



Statement GRI Application Level Check

GRI hereby states that **KPMG in Brazil** has presented its report "2013 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 25 February 2014

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI logo in the background.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because KPMG in Brazil has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

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Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 17 February 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

GRI Index

<i>GRI Disclosures</i>		<i>page</i>	<i>Status</i>	<i>Notes</i>
1. Estratégia e análise				
1.1	Statement from the most senior decision-maker of the Organization about the relevance of sustainability to the organization and its strategy	4–5	P	
1.2	Key impacts, risks and opportunities	4–5; 29-33	F	
2. Organizational Profile				
2.1	Name of the organization	12, 13, 16	F	
2.2	Primary brands, products and services	18-23	F	
2.3	Operational structure	12, 13, 16	F	
2.4	Location of Organization's headquarters	16	F	
2.5	Geographic presence	13	F	
2.6	Nature of ownership and legal form	16	F	
2.7	Markets served	16, 17	F	
2.8	Scale of Organization	12, 13, 16, 17	F	We have not presented our total capitalization broken down in terms of debt and equity.
2.9	Significant changes during the year	6	F	
2.10	Awards	2	F	
3. Report Parameters				
Report Profile				
3.1	Reporting period	6	F	
3.2	Date of most recent previous report	6	F	Our most recent previous Sustainability Report was published in 2013 presenting our performance for 2012.
3.3	Reporting cycle	6	F	Annual.
3.4	Contact point	6	F	
Report Scope and Boundary				
3.5	Process for defining report content	6	F	
3.6	Boundary of the report	6	F	
3.7	Limitations on the scope and boundary	6	F	There were no limitations on the scope or boundary of our report.
3.8	Basis for reporting	6	F	
3.9	Data measurement techniques and bases of calculations	6	F	
3.10	Effect of any re-statements of information provided in earlier reports	6	F	
3.11	Significant changes from previous years	6	F	
Content Summary				
3.12	Location of disclosures in the report	123–130	F	GRI Index
Assurance				
3.13	External assurance	6	F	

4. Governance, Commitments and Engagement

4.1	Governance structure	35	F	
4.2	Indicate whether the chair of the highest governance body is also an executive officer	37	F	
4.3	Independent members of the highest governance body	38	F	
4.4	Communication channels with the highest governance body	39	F	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the Organization's performance (including social and environmental performance)	90	F	The performance of our professionals is assessed annually, with business goals tied to variable remuneration. However, the existing social and environmental goals had no linkage with variable remuneration, as during this initial period our goal is to raise awareness.
4.6	Processes in place to ensure conflicts of interest are avoided	62, 63, 66, 69	F	
4.7	Process for determining the qualifications of the members of the highest governance body tasked with developing the Organization's strategy for matters related to the economy, the environment and social issues	81, 83	F	Qualifications are determined by our core business and the contents prepared by the Training and Development Team for each practice. Partners have a specific module on sustainability. Among available training options, E-learning on sustainability is available for all professionals.
4.8	Internally developed statements of values, codes of conduct, and principles	64	F	
4.9	Involvement of highest governance body in assessing economic, environmental, and social performance	37	F	
4.10	Processes for evaluating the highest governance body's own economic, environmental, and social performance	89	F	All leaders undergo a self-assessment process in relation to our core business, not specifically focused on social and environmental issues.
Commitments to External Initiatives				
4.11	Precautionary Approach	62	F	The precautionary approach, given its relevance, is adopted with a focus on our core business, but not specifically on social and environmental matters. The approach to management is described throughout the chapter on Risk Management.
4.12	Charters, principles, or other initiatives	97	F	
Stakeholder Engagement				
4.13	Memberships in associations	56-58	F	
4.14	List of stakeholder groups engaged by the Organization	7, 8	F	
4.15	Identification and selection of stakeholders	7	F	

4.16	Stakeholder engagement	7-9, 50, 51, 94, 95	F	Mapping, engagement and consultation specifically as part of the report preparation process (page 7 to 9). Other approaches are used in the day-to-day running of our business, as mentioned on pages 50, 51 and 54 to 58 (annual client satisfaction surveys, bimonthly debates at the ACI, events, courses and participation in councils and associations). For internal stakeholders, the types of relations described in the chapter People and in specific sections of this report, such as MyPD, 360° Assessment, and Global
4.17	Stakeholder concerns	8, 9	F	

5. Economic Performance

Approach and Management

P

Economic Performance

EC1	Direct economic value generated and distributed	59	F	
EC2	Financial implications and other risks and opportunities due to climate change		P	Our reply is partial since we understand that our risks are, essentially, regulatory. However, we did not perform systematic assessments of the direct financial implications on our core business derived from climate change, although we do conduct such studies and have identified business opportunities arising from such.
EC3	Pension plan offered	92	F	
EC4	Financial assistance received from the Government (including under tax incentive regulations)	59, 105, 120	F	

Market Presence

EC5	Ratio of entry level wage to local minimum wage	90, 91	F	
EC6	Spending on locally-based suppliers	108	F	
EC7	Local hiring of senior management	85	F	

Indirect Economic Impacts

EC8	Infrastructure and community investments	59, 97, 104	F	
EC9	Indirect Economic Impacts	21, 29	P	Our response is partial because KPMG does not carry out this assessment in a systematic manner and does not consider this assessment relevant at this time.

