



voluntarily to a number of international initiatives already consolidated by the UN and the World Economic Forum (read more in *Corporate Citizenship* and *Global Compact*).

Our capabilities – To maintain our leading position, we need to be **specialists** in everything we do, using our insight to simplify complex issues in our activities. Our work approach also requires **global reach** through our network of member firms, enabling us to provide broader and differentiated insights into the market. We also need to be **forward thinkers** so we can anticipate issues that are key to the success of our clients' business and create competitive advantages, **creating value** through our work. Above all, **we are passionate in what we do** and committed to excellence from design to delivery.

Our management - We have operated in an increasingly committed and collaborative manner. Through a more reflective approach and a more integrated vision, we have gained an understanding of the connection between sustainability and our businesses and how to identify the positive and negative impacts deriving from our activities.

Our indicators - A major challenge of this process is to identify the environmental, economic and social impacts of our activities. Although our environmental impacts are negligible in our segment and have not been identified as material by our stakeholders, we take our corporate responsibility seriously. Two indicators we use to map them out are our local

environmental targets and carbon footprint, with the global *per capita* figure having fallen by 29% from 2007 to 2010, and new targets have been established for 2015. Social impacts involve the hiring and training of personnel, ethical conduct in business, and the provision of *pro bono* services to nonprofit institutions. Economic impacts include the payment of salaries and taxes and the value generated for clients by our services. These indicators reflect the priority topics identified by our stakeholders.

We recognize the need to provide further depth to our analysis in order to both improve the results for each indicator and incorporate additional indicators. This report aids us on our journey by providing economic, environmental, social and governance indicators that are aligned with the pillars of our strategy and the priority topics identified by our stakeholders for our business.

The path we help others walk

The second way in which we are making a contribution to sustainability is by putting our know-how at the service of our clients, tertiary sector organizations, the press and trade associations.

Our practices offer insight into the complexity, identify opportunities and challenges, and anticipate the potential impact of the changes continually taking place in the environment in which we operate. Using that information, we can help our stakeholders find optimal solutions. This contribution involves:

Helping professionalize our clients –

We help our clients in their expansion process by offering them training and know-how so that they can navigate their way more safely around the complexities. In so doing, we help them generate revenue and jobs in the communities surrounding their operations. We also create value by helping them pay taxes appropriately under current regulations, and to impart quality, transparency and credibility to their financial statements. In this way, we encourage good practice in the markets in which we operate.

Sharing know-how –The active participation of our staff in debates and discussions about the regulatory environment and the markets in which our practices are involved helps form a critical mass on important themes, through research, representations, talks, events and publications.

Restoring market confidence –When we look at the serious crisis of confidence that has gripped the world, it is clear that responsible audit, tax and advisory practices have an important role to play in creating a

more transparent, responsible and effective business environment. We are committed to making our own contribution to that process.

Training professionals for the market –Our intensive investment in the training and development of our staff not only affects the performance excellence of KPMG in Brazil and our clients, but also equips the market with qualified professionals. Those who do not pursue their careers in our Organization take our expertise with them to major Brazilian and multinational companies, which creates value for KPMG in Brazil, our clients and society as a whole.

Spearheading positive change –We are committed to the values of the communities in which we operate and to the events that affect them. That commitment is one of the most lasting qualities of our staff and brand. We are committed to bringing about positive change,

leading by example and inspiring our stakeholders to do the same.

As we advance along these pathways, we contribute to the transition to responsible capitalism and creating collective value.

Risks and challenges

For a company like KPMG in Brazil, the primary sustainability risks and challenges are related to ethics and integrity. We operate in a heavily regulated environment and our primary contribution, in many cases, is to assist our clients in statutory reporting to regulators. That is why credibility is a key issue for the survival of our brand and of the very market served by our Organization.

On a daily basis we come in contact with information that is crucial to our clients' business, and we are aware that our investments in training and technology, though equally crucial for our quality of delivery, are not sustainable without our professionals' commitment to ethics. They are equally unsustainable without the principles, values and culture of integrity as the only means of ensuring that KPMG remains a reputed and trusted brand.

Our practices offer insight into the complexity and anticipate the potential impact of the changes in the environment in which we operate