes sense... for all of us. We believe it is the right thing to do by our people, our communities and our planet.**

Corporate Citizenship is about human investment and people working together to create better lives for the communities and environments we live and work in.

For our people, it provides greater meaning, a sense of achievement, personal growth, professional development and joy.

For our community partners, it is about us investing our time and skills, insight and contacts to help them realise the potential they see in themselves.

This document helps us reflect on what citizenship means to our people at KPMG. It is also about celebrating our achievements and being accountable for our commitments.

The four drivers of Corporate Citizenship at KPMG are:

- impact on the community
- engagement of our people
- our reputation in the marketplace
- our values.

Above all, Citizenship is about doing the right thing, but always with purpose and a real commitment to change things for the better. It is about solving problems that really matter.

**John Teer**

Chairman, Citizenship Advisory Board  
COO/CFO, KPMG Australia

**Catherine Hunter**

Director, Corporate Citizenship,  
KPMG Australia



Dilan Corea (ABCN Mentor, KPMG)

Key highlights\*

85%

of KPMG people believe the firm is strongly 'committed to our communities' (equal highest score from 2010 yourVoice People Survey)

33%

reduction in net Australian emissions per FTE since 2007

\$11,141,000

total investment in the community including people's time and financial contributions

ALMOST 100 PEOPLE  
(14000 HOURS)

seconded to work with Indigenous communities since Jawun partnership launched

10

national community partnerships across Australia

15,204

hours of honorary work on 160 jobs supporting 113 not-for-profit organisations

13.8M

sheets of paper saved since 2008

6

global NGO development partners

\$1 million

in contracts signed with Indigenous suppliers

1st

Reconciliation Action Plan (RAP) amongst 'Big 4'

6

scholarships for Indigenous students

Global LEAD organisation to the United Nations Global Compact (UNGC)

UNGC

Founding member of Global Compact Network Australia

\*All data reported for FY11 unless otherwise stated. Data sourced from KPMG in Australia (merged firm) management reporting systems (SAP and Corporate Citizenship tracked data) and KPMG International Global Citizenship. Environmental (Global Green) data reported on a calendar year basis.

# Global initiatives

A 'Commitment to our Communities and the Environment' is one of KPMG's core values and a cornerstone of our culture. Through our global commitment to find solutions to some of the key challenges facing the world today, we are engaged in the key multi-stakeholder institutions that bring together leading organisations from the private, public and non-government organisation sectors. In particular, our involvement with the United Nations Global Compact (UNGC), the World Business Council for Sustainable Development and the World Economic Forum demonstrates our contribution to tackling issues ranging from environmental sustainability to bribery and corruption.



We have a clear vision of the role of KPMG. We believe we should use our skills and our resources to become fully involved in finding sustainable solutions to local and global issues such as climate change, food and water scarcity, poverty, security, development and economic growth. For Australia, these issues are starkly clear and central to so much business and political debate. Whatever the right balance, our imperative is to act to drive down our negative impact and increase our creative contribution to a more just and generous society. That's why, for example, the Indigenous partnership program, based on the key principles of reconciliation, is a truly significant commitment and defines KPMG's sincere application of our values in action."

**Michael Hastings**

Lord Hastings of Scarisbrick CBE  
Global Head of Citizenship and  
Diversity, KPMG International

# Global initiatives

## Global Development Initiative

To support our focus on international development, KPMG International established the Global Development Initiative (GDI). This program brings KPMG people from around the world together to help tackle global issues. The GDI is designed to be a model of excellence in corporate engagement and demonstrates KPMG's commitment to communities on a truly global scale.

The GDI focuses on the first three of the United Nations' Millennium Development Goals (MDGs), those most closely aligned to KPMG's values, knowledge and experience. These are:

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women.

KPMG member firms participate in the GDI in three ways:

1. Supporting private sector development to overcome market constraints in ways that increase investment opportunities, increase employment, and contribute to economic growth;
2. Supporting NGOs and UN agencies. The organisations that we primarily support are Millennium Promise, Oxfam, World Vision, UNICEF, Save the Children and the Red Cross; and
3. Supporting good global governance to provide transparency and accountability.

## Global Green Initiative

Launched in 2008, the Global Green Initiative (GGI) is KPMG's global response to climate change. The GGI demonstrates KPMG's commitment to reducing our impact on the environment, addressing environmental challenges, and helping others tackle the challenges of climate change.

KPMG's GGI includes a three-pronged approach:

- To measure, reduce and report on KPMG's carbon footprint;
- To support environmental projects addressing climate change; and
- To work with our partners, employees, suppliers and clients to help them improve their impact on climate change.

## Disaster response

The scale and scope of the relief and recovery efforts KPMG member firms have been involved with is significant, including our work in Haiti, Japan and Australia. Following a major disaster, KPMG firms channel donations through our chosen NGO and development partner organisations including UNICEF, Save the Children, World Vision and the International Red Cross and Red Crescent Societies. In Australia we direct contributions through our national community partner The Salvation Army.