6. Environmental Performance

Approach and Management

P

EN1	Materials used by weight or volume	114, 120	F	
EN2	Materials used that are recycled input materials		F	KPMG does not use materials which derive from recycling in its activities.

Energy

EN3	Direct energy	113, 125	P	
EN4	Indirect energy	113	F	
EN5	Energy saved due to conservation and efficiency		NR	
EN6	Energy-efficient products and services		NR	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved		NR	

Water				
EN8	Water withdrawal by source	115	F	There are no impacts of this nature in our operations, as our consumption originates from local water supply utilities in all cities we are present in.
EN9	Water sources affected	115	F	
EN10	Water recycled and reused	115	F	
Biodiversity				
EN11	Location and size of land owned in protected areas and areas of high biodiversity value outside protected areas		F	KPMG's offices in Brazil are located in urban centers.
EN12	Description of significant impacts on biodiversity in and outside protected areas.		F	KPMG's offices in Brazil are located in urban centers and do not produce impacts on these areas.
EN13	Habitats protected or restored		F	KPMG's offices in Brazil are located in urban centers and do not produce impacts on these areas. Therefore, we do not implement measures for their protection or recovery.
EN14	Strategies for managing impacts on biodiversity		F	KPMG's offices in Brazil are located in urban centers and do not produce impacts in these areas. Therefore, the theme is not considered relevant and we do not have a strategy for its management.
EN15	Number of IUCN Red List and local conservation list species and national species with habitats in areas		F	KPMG's offices in Brazil are located in urban centers and their operations do not threaten the conservation of these species.
Emissions, Effluents and Waste				
EN16	Direct and indirect greenhouse gas emissions	111, 112	F	
EN17	Other indirect greenhouse gas emissions	111, 112	F	
EN18	Initiatives to reduce emissions	111, 112	P	
EN19	Emissions of ozone-depleting substances by weight		NR	
EN20	NOx, SOx and other significant air emissions by type and weight		F	The indicator and level of direct emissions are irrelevant in our operational segment
EN21	Total water discharge by quality and destination	115, 126	F	
EN22	Total weight of waste by type and disposal method		NR	
EN23	Total number and volume of significant spills		F	The indicator is irrelevant in our operational segment.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally		F	The indicator is irrelevant in our operational segment.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.		F	The indicator is irrelevant in our operational segment.

Products and Services				
EN26	Initiatives to mitigate environmental impacts of products and services		NR	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category		F	The indicator is not applicable to our operational segment.
Compliance				
EN28	and non-monetary sanctions for noncompliance with environmental laws and regulations		F	KPMG in Brazil did not have legal actions or non monetary sanctions of this nature during the period covered by this report
Transport				
EN29	Significant environmental impacts of transporting products and other goods and materials used, and transporting members of the workforce	111	P	
Geral				
EN30	Total environmental protection expenditures and investments by type		NR	
7. Social Performance – Human Rights				
Approach and Management			P	
HR1	Investment agreements that include human rights clauses		NR	
HR2	Percentage of significant suppliers and contractors that have undergone human rights screening	108	P	
HR3	Employee training on human rights		P	KPMG in Brazil have no specific training on human rights, although some behavior and technical training programs address human rights as a related subject.
Non-Discrimination				
HR4	Total number of incidents of discrimination and corrective actions taken		F	No cases of discrimination were identified via the Disciplinary Committee, Hotline or legal action.
Freedom of association and collective bargaining				
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at risk, and actions taken		F	No risks of this nature have been identified in our operations. Therefore we have not yet mapped these risks in our supply chain. KPMG provides freedom of association to 100% of its professionals. In addition, it reimburses annuity fees paid to professional bodies
Child Labor				
HR6	Operations identified as having risk for incidents of child labor, and measures taken		F	No risks of this nature were identified in our operation. KPMG has commitments that prohibit child labor at any of its operational units (Global Compact, KPMG Code of Conduct and Values and Global Commitment to Human Rights in 2012). We started to promote these commitments through our standard agreements (above R\$ 1,000.00) with product and service providers in 2012. In 2013, we began mapping our key suppliers during an event called Sustainability Workshop: critical suppliers.

