



Quality of Service / Learning and Development

Professional development is crucial to maintaining the quality of our services, ensuring the growth of the Organization and creating value for our clients. Because of the breadth of our portfolio and due to regulatory requirements, programs in this area are structured to developed general and specific skills according to the

different functions, capabilities and areas of expertise of our professionals.

As the focus of our investment in people, our training and development programs go well beyond the requirements of professional regulations and encourage continuing education through undergraduate, graduate, socialization, language, behavioral training and a range of technical and exchange courses.

Educational levels of KPMG professionals

| | 2013 | | 2012 | | 2011 | |
|--------------------------------|---------------|-------------|---------------|-------------|---------------|-------------|
| | Professionals | % | Professionals | % | Professionals | % |
| Higher or university education | 3,331 | 96.9 | 3,536 | 97.3% | 3,726 | 97.3% |
| Primary/secondary education | 84 | 2.4 | 67 | 1.8% | 95 | 2.5% |
| Technology | 24 | 0.7 | 31 | 0.9% | 9 | 0.2% |
| Total professionals | 3,439 | 100% | 3,634 | 100% | 3,830 | 100% |



This structure is provided with essential support from the KPMG Business School, the organization responsible for planning these programs through classroom-based or online activities. We also maintain Training Centers in São Paulo and Rio de Janeiro, where we centralize training and development activities, facilitating access and reducing team travel requirements and expenses.

Since 2012, KPMG in Brazil has also provided an online education platform for learning management, which offers over 200 courses to our professionals.

In general, our training and courses are divided as follows:

Corporate training: Mandatory for all professionals. This training develops behavioral skills and disseminates

corporate standards and policies, such as Risk Management, Ethics & Independence and Data Privacy.

Core training: This training develops the technical knowledge and skills necessary for each area of activity, and promotes excellence in providing services. Mandatory for all professionals.

Professional training courses: These courses teach concepts related to the methodology for performing services in each professional area.

Specialization courses: These courses develop specific subjects recommended by leaders according to the requirements and interests of each professional.

Differentiated methodology used by the KPMG Business School
Training hours

78,782
E-learning

991
Virtual Class

154,047
Classroom-based

Total investment in training and development

| | 2013 | 2012 | 2011 |
|--|------------|------------|------------|
| Time (thousands of hours) – Item “a” only | 243 | 306 | 366 |
| Financial (R\$ million) | 23.4 | 29.9 | 24.9 |
| a) Specific investments in technical and behavioral skills | 15.5 | 21.8 | 18.0 |
| b) Investments in undergraduate, graduate, language, exchange and other programs | 7.9 | 8.1 | 6.9 |

In 2013, we invested R\$ 15.5 million in training and developing our professionals, although the average number of training hours per person declined, following the trend over the previous years due to the reduced number of hours dedicated to apprentices and trainees.

For managers, partner-directors and partners, however, we recorded an important increase as shown in the table on page 81.

We ended financial year 2013 with 70.7 hours of training per person, compared with 84 in the previous

period. This figure is still much higher than the average 40 hours per year established by the Federal Accountancy Council (CFC), thanks to initiatives such as a voluntarily extending our Continuing Education Policy to Administrative professionals.



Hours invested in training and development <GRI 4.7 / LA10>

Technical team

| | 2013 | | | 2012 | | | 2011 | | |
|--------------------------------|---------|--------|---------|---------|--------|---------|---------|--------|---------|
| | Hours | People | Average | Hours | People | Average | Hours | People | Average |
| Apprentice | 174 | 5 | 34 | 398 | 7 | 57 | 509 | 5 | 102 |
| Trainee | 66,905 | 778 | 86 | 141,663 | 1,047 | 135 | 110,355 | 1,111 | 99 |
| Staff | 98,506 | 1,439 | 68 | 92,915 | 1,421 | 65 | 135,656 | 1,369 | 99 |
| Manager | 26,934 | 428 | 62 | 23,427 | 420 | 56 | 37,116 | 340 | 109 |
| Partners and partner-directors | 20,588 | 246 | 83 | 18,405 | 230 | 80 | 25,422 | 217 | 117 |
| Subtotal technical team | 213,107 | 2,896 | 73 | 276,808 | 3,125 | 88 | 309,058 | 3,042 | 101 |