## United Nations Global Compact LEAD

KPMG International is proud to be a signatory to the UNGC – the world's largest voluntary Corporate Citizenship initiative that aims to influence the creation of a more sustainable and inclusive global economy. The UNGC's guiding Ten Principles covering four key areas: human rights, labour, environment and anti-corruption, resonate strongly with KPMG's values. KPMG International reports annually on our commitment through our 'Communication on Progress' including inputs from KPMG in Australia.

In 2011, KPMG International was selected to participate in UN Global Compact LEAD – a new platform for corporate sustainability leadership. As a participant we are developing an implementation plan for the platform's Blueprint for Corporate Sustainability. See diagram opposite.

The Blueprint offers UNGC participants a model for achieving higher levels of performance and generating enhanced value through the UNGC. It allows companies and their stakeholders to assess progress with respect to their commitment, strategy and implementation and to then effectively communicate their achievements.

## UNGC LEAD Blueprint for Corporate Sustainability Leadership



Sourced from United Nations Global Compact

\*Refers to the broader array of global issues addressed by the UN.



# Australian initiatives

In Australia, our Corporate Citizenship strategy aligns global and local priorities, whilst making a positive impact on the community, providing opportunities for our people and defining a clear marketplace position. It brings our values to life, defining who we are and what we stand for, fulfilling our aspiration to be the best firm to work with.

Our work in this area is underpinned by the Principles of the UNGC. As a founding member of the Global Compact Network Australia, we are playing an active role in driving local implementation of the Blueprint for Corporate Sustainability Leadership.

## Our strategic priorities

**KPMG in Australia's strategic priorities reflect our local response to global initiatives on international development and the environment.**

**Although many of the most pressing social and environmental issues may seem a world away from us, the impact of poverty and climate change are evident in our own country.**

The key strategic priorities for Corporate Citizenship in Australia are our commitments to:

**Indigenous Australians' through our Reconciliation Action Plan** – helping to close the gap\*\* with a focus on addressing economic disadvantage through business leadership, cultural awareness and Indigenous employment.

**The environment through our Global Green Initiative** – reducing our environmental impacts; supporting research and its outcomes through honorary work and our environmental partnerships; and initiatives that engage our people, suppliers and clients.

*\*The term 'Indigenous' refers to Australians of Aboriginal and/or Torres Strait Islander descent.*

*\*\*The term 'close the gap' refers to strategies aimed at closing the health and life expectancy gap between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians within a generation.*

# Investing in a better future for Indigenous Australians

We have an ongoing commitment to improve the lives of people disadvantaged by their social or economic situation.

Close to our heart is the action we can take to address closing the gap between Indigenous and non-Indigenous Australians.

We have pledged this support through our Reconciliation Action Plan and initiatives such as our partnership with Jawun.



(L-R) Roy Smith (Tribal Warrior Association); James Mabbott (Jawun Secondee, KPMG); Shane Phillips (CEO & Chairman, Tribal Warrior Association); Victor Morgan (Tribal Warrior Association)

## Our Reconciliation Action Plan

**As one of the first professional services firms to have a Reconciliation Action Plan (RAP) endorsed by Reconciliation Australia, KPMG understands the importance of our leaders demonstrating their commitment to reconciliation while actively involving the whole firm. This year we reported on our RAP and extended our commitments to close the gap for Indigenous Australians under the banners of business leadership, cultural awareness and Indigenous employment.**

**Our work with Indigenous organisations supports our ambition to create a workplace that is inclusive and diverse.**

### Relationships – Business leadership

Through our existing relationships with Indigenous and non-Indigenous organisations we aim to create both short-term and long-term change for communities.

We have identified champions throughout all levels of our organisation who can strengthen these relationships. Our CEO, Geoff Wilson, participates on the board of Jawun Indigenous Corporate Partnerships (Jawun), and is an ambassador for the Australian Indigenous Education Foundation (AIEF).

We seek to encourage and lead the business community through participation on the Business Council of Australia's (BCA) Indigenous Engagement Taskforce and the BCA Indigenous Network. We also assist in mapping and documenting Indigenous engagement by big business through an annual survey of BCA members.

### Respect – Cultural awareness

We seek to educate ourselves about Indigenous Australia as a way to empower our people and transform our communities. Our Board, National Executive Committee, and State Chairs have undertaken Indigenous cultural awareness training. In 2012 we will develop a firm-wide strategy on Indigenous cultural awareness training.

### Opportunities – Indigenous employment

We aim to empower Indigenous people, organisations and communities through opportunities and capacity building.

KPMG is a proud founding member of the Australian Indigenous Minority Supplier Council (AIMSC) and has contracted a number of important services from AIMSC certified businesses including a contract with Message Stick Group, to supply the firm's teleconferencing facilities for 3 years, valued at \$900,000. We aim to deepen our relationship with AIMSC through our procurement policies, fulfilling our procurement targets for FY12 and inviting key clients to the AIMSC Annual Dinner.

In FY11, KPMG sent 36 people on secondment to Indigenous communities through our Jawun partnership. Each spent five weeks using their skills and expertise to facilitate economic development. In total, by FY12 KPMG will have sent over 100 people on secondments.

