KPMG is a global network of professional services firms with a significant presence in Australia. It provides audit, tax and advisory services for a variety of sectors. As part of its commitment to corporate citizenship and reducing its environment impact, the organisation joined CitySwitch in 2015.

**Background**

KPMG International is a signatory to the United Nations Global Compact and KPMG Australia is a founding member of the UNGC Network Australia. KPMG Australia is committed to:

- supporting a precautionary approach to environmental challenges
- undertaking initiatives to promote greater environmental responsibility
- encouraging the development of environmentally friendly technologies.

Since 2010, KPMG Australia has achieved energy savings (CO2e tonnes) of 35%, a reduction in paper use by 57%, increased recycling rates from 42% to 78% and decreased waste to landfill by 68%. Whilst some improvements have been ‘built in’, much of it relies on behaviour change and embedding a culture of sustainability throughout the organisation.

Kaushik Sridhar, Corporate Citizenship Manager at KPMG Australia notes that “A catalyst is required to create organisational change”. In this case it was a combination of increased client enquiries on sustainability credentials, seeing sustainability as ‘good business sense’, and a tremendous opportunity to innovate and realise operational efficiencies.

**GOALS**

- Engage people and clients
- Drive cultural change
- Demonstrate industry leadership

**Signatory status**

<table>
<thead>
<tr>
<th>Date joined CitySwitch</th>
<th>26 October 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenancy size</td>
<td>26,631m² (Melbourne office)</td>
</tr>
<tr>
<td>NABERS commitment rating</td>
<td>★★★★</td>
</tr>
<tr>
<td>Website</td>
<td>home.kpmg.com/au</td>
</tr>
</tbody>
</table>

**Key outcomes**

<table>
<thead>
<tr>
<th>Annual energy and CO2 saving</th>
<th>603,249 kWh and 717 t/CO2 pa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awards</td>
<td>CitySwitch National New Signatory Award 2016</td>
</tr>
</tbody>
</table>
While we haven’t completely embedded sustainability, we are certainly on the way.

Kaushik Sridhar
Corporate Citizenship Manager, KPMG Australia

KPMG’s approach to embedding sustainability
- Guidance was sought from key stakeholders from the very beginning to assist in developing the Climate Change Strategy. This generated ownership and support from the right people in the organisation.
- The business case for the strategy encompassed economic, environmental and social elements.
- Seeking a sponsor on the Executive team, with the CFO/COO being our Executive Sponsor.
- Analysis was conducted into what clients and competitors were doing in this space.
- KPMG’s Social Impact Framework study in 2016 resulted in a refreshed strategy with updated focus areas. Climate Change is 1 of 4 focus areas in KPMG’s Corporate Citizenship Strategy.
- Stakeholder engagement, communication and activation activities are underway to create a shared understanding internally.
- Consistent reinforcement is being achieved through commitments for action (e.g. signing CEO Statement of Support for the Sustainable Development Goals, joining CitySwitch), running regular events and showcasing sustainability credentials.
- CitySwitch was engaged for advice and guidance on a variety of initiatives around energy efficiency and waste.

What worked
- Involving the key people at the start to develop the strategy.
- Making the value proposition visible and including financial and reputational benefits as well as the environmental benefits.
- Understanding what ‘value’ and ‘impact’ means for different teams.

What didn’t work
- Initially, outputs were looked at rather than outcomes.

Measuring engagement
KPMG’s monitoring and measurement as part of its outcomes includes:
- energy use, net emissions/FTE, recycling rates, paper purchased
- number of people volunteering with environment organisations
- pro-bono work supporting climate change/environment organisations
- number of climate change events hosted at KPMG and attendance levels.

Benefits experienced to date include increased internal awareness of climate issues, operational efficiencies and brand and reputation value.

Advice to others? Clearly define the issue, ensure stakeholder engagement early and obtain executive sponsorship. By utilising a holistic approach to embedding sustainability into the organisation, KPMG Australia continues to engage its people, drive cultural change and demonstrate industry leadership. It remains an ongoing process.

CitySwitch Green Office is Australia’s national tenant sustainability program. This partnership initiative is a growing network of business leaders committed to addressing their environmental impact. cityswitch.net.au

Key learnings
- It takes time. Culture change is not a quick fix, it’s a long journey that requires a local champion(s) to push it through.
- It takes strategy. A long term strategy and supporting plan that aligns with the organisation’s stated values is critical to obtaining the various approvals necessary to affect change.
- It takes engagement. Getting the right people on board who support the strategy is important to get it to a senior level for review. Ensuring the stated benefits include financial and reputational elements as well as carbon emissions reductions are important in obtaining final approval.
2016
KPMG Australia moved to 6 and 5 Star Green Star buildings in Sydney (June) and Melbourne (November)
KPMG Australia developed business cases for specific initiatives under the Climate Change Strategy
KPMG Global wins Sustainable firm of the Year for the 5th consecutive