Administrative team

| | 2013 | | | 2012 | | | 2011 | | |
|--------------------------------|--------|--------|---------|--------|--------|---------|--------|--------|---------|
| | Hours | People | Average | Hours | People | Average | Hours | People | Average |
| Apprentice | 398 | 9 | 44 | 546 | 4 | 136 | 1,019 | 16 | 64 |
| Trainee | 161 | 4 | 40 | 287 | 10 | 29 | 0 | 0 | 0 |
| Staff | 24,138 | 449 | 53 | 24,645 | 424 | 58 | 42,157 | 668 | 63 |
| Manager | 3,095 | 48 | 64 | 2,196 | 38 | 58 | 8,293 | 78 | 106 |
| Partners and partner-directors | 2,231 | 33 | 67 | 1,878 | 33 | 57 | 5,117 | 26 | 197 |
| Subtotal administrative team | 30,023 | 543 | 55 | 29,552 | 509 | 58 | 56,586 | 788 | 72 |

| | | | | | | | | | |
|--------------|----------------|--------------|-----------|----------------|--------------|-----------|----------------|--------------|-----------|
| Total | 243,130 | 3,439 | 70 | 306,360 | 3,634 | 84 | 365,644 | 3,830 | 95 |
|--------------|----------------|--------------|-----------|----------------|--------------|-----------|----------------|--------------|-----------|

Only training hours actually taken are included. Temporary staff have not been included, although 197 hours of training were provided to this category during financial year 2013 (an average of 25 hours per professional).

Annually, all processes of the KPMG Business School undergo a Quality Review, which is an internal audit.

Annual Trainee Program

KPMG in Brazil also invests consistently in developing young talent through our Trainee Program. In 2013, more than 45 thousand candidates participated in the selection process and 370 were hired to work within the Organization. These are very significant figures, especially compared with other firms, which also demonstrates people's keen interest in working at our Organization.

All trainees attend an intensive training program before they start working in different commercial areas, with the aim of developing our principles and quality standards, in addition to our corporate citizenship values. In Audit, the program has a duration of 113 hours.

Mobility and exchange

Learning about KPMG International's global structure and having the opportunity to experience other cultures are very real possibilities for professionals at our Organization. Our leaders strongly encourage exchange programs and acquiring experience in other countries, so all staff can evolve and further develop their careers.

The exchange of knowledge and practices with other member firms of the Organization is formalized in our training and development policies. This is provided through our Mobility Program, an initiative that offers four ways in which our professionals can acquire a broad and in-depth understanding of our global structure.

Number of new hires in the KPMG Annual Trainee Program

| 2013 | 2012 | 2011 |
|------|------|------|
| 370 | 530 | 714 |

Mobility Program

| Program | Duration | Participating professionals | | |
|---------------------------------------|--------------------|-----------------------------|------|------|
| | | 2013 | 2012 | 2011 |
| Global Opportunities | 1 month to 3 years | 20 | 19 | 21 |
| Global Internship Program | 1 month | 0 | 8 | 8 |
| TaxTrek | 2 to 3 months | 6 | 8 | 4 |
| United States Mobility Program (USMP) | 18 months | 1 | 1 | na |





KPMG's global target is to achieve 25% women partners by 2015

Developing leaders

KPMG in Brazil offers dedicated training and development programs for senior leaders, preparing our professionals to succeed the Organization's key executives. In Chairman 75, a group of 75 KPMG partners worldwide, all aspiring to important positions within the Organization, met at quarterly events to discuss important issues and leadership responsibilities. The program has a duration of one year and a half and also involves CEOs from other firms and external consultants, in an environment that is highly favorable for sharing professional experience.

Another initiative designed for our leadership is the Partner Development Program (PDS), which involves all leaders and provides two options:

university training on subjects such as innovation, business management, international business, people management and sustainability; or training provided by a specialist consultancy on subjects such as leadership styles, strategy and communication. In 2013, 29 partners participated in the Partner Development Program. <GRI 4.7>

Diversity

Our approach to diversity is based on our value of "respecting people for who they are" and its broader objective is to create an environment that is free of discrimination, welcomes diverse opinions and safeguards the rights of each individual, regardless of personal characteristics such as race, color, religion, gender, nationality, special needs or marital status. These principles are further reinforced by our Code of Conduct and by merit-based compensation and promotion policies.

Globally, KPMG's Network of Women (KNOW) encourages the professional development and retention of women within the Organization by offering the resources and conditions necessary to



provide them with the opportunity to develop professionally. KPMG in Brazil have played an important role in this group through our leaders and a range of initiatives that promote gender equality, such as our internal mentoring program and the active participation of our leaders in specific forums, such as *CRC Mulher*, *IBEF Mulher*, *Movimento +Mulher 360*, LIDE and Women Corporate Directors (WCD). In 2013, as many women were promoted to partner as men. Globally, KPMG's target is to achieve 25% women partners by 2015.

Our efforts in this regard are also based on the Women's Empowerment Principles, a joint initiative of the Global Compact and the United Nations Development Fund for Women (Unifem), of which we are signatories. Our participation in this group also provides access to a large network for sharing policies and good practices relating to gender equality and women's development.