We fund two secondary school scholarships per annum through the AIEF. We also provide mentoring and four tertiary scholarships, two each, at the University of Melbourne and the University of Technology, Sydney. We aim to be an employer of choice for Indigenous Australians and support this through our Indigenous employment strategy.



From an Indigenous Australian's perspective, KPMG is one of those organisations that is actually doing what they say."

**Michael McLeod**  
CEO, Message Stick Group



To read our full report visit  
[www.kpmg.com.au](http://www.kpmg.com.au)

## The KPMG-Jawun partnership: empowering Indigenous businesses through capacity building

**Bringing our RAP to life,  
our partnership with  
Jawun offers our people the  
opportunity to work on five  
week secondments with  
Indigenous communities  
across Australia.**

Jawun is a not-for-profit organisation that brings together corporate, philanthropic and Indigenous organisations to build the capacity of Indigenous people across Australia. Jawun seeks to foster economic and social development, focusing on long-term, sustainable initiatives that will help break the cycle of welfare dependency in Indigenous communities.

Jawun secondments run for a minimum of five weeks in four locations around Australia: East Kimberley in Western Australia, Cape York in far North Queensland, Shepparton in regional Victoria and Redfern in urban Sydney.

Our people are drawn to Jawun secondments by the opportunity to use their skills whilst gaining unique insight into Indigenous people and culture.

For businesses like Tribal Warrior Association (TWA) – one of 25 Indigenous enterprises KPMG supports through its partnership with Jawun – the program brings the understanding, skills and support needed to run a successful business.

According to Shane Phillips, Chairman and CEO of TWA, the simple tools KPMG secondees have shared with TWA have changed the business for the better. “We need numbers people here,” says Shane. “We are not interested in handouts ... your mob is empowering us mob to build capacity in our own community ... and that is what I see as reconciliation.”

In 2010 KPMG sent Vicki Reed from Audit to TWA to develop a partnership proposal for cruise ship operator Carnival Australia (Carnival). In 2008 TWA had unsuccessfully pitched to Carnival for the opportunity to provide an Indigenous cultural tourism experience for their passengers. After time spent developing and strengthening their business with the assistance of KPMG, TWA felt that it was time to pitch the idea again.

Whilst on secondment, Vicki used her administrative and presentation skills to develop a compelling presentation which included a DVD of the cultural performances that TWA were offering Carnival. The response Carnival gave to TWA’s new prospectus was, “You have grown since we saw you last – and you’ve blown us away with this.”

From Shane’s perspective, the partnership could not have been gained without Vicki’s assistance. “She helped us believe in our abilities, our products, and gain confidence in delivering a service to our customers and Carnival as a new partner,” he said.



Shane Phillips (Tribal Warrior Association),  
and Vicki Reed (KPMG).



Shane Phillips, CEO and Chairman  
of Tribal Warrior Association.

## KPMG in Australia and the environment: The Global Green Initiative

We believe that sustainable communities are directly tied to how well we live in our environment. In this sense we must be committed to both people and planet.

Our work is grounded in practicality. We want to use our professional skills and capacity to help solve significant problems and grow the potential in society to create lasting environmental change. We do this through our Global Green Initiative (GGI).

NET EMISSIONS  
DOWN  
33%



(L-R) Richard Gilmore (Executive Director, Earthwatch Australia); Gary Veale (Director Corporate Citizenship and R&D Incentives, KPMG); Michelle Zucker (ZooX Ambassador, KPMG); Srinand Yalamanchili (Environmental Analyst, KPMG).

## Measuring, reducing and reporting on KPMG's carbon footprint

**In 2008, KPMG announced a global net emission reduction target of 25 percent per full time employee by 2010. Our results speak for themselves: Australian emissions reduced by 33 percent, global emissions reduced by 29 percent. Paper consumption in Australia reduced by 24 percent since 2008.\***

The KPMG Global Green Initiative, announced in 2008 was the first public global strategy by a Big 4 accounting firm in response to climate change and other environmental challenges. Its aim is to make KPMG member firms more sustainable, energy efficient and supportive of environmental projects within our communities.

In Australia we are leaders in the Global Green commitment:

- 1 To measure, reduce and report on KPMG's carbon footprint.
- 2 To support environmental projects addressing climate change.
- 3 To work with our partners, employees, suppliers and clients to help improve their impact on climate change.

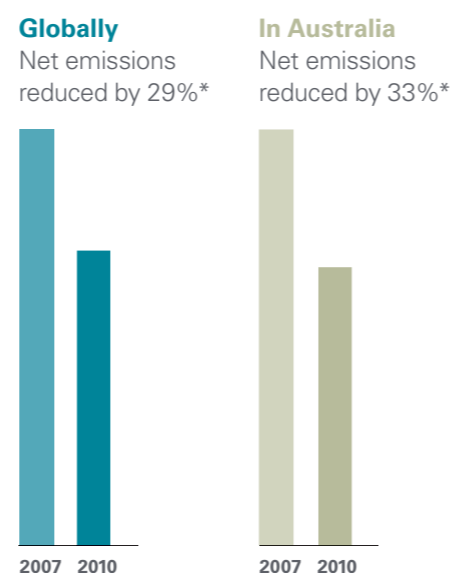
In Australia, KPMG operated as a carbon neutral firm under the Australian Federal Government's Greenhouse Friendly™ program from 1 July 2008. This program ended in June 2010 and KPMG commenced an internal review of our environmental response, with input from the firm's leadership and the Sustainability and Climate Change team.