Forced and Compulsory Labor				
HR7	Operations identified as having risk for incidents of forced or compulsory labor, and measures taken		F	No risks of this nature were identified in our operation. KPMG has commitments that prohibit forced or compulsory labor at any of its operational units (Global Compact, KPMG Code of Conduct and Values and Global Commitment to Human Rights in 2012).
Security Practices				
HR8	Security personnel trained in human rights		F	KPMG in Brazil employs 14 direct security employees and has trained all of these employees in human rights issues.
Indigenous Rights				
HR9	Incidents of violations involving rights of indigenous people and actions taken		F	KPMG's offices in Brazil are located in urban centers and their operations do not threaten the rights of indigenous people.
Labor and Decent Employment Practices				
Approach and Management			P	
Employment				
LA1	Employee profile	76, 77, 86, 87	F	
LA2	Turnover Rate		NR	
LA3	Benefits provided to employees	92	F	
Relations between employees and governance				
LA4	Percentage of employees covered by collective bargaining agreements		F	100% of KPMG employees are covered by collective bargaining agreements
LA5	Minimum notice period regarding operational changes		P	There is no defined policy for communication processes. Depending on the need, scope and impact of operational changes, our professionals are notified in advance so they can become involved and prepare.
Occupational Health and Safety				
LA6	Percentage of employees represented by Committees		F	On August 19, 2013, employees were appointed as representatives in the Internal Accident Prevention Committee, covering a total of 75% of represented employees. This commission discusses workplace and commuting injuries on a monthly basis and has access to the number of professionals on leave for health reasons, as well as the group of diseases that most affects our professionals. The Committee meets labor laws to São Paulo office, in the other offices we have the figure of CIPAs designated. The Committee in São Paulo analyzes data reported in all country offices.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		NR	
LA8	Education and prevention regarding serious diseases		P	Programs carried out through PPRA, PCMCO and Bioqualinet consultancy services, which offer support and indicate the resources available. For 2014, our Health and Safety Area is developing control systematic registration control of diseases / accidents as well as an e-learning to all professionals on this subject.
LA9	Health and safety topics covered in formal agreements with trade unions.		F	The themes/benefits related to health and safety go beyond the collective agreements agreed in the various regions, as described in the chapter People/Benefits.

Training and Education				
LA10	Average hours of training	81	F	KPMG has a consolidated program for continual skills development, which prepares its professionals both for the Organization's strategic challenges and also for those of the sector and market in which it operates, supporting the employability of its professionals. We do not yet have training which focuses on managing career endings.
LA11	Programs for skills management and assistance in managing career endings.		P	
LA12	Performance and career development reviews	89	F	
Diversity and Equal Opportunities				
LA13	Breakdown of employees per indicators of diversity	86, 87	F	
LA14	Ratio of salary of women to men	84	F	
7. Social Performance – Society				
Approach and Management			P	
Community				
SO1	Management of input, operation and output impacts		NR	
Corruption				
SO2	Percentage and total number of business units analyzed for risks related to corruption	62	F	
SO3	Anti-corruption training	66, 67	F	
SO4	Actions taken in response to incidents of corruption	73	F	
Public Policy				
SO5	Public policy positions and participation in public policy development	99, 103, 110	P	Our participation in public policies is related to our operational segment. The issue of auditor rotation is a central theme in our sector and is also of public interest; KPMGI participates in the World Economic Forum and the principles it subscribes to as a result of this forum also seek to position the Organization as an opinion leader on public policies which contribute to sustainable development of the business environment. The Carbon Price Communiqué is another initiative that positions KPMGI and its member firms on climate change.
SO6	Financial contributions to political parties, politicians, and related institutions		F	KPMG in Brazil does not make contributions of this nature
Anti-Competitive Behavior				
SO7	Legal actions for anticompetitive behavior, anti-trust, and monopoly practices		F	KPMG in Brazil was party to no legal actions of this nature during the period covered by this report.
Compliance				
SO8	Significant fines and non-monetary sanctions for noncompliance with laws and regulations.		F	The Risk Management Area at KPMG in Brazil performs quality and risk management which are intrinsic to its segment. Tools such as Organization Values, Code of Conduct, Global Quality Risk Management Manual, Performance Reviews and Disciplinary Committee as well as the training carried out, put this management into practice. Thus, KPMG in Brazil incurred no fines or sanctions of this nature during the period covered by this report.

7. Social Performance – Product/service responsibility

Approach and Management			P	
Customer Health and Safety				
PR1	Assessment of health and safety impacts of products and services		NR	
PR2	Incidents of non-compliance concerning health and safety		NR	
Product and Service Labeling				
PR3	Product and service information required	66	F	
PR4	Incidents of non-compliance with regulations concerning labeling ruled unfavorably in court	63	F	
PR5	Customer satisfaction, including results of surveys	50	F	
Marketing Communications				
PR6	Adherence to laws, standards, and voluntary codes related to marketing	66	F	
PR7	Incidents of non-compliance concerning marketing, advertising, or sponsorship	66	F	
Client Privacy				
PR8	Substantiated complaints regarding breaches of customer privacy and losses of customer data	63	F	
Compliance				
PR9	Monetary value of fines for noncompliance with laws and regulations concerning the provision of products and services	72	F	