Ratio of basic salary of women to men * <GRI LA 14>

| Group | Category | 2013 Ratio* | 2012 Ratio* |
|----------------|-------------------|----------------|----------------|
| Technical | Apprentices | 1.00 | 1.00 |
| | Trainees | 1.00 | 1.00 |
| | Staff | 0.89 | 0.90 |
| | Managers | 0.98 | 0.98 |
| | Partner-directors | 0.99 | 0.97 |
| Administrative | Apprentices | 1.00 | 1.00 |
| | Trainees | 0.94 | ** |
| | Staff | 1.02 | 1.01 |
| | Managers | 0.86 | 0.80 |
| | Partner-directors | 0.99 | 0.99 |

* Uses the average basic salary for each category, by gender, and states the ratio of basic salary of women to men.

** There were no female trainees in the administrative group in 2012.



Diversity is also encouraged at KPMG in Brazil through *Grupo Inklusão*, which brings together people from different departments to facilitate and promote hiring and placing people with special needs in the Organization. This has led to the creation of an interaction manual for our staff, in order to communicate appropriate forms of interaction through information made available on the Internet, institutional videos and in internal newsletters.

In 2011, *Grupo Inklusão* initiated an innovative project that incorporated this aspect into the trainee program, enabling us to establish a selection process and recruit people with special needs into our staff. The initiative was initially effective and nine people with special needs were hired into

administrative areas, but the challenges faced in finding skilled labor in the Brazilian market prevented the project from achieving the same results in subsequent years.

We also found it difficult to deliver on our pilot program to train people with special needs, which was also delayed from 2011 to 2012 due to implementation issues. Throughout 2013, we remained in contact with organizations supporting people with special needs. While we have not achieved immediate results, this has created an important channel for us to improve this indicator and provide opportunities for people with special needs.

Other initiatives of *Grupo Inklusão* have resulted in accessibility improvements at our offices to ensure professionals with limitations are not adversely affected in our work environment. We also work continuously to raise awareness among our staff through specific and targeted initiatives. In 2013, 1,358 professionals participated in e-learning programs on Diversity and Inclusion. In addition, we sponsored a program developed by APAE SP, called Paths to inclusion, aiming to generate opportunities for young people with intellectual disabilities to develop the skills required to find jobs.

Local hiring

It is a way to promote development in the communities where we operate and incorporate knowledge of regional culture in our business. At KPMG in Brazil, 91% of senior leadership are Brazilians. When considering São Paulo, Rio de Janeiro and other states where we operate, the percentage of senior leadership from their state of origin is 71%, 75% and 50%, respectively.

People with Special Needs

| | 2013 | 2012 | 2011 |
|----------------|-----------|-----------|-----------|
| Administrative | 24 | 27 | 29 |
| Technical | 12 | 11 | 17 |
| Total | 36 | 38 | 46 |

Local hiring <GRI EC7>

| Location | Total partners and partner-directors | | | Partners and partner-directors who work in their home States | | | | | |
|---|--------------------------------------|------------|------------|--|------------|------------|------------|------------|------------|
| | Absolute number | | | Absolute number | | | Percentual | | |
| | 2013 | 2012 | 2011 | 2013 | 2012 | 2011 | 2013 | 2012 | 2011 |
| State of São Paulo* | 209 | 197 | 181 | 149 | 144 | 135 | 71% | 73% | 75% |
| State of Rio de Janeiro* | 36 | 29 | 34 | 27 | 22 | 22 | 75% | 76% | 65% |
| Other States* | 34 | 37 | 28 | 17 | 18 | 11 | 50% | 48% | 39% |
| Total Brazilian partners and partner-directors | 279 | 263 | 243 | 255 | 229 | 226 | 91% | 92% | 93% |

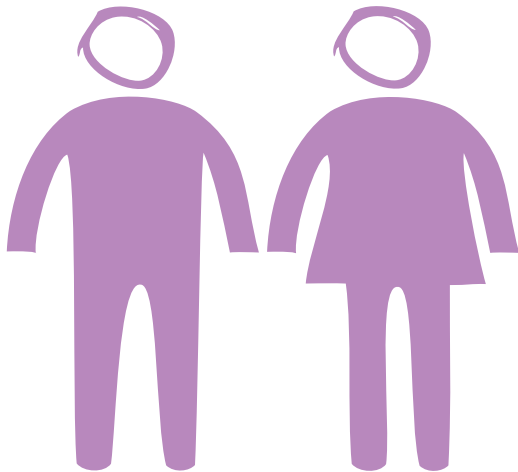
* São Paulo and Rio de Janeiro are the states with the highest number of partners and partner-directors in Brazil, which is why we have presented the indicators in three categories: State of São Paulo, State of Rio de Janeiro and other States.