The result was a new Environmental Policy Statement reaffirming our commitment to the environment and a commitment to:

- Increasing investment in energy efficiency and video conferencing to help reduce our emissions profile.
- Increasing resources focused on managing the firm's environmental response including strengthening our management systems and analytics.
- Continuing to purchase carbon offsets for flight-related emissions.

Since then, we have made significant progress in further reducing our environmental impact: from little things like spoons instead of throwaway stirrers to major projects including a reduction in our air miles through a multi-million dollar investment in video conferencing and lighting replacement projects. There are many things we need to do better, but there are also many things we are doing well.

As part of a continuance of the GGI, KPMG's Global Board approved a new emissions reduction target in March 2011. The new target – a further 15 percent reduction in net emissions per full-time employee by 2015 – uses an updated 2010 baseline (applying the most recent emissions measurement guidance).



\* Emission reductions from 2007 baseline (based on GGI calculations Australian emissions in 2007 were 30,493 tonnes of CO2e). Global data for 42 member firms, representing 83 percent of all people. Information on reported emission boundaries available on KPMG intranet and website. Data sourced from KPMG in Australia management reporting systems and KPMG International Global Citizenship.

## Supporting environmental projects that are addressing climate change

**In supporting environmental projects that are addressing climate change, we believe our role is to take our commitment to the environment and its underlying principles out into the community. By partnering with organisations, such as the Earthwatch Institute and the Great Barrier Reef Foundation (ZooX Fund), who have proven environmental success, we can multiply our outcomes, and theirs.**



If Earthwatch is not sustainable then it is very difficult for us to pursue our mission of environmental sustainability and the work that KPMG has been doing for us is supporting that aim."

**Richard Gilmore**  
Executive Director of Earthwatch Australia

Through these relationships, KPMG in Australia directly supports scientific research and creates compelling opportunities for our people through events, experiential learning initiatives – including Earthwatch Fellowships and the ZooX Ambassadors Program – and honorary work engagements.

### Case study: Earthwatch

For more than 18 years, KPMG and Earthwatch have worked together on a number of programs including two-week Earthwatch Fellowships providing our people with the opportunity to work alongside some of Australia's most inspiring environmental scientists.

This year, we have also supported Earthwatch through honorary work (audit, tax and advisory services) and hosting board functions.

"There is probably no other corporate relationship that we have that is as diverse and really drives the value from the expertise of the organisation like KPMG does", says CEO of Earthwatch, Richard Gilmore.

According to Richard, the relationship with KPMG has helped Earthwatch open doors to new opportunities and markets. It has also changed the way they communicate about their mission, and is helping Earthwatch become a more sustainable organisation.

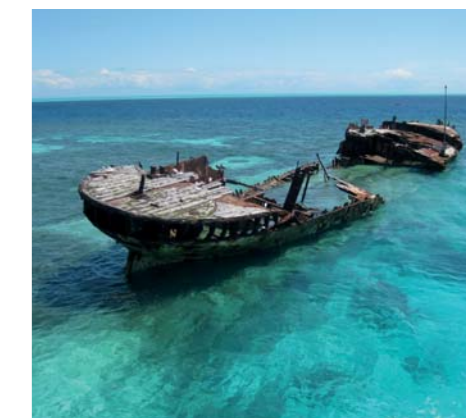
"If Earthwatch is not sustainable then it is very difficult for us to pursue our mission of environmental sustainability and the work that KPMG has been doing for us is supporting that aim," says Richard.

### Case study: GBRF

Australia's Great Barrier Reef is home to over 1,500 species of fish, one-third of the world's soft corals, and 30 species of whales and dolphins. It's a truly amazing part of the world, but its future is threatened by the impact of climate change. Increased water temperature and acidification is threatening the fragile reef ecosystem.

As a founding member of the Great Barrier Reef Foundation (GBRF), KPMG has contributed over half a million dollars of time, money and expertise in the past year alone to support research by top marine scientists from the University of Queensland, CSIRO and other organisations.

This year, 10 people from across KPMG participated in the GBRF's ZooX Ambassador Program (ZAP). Spending three days on a research station two hours off the coast of Queensland, the participants learnt how climate change is impacting the reef and working on specific projects linked to the firm's Corporate Citizenship objectives. Through the power of 'One KPMG', our team purposefully included individuals from across our business, harnessing the expertise, unique perspectives and contributions from Adelaide, Brisbane, Melbourne and Sydney offices.



Rachael O'Leary, a Senior Advisor in Brisbane, was a winner of a 2011 KPMG Earthwatch Fellowship and a driving force of the Step Lightly program in our Brisbane office.

## Working with our partners, employees, suppliers and clients to help all of us improve our impact on climate change

Our partnerships are creating meaning and change among our own people by helping us better understand the implications related to major issues such as the environmental impacts of climate change. Through working on innovative solutions for Earthwatch and the GBRF, we can translate those learnings into new business opportunities and advise on sustainable practices for our clients.

Real world insights are also an internal driver of change, bringing to life initiatives that reduce our environmental impacts. As a leading provider of climate change and sustainability advisory and assurance services, we play an important role with Australian businesses to help them improve their performance in this area.

This is part of our leadership agenda that drives how we work with others and maximises the impact from our commitment to the environment.

### **Step Lightly program**

*Step Lightly* is KPMG's internal people engagement initiative. Started in 2008, it focuses on increasing environmental awareness, encouraging behavioural change and helping reduce environmental impacts within the firm. Highlights from FY11 included evening sessions with leading climate change scientists and volunteering efforts for *Clean Up Australia Day*, various local events and office-based recycling initiatives. The initiative demonstrates that small things matter and that we all care about the world around us.

### **Sustainable sourcing**

Like any business, KPMG needs to purchase goods and services and with our commitment to our communities and the environment this is embedded into our procurement approach. We have a full-time environmental analyst located within our sourcing and finance team, and are well advanced in our goal to integrate environmental considerations across all procurement by 2013.

### **Realising competitive business strategies**

Climate change and sustainability issues are rising to the top of corporate agendas. Companies who are following the global climate change debate understand that their key stakeholders may already be focused on these issues and the need to capitalise on them.

Responding to these trends, for many years KPMG has provided Climate Change and Sustainability Services (CC&S). CC&S officially became a global practice after the United Nations Climate Change conference in Cancun in December 2010. The focus of our CC&S practice is to help enterprises understand the complex and evolving business and regulatory risks relating to climate change, sustainability and responsible business practices; whilst capitalising on the resultant commercial opportunities.

### **Global recognition for KPMG Australia's developments towards a financial bond solution**

KPMG worked with Goldman Sachs to investigate the potential for issuing a bond to finance climate change adaptation on the Great Barrier Reef. This innovative project received a commendation from former US President Bill Clinton which featured at the Clinton Global Initiative Annual Meeting in New York last year.

13.8

MILLION FEWER  
A4 SHEETS OF PAPER

# National partnerships and programs

Our Corporate Citizenship philosophy is built on personal and collective commitment. Our policies and initiatives seek to build value with and for our community partners.

They include our:

- **Honorary Work policy** – harnessing our skills and expertise to support not-for-profit organisations through honorary work engagements.
- **Community Volunteer Leave policy** – encouraging and supporting our people to spend time volunteering in their communities during work hours.
- **National Partnerships** – forming strong relationships with not-for-profit organisations to achieve lasting community impact.
- **Disaster Relief** – providing funding, volunteers and honorary support during an emergency.
- **Workplace Giving** – enabling our people to donate to their favourite community organisation through payroll deductions.

## Honorary work

During FY11, \$5.9 million of honorary work was undertaken involving 160 separate engagements for 113 not-for-profit organisations including:

### Indigenous:

- Australian Indigenous Mentoring Experience (AIME)
- Australian Indigenous Education Foundation (AIEF)
- National Aboriginal Islander Skills Development Association (NAISDA)

### Environment:

- Earthwatch
- Great Barrier Reef Foundation
- Climate Coolers
- Wombat Foundation

## Health:

- Ovarian Cancer Research Foundation
- Ronald McDonald House
- Anika Foundation
- Schizophrenia Research Institute
- Children's Cancer Centre Foundation

## Social Inclusion:

- CREATE Foundation
- SHINE for kids
- The Women's Housing Association
- National Association for Prevention of Child Abuse and Neglect (NAPCAN)
- Gay and Lesbian Switchboard

## Education:

- Room to Read

## Community volunteering

Last year, 1000 people coded their time as volunteers to support a range of causes and organisations across Australia. This equates to almost 6000 hours of support at a value of \$2.2 million.

Through our Community Volunteer Leave policy, people are encouraged to volunteer time to provide a helping hand, particularly during National Volunteer Week, on Starlight Day and over the Christmas period. Of those volunteers:

- 98 percent of those surveyed felt that they made a positive difference to the organisation; and
- 93 percent strongly agreed that volunteering had increased their knowledge of community needs.



Jessika Heynen,  
AIEF tutor, KPMG



## National partnerships and programs

### National partnerships

- **Jawun Indigenous Corporate Partnerships** – fosters economic and social development, focusing on long-term, sustainable impacts to help break the cycle of welfare dependency.
- **Australian Indigenous Education Foundation (AIEF)** – provides boarding school scholarships and career pathways to empower Indigenous students to build their futures through quality education and careers.
- **Reconciliation Australia** – the peak national organisation for building and promoting reconciliation between Indigenous and non-Indigenous Australians.
- **Earthwatch Australia** – engages people worldwide in scientific field research and education to promote the understanding necessary for a sustainable environment.

- **Great Barrier Reef Foundation (GBRF)** – plays a critical role in strategically engaging the private sector to support research to protect and preserve the Great Barrier Reef in the face of climate change.
- **Australian Business Community Network (ABCN)** – works with schools in areas of high need to improve educational opportunities for students through mentoring and partnering programs.
- **United Way** – improves the lives of those people in need, dedicated to supporting grass roots charities in local communities.
- **The Salvation Army (Disaster Relief Program)** – officially sanctioned disaster relief and assistance organisation and national volunteering partner.
- **Starlight Children's Foundation** – provides ill and hospitalised children with an opportunity to connect with a variety of programs to enhance their emotional wellbeing and help them forget their illness.
- **Students in Free Enterprise (SIFE)** – encourages teams of students around the globe to create economic opportunities through community outreach projects.

### Disaster relief

The United Nations International Strategy for Disaster Reduction notes devastating natural disasters are occurring with increasing frequency, exacerbated by climate change, and disproportionately affecting those who are least resilient.

Last year, KPMG and our people provided more than \$500,000 worth of honorary and financial support to the people affected by the floods in Queensland. Financial donations were directed to our national community partner, The Salvation Army, who provided immediate support and assistance to those left homeless by the floods.

“Many of our people were dealing with very difficult personal situations and the firm’s focus was ensuring that they looked after themselves, their families and their neighbours as a priority. In true KPMG spirit we quickly started hearing wonderful stories where our people were volunteering within the community, putting together sandbags and helping people with evacuation processes. It was great to see our people working together,” said Queensland Chairman of KPMG, Phil Hennessy.

According to National Partner for R&D Incentives, David Gelb, our knowledge of grant programs is a competitive advantage. Following the devastating floods, we were able to apply our knowledge and expertise to help those most impacted, collaborating with the Salvation Army to publish a funding assistance guide for farmers, businesses and households in Queensland and Victoria.

### Workplace Giving through United Way

To make positive changes in local communities we need to understand the issues that matter the most. Our community partner, United Way, helps us to do this.

A global network working to bring about positive change, United Way harnesses the ‘caring power’ of our communities to tackle the root causes of our most pressing social problems.

Annually they raise approximately \$5 billion to support local communities in 46 countries, with over \$10 million raised in Australia. Through the hard work of over 3,000 volunteers who help support 300 grassroots community organisations in Australia, United Way focused on making a real difference to three broad areas in our communities: education, health and income.

Through our relationship with United Way, our *Workplace Giving Program* directs the funds our people donate to the charities of their choice.



KPMG has been a mainstay of good advice and encouragement. As one of our committed partners to the importance of community impact we value the continued support of KPMG and believe they are a genuine leader in Corporate Citizenship.”

**Doug Taylor**  
CEO United Way Australia



Peng Huang,  
AIEF tutor, KPMG

## Australian Business and Community Network: Mentoring for the future

**We recognise that the lack of education through social and economic disadvantage is the greatest barrier to employment for many Australians. Through our partnership with the Australian Business and Community Network (ABCN), KPMG is changing the lives of disadvantaged primary and high school students through student mentoring, literacy and partnership programs.**

Last year 111 of our people volunteered their time to assist students to realise their potential through a range of ABCN programs.

Partner and Member of the Citizenship Advisory Board (CAB), Carolyn Ralph, has participated in and is now champion of the ABCN GOALS program in the Sydney office.

“The commitment is strong. You have a one-on-one relationship with that student, and mentors do it because they want to have an influence on their student,” says Carolyn.

She also believes that in working with students from diverse ethnic and cultural backgrounds, involvement in the program can encourage an understanding of cultural differences and the development of interpersonal skills that can have a positive impact on KPMG as a whole.

“As an organisation, we are highly dependent on people. We sell their knowledge, so for those people to gain experience working together as a society of different people, is a real benefit,” said Carolyn.

The program also attests to the resilience of the human spirit. As Carolyn said, “Not a session goes past that I don’t get a little bit teary, because of the resilience of these students and what they have experienced in their families or in their home countries before they came to Australia.”

Past mentee, 18-year-old Farida Dad is proof. After enduring the atrocities of war in Afghanistan and eventually fleeing the country via Pakistan with her family to start a new life in Australia, Farida struggled at school. Through the confidence she gained in the program, she became the Vice Captain of Auburn Girls High School, was sponsored by KPMG on a six-month student exchange to the United States and is now enrolled as a student in International Studies and Journalism at Canberra University.

“KPMG totally changed my life. They gave me the opportunity to prove for my family, my community, the Auburn community, the Afghan community that we can do anything.”

Through our involvement with ABCN and in memory of our previous Chairman, we have also established the Doug Jukes Memorial Scholarships.

“The scholarships, supporting high school students, are a fitting tribute to Doug’s belief in the transformational power of education in shaping young lives. This belief is something that has become very clear to me when I stepped into his shoes as a member of the ABCN Board and I am honored to continue his legacy,” says CEO of KPMG Australia, Geoff Wilson.



Former ABCN Mentee, Farida Dad, is now studying International Studies and Journalism at Canberra University

## State-based initiatives and community partners

Although many of our partnerships are national we encourage and support engagement with initiatives that resonate with our people and respond to community needs at a local level. In each state, KPMG offices support a variety of local community partners, selected with the guidance of the local State Chair and State Citizenship Committee.

This map represents some of the organisations supported around the country.



# Leadership with passion and purpose

Our investment in Corporate Citizenship makes sense... for all of us. We believe it is the right thing to do by our people, our community and our planet.

It sits at the heart of our leadership potential.

This is our passion.

## Our Citizenship Advisory Board



KPMG Citizenship Advisory Board members Simon Thorp, Carolyn Ralph and Eileen Hoggett, are all directly involved with not-for-profits outside their core roles with KPMG.

Chaired by John Teer, CFO/ COO, the Citizenship Advisory Board (CAB) acts in an advisory capacity to the Corporate Citizenship team, overseeing the firm's strategic community investment, helping to prioritise and focus on greater outcomes for both the community and the firm.

Reporting to the National Executive Committee (NEC), the CAB comprises partners from each state office. Members of the CAB are champions for community engagement and provide representation on behalf of the Partnership in their respective states.

Catherine Hunter, Director Corporate Citizenship, represents Australia on the Global Citizenship Leadership Group, chaired by Lord Michael Hastings.

### Directorships

Our commitment to communities doesn't stop when people leave the office. Many volunteer their own time to causes they believe in. As leaders within the business community, KPMG partners are active through their involvement as directors on boards of not-for-profit organisations, volunteering their skills and expertise to support strong governance and sustainable social enterprises.

### Chair

**John Teer**,  
COO/CFO, (NEC  
representative)

### Deputy Chair

**Paul McDonald**,  
Audit, Melbourne

### Catherine Hunter

Corporate  
Citizenship

### Carolyn Ralph

Audit, Sydney

### Eileen Hoggett

Audit, Sydney

### Simon Thorp

Tax, Sydney

### Ken Drover

Advisory,  
Melbourne (Board  
representative)

### Maria Lui

Tax, Melbourne

### Mark Watson

Advisory, Adelaide

### Craig Sloan

Advisory,  
Canberra

### Gary Smith

Advisory, Perth

### Steve Pillig

Advisory,  
Brisbane

## National Chairman's Awards

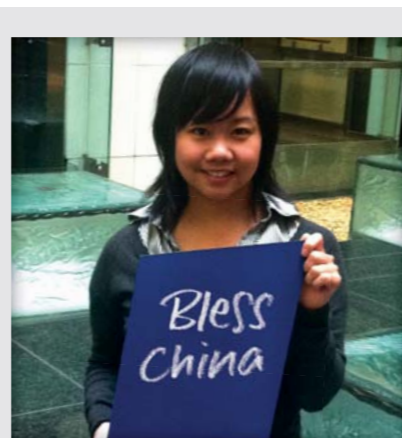
**Our National Chairman's Awards celebrate and recognise our people's leadership and involvement in their local communities.**

**These are the winners' stories:**



**Michael Wenzel**  
Cairns, Leadership Award

When Michael's son was diagnosed with cerebral palsy in 2007 his community in Far North Queensland (FNQ) lacked specialist treatment resources. Michael, with other parents, founded the FNQ Cerebral Palsy Support Group assisting 40 children with cerebral palsy and other physical disabilities.



**Rita Tam**  
Melbourne, Volunteering Award

As a volunteer with Bless China, Rita has made a difference to people in rural China affected by human trafficking and HIV/AIDS. She assists with secretarial support, fund raising, counselling, facilitating workshops and helping to open and administer temporary medical centres in remote villages.



**Hillary Brooks**  
Perth, Volunteering Award

Hillary, as a Board member and Chair of Community Vision, has led the organisation out of financial difficulty and into management stability. This has ensured Community Vision can deliver community services, care and support to more than 8,000 Perth residents.



**Pradhima Jeyaratnam**  
Sydney, Volunteering Award

As the Sydney manager of the charity Palmera Projects, Pradhima has helped raise \$250,000 for humanitarian projects in Sri Lanka, Cambodia and Australia; helping the charity grow by implementing an organisational structure and processes for project selection and volunteer management.



**Brian Davis**  
Brisbane, General Award

When not at work at KPMG, Brian operates a mobile DJ business. Once a month he performs free at a dance party for young people with a disability organised by *Specialised Programs and Community Endeavours* (s.p.a.c.e) – an independent community centre that supports social inclusion for people with special needs.

## In good company, deepening client relationships

**The things that matter to us matter to our clients. Our strategic priorities have become a differentiator for KPMG, at times providing a competitive advantage.**

Many of our clients have Reconciliation Action Plans, stated emission reduction targets and other public commitments and, increasingly they are asking for such information within proposal and tender responses.

For example, as part of our supplier relationship with Westpac, KPMG is required to periodically submit a written Certificate of Compliance in relation to our Corporate Citizenship performance. Westpac is widely regarded as a leader amongst Australian companies in this area, with similarly high expectations of their suppliers.

In April 2011, KPMG was advised our firm had exceeded Westpac's benchmark of performance, scoring above average amongst professional services firms and achieving a maximum (100%) score in the areas of community involvement, risk management approach, policies and overall response.

Feedback from Westpac on our response included the comment "A good, honest appraisal, thank you." Westpac provides an important external perspective on potential improvement opportunities and work is underway to strengthen our response across a number of areas.

Through our Jawun partnership people at all levels within our firm have worked alongside people from organisations such as NAB, Wesfarmers, Leighton Holdings and Westpac. Similarly our partnership with the Great Barrier Reef Foundation and Earthwatch are also supported by leading Australian mining companies, and other government organisations and businesses.

Through our tangible actions and the integrity of our commitment to communities and the environment, we deepen client relationships around shared values.



James Woodward, Eileen Hoggett and James Mabbott from KPMG.

### Supporting Fairtrade

Fairtrade matters – delivering economic, social and environmental outcomes for local producers in many developing countries. For some time, KPMG's Melbourne office sourced Fairtrade coffee through a Fairtrade pioneer, Jasper Coffee. During 2011 this

commitment was extended with our Melbourne, Sydney, Adelaide and Brisbane offices all now serving Fairtrade coffee and our Canberra office serving Fairtrade Hampstead Teas. Plans are in place to extend our commitment to include the Perth office to deliver a national Fairtrade offering.

## Passionate people, living our values

**We want to build a new generation of change agents in society.**

**This is our long-term goal.**

We aim to continue to attract the best talent with the right skills and a thirst for challenge, continual learning, deeper knowledge and a passion to make a difference. This is why our graduate recruits are actively encouraged to go out into the community and work on real-life projects.

These experiences change our people, helping us to build a rich seam of talented people who care about the community and the environment.

We believe that if people are attracted to our values, they will want to work with us.

This is part of our aspiration to be the 'best firm to work with'.



# Be part of our Corporate Citizenship story...

KPMG is helping solve problems that matter. We encourage our people to take time to learn more about Indigenous disadvantage, climate change and other pressing social and environmental issues.

## How you can get involved

- Change the life of a young Australian by mentoring a student or listening to a child read through our partnership with Australian Business Community Network (ABCN).
- Help close the gap for Indigenous Australians through Jawun, our unique secondment program.
- Volunteer your time to assist non-profit community organisations.
- Participate in scientific research and get close to nature on an Earthwatch Fellowship.
- Through our Honorary Work Policy, share your expertise with a not-for-profit organisations.
- Think about your environmental impacts: waste not, explore video conferencing alternatives to flying and power down computers when not in use.
- Donate money directly from your pay to the community organisation of your choice via *Workplace Giving Program*.
- Assist disadvantaged families this Christmas by placing food and basic items under the United Way Giving Trees.
- Get involved with your State Citizenship team; contact our national Corporate Citizenship team.
- Tell us about people making a difference; nominate yourself or someone else for a *National Chairman's Award*.

## Code your time

- Help us capture and celebrate the sum of us – please code your time:
  - OOLOT0020 (Personal volunteering)
  - OOAGE9104 (KPMG organised volunteering)

## Contact us

To find out more about any of our programs, contact us via the internal Corporate Citizenship mailbox at AU-FM Corporate Citizenship or [corporatcitizenship@kpmg.com.au](mailto:corporatcitizenship@kpmg.com.au)



Lisa Fitzpatrick, member of the Melbourne Office Red Cross Breakfast Club Committee, KPMG.

## What we stand for

*KPMG is passionate about creating real social and environmental impact.*

Our investment in Corporate Citizenship makes sense... for all of us. We believe it is the right thing to do by our people, our community and our planet.

It sits at the heart of our leadership potential and supports our aspiration to be the best firm to work with – for our clients, our stakeholders and our employees.

Our citizenship program is beyond compliance. It is about human investment and using our skills to help transform society by solving problems that matter.

It is about 'doing the right thing', but always with purpose and a real commitment to change things for the better.

We aim to help build a better future for the communities in which we live and work and we see the direct connection between good business and better lives.

We have an ongoing commitment to community and improving the lives of people disadvantaged by their social or economic situation.

Close to our heart is the action we can take to address closing the gap between Indigenous and non-Indigenous Australians. We have pledged this support through our Reconciliation Action Plan and initiatives such as our partnership with Jawun.

We also believe that sustainable communities are directly tied to how well we live in our environment. In our commitment to both people and planet, we believe our role is to take this commitment and its underlying principles out into the community.

By partnering with organisations, such as the Earthwatch Institute and the Great Barrier Reef Foundation (ZooX Fund), who have proven environmental success, we can multiply our outcomes, and theirs.

For our people it provides greater meaning, a sense of achievement, personal growth, professional confidence and joy.

Citizenship is created through the sum of our collective leadership, insight, passion, relationships and, most importantly, actions.

The sum of our actions delivers real change and shared value in the community.

*Our potential is created in the sum of us.*



## Contact us

E: [corporatecitizenship@kpmg.com.au](mailto:corporatecitizenship@kpmg.com.au)

[www.kpmg.com.au](http://www.kpmg.com.au)



Printed on Expression Super Smooth Radiance. Manufactured with a mix of recycled and FSC (Forest Stewardship Council) certified fibres. Chlorine free. Pulp is sourced only from sustainably managed forests. Carbon neutral.

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