KPMG in Brazil Professionals

<GRI LA1 / LA13>

Total professionals by age group

| | Up to 29 | 30 to 50 | Over 50 | Total |
|-------------|--------------|--------------|----------|--------------|
| 2013 | 2,446 71% | 929 27% | 64 2% | 3,439 |
| 2012 | 2,686 74% | 889 24% | 59 2% | 3,634 |
| 2011 | 2,746 72% | 1,016 26% | 68 2% | 3,830 |



Total professionals by gender

| | Male | Female | Total |
|-------------|--------------|--------------|--------------|
| 2013 | 1,914 56% | 1,525 44% | 3,439 |
| 2012 | 2,029 56% | 1,605 44% | 3,634 |
| 2011 | 2,167 57% | 1,663 43% | 3,830 |



Administrative team

By gender

| | 2013 | | | 2012 | | | 2011 | | |
|----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Trainees | 75% | 25% | 4 | 100% | 0% | 4 | 0% | 0% | 0 |
| Apprendices | 34% | 66% | 9 | 30% | 70% | 10 | 44% | 56% | 16 |
| Staff | 34% | 66% | 449 | 34% | 66% | 424 | 44% | 56% | 668 |
| Managers | 42% | 58% | 48 | 39% | 61% | 38 | 62% | 38% | 78 |
| Partners and partner-directors | 63% | 37% | 33 | 70% | 30% | 33 | 62% | 38% | 26 |
| Total administrative team | 37% | 63% | 543 | 37% | 63% | 509 | 46% | 54% | 788 |

Administrative team

By age

| | 2013 | | | | 2012 | | | | 2011 | | | |
|----------------------------------|------------|------------|-----------|------------|------------|------------|-----------|------------|------------|------------|-----------|------------|
| | Up to 29 | 30 to 50 | Over 50 | Total | Up to 29 | 30 to 50 | Over 50 | Total | Up to 29 | 30 to 50 | Over 50 | Total |
| Trainees | 100% | 0% | 0% | 4 | 100% | 0% | 0% | 4 | 0% | 0% | 0% | 0 |
| Apprendices | 100% | 0% | 0% | 9 | 100% | 0% | 0% | 10 | 100% | 0% | 0% | 16 |
| Staff | 58% | 37% | 5% | 449 | 59% | 37% | 4% | 424 | 69% | 28% | 3% | 668 |
| Managers | 8% | 91% | 4% | 48 | 5% | 92% | 3% | 38 | 9% | 91% | 0% | 78 |
| Partners and partner-directors | 0% | 75% | 25% | 33 | 0% | 79% | 21% | 33 | 0% | 81% | 19% | 26 |
| Total administrative team | 51% | 44% | 5% | 543 | 53% | 42% | 5% | 509 | 61% | 35% | 4% | 788 |

Technical team

By gender

| | 2013 | | | 2012 | | | 2011 | | |
|--------------------------------|------------|------------|--------------|------------|------------|--------------|------------|------------|--------------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Trainees | 51% | 49% | 778 | 51% | 49% | 1,047 | 50% | 50% | 1,111 |
| Apprentices | 20% | 80% | 5 | 43% | 57% | 7 | 80% | 20% | 5 |
| Staff | 55% | 45% | 1,439 | 57% | 43% | 1,421 | 58% | 42% | 1,369 |
| Managers | 69% | 31% | 428 | 68% | 32% | 420 | 72% | 28% | 340 |
| Partners and partner-directors | 89% | 11% | 246 | 88% | 12% | 230 | 89% | 11% | 217 |
| Total technical team | 60% | 40% | 2,896 | 59% | 41% | 3,125 | 59% | 41% | 3,042 |

Technical team

By age

| | 2013 | | | | 2012 | | | | 2011 | | | |
|--------------------------------|------------|------------|-----------|--------------|------------|------------|-----------|--------------|------------|------------|-----------|--------------|
| | Up to 29 | 30 to 50 | Over 50 | Total | Up to 29 | 30 to 50 | Over 50 | Total | Up to 29 | 30 to 50 | Over 50 | Total |
| Trainees | 99,5% | 0,5% | 0% | 778 | 100% | 0% | 0% | 1,047 | 100% | 0% | 0% | 1,111 |
| Apprentices | 100% | 0% | 0% | 5 | 100% | 0% | 0% | 7 | 80% | 20% | 0% | 5 |
| Staff | 89% | 10,8% | 0,2% | 1,439 | 88% | 12% | 0% | 1,421 | 80% | 19% | 1% | 1,369 |
| Managers | 25,2% | 74,3% | 0,5% | 428 | 28% | 72% | 0% | 420 | 15% | 84% | 1% | 340 |
| Partners and partner-directors | 0,5% | 87,5% | 12% | 246 | 0% | 87% | 13% | 230 | 0% | 86% | 14% | 217 |
| Total technical team | 75% | 24% | 1% | 2,896 | 77% | 22% | 1% | 3,125 | 74% | 25% | 1% | 3,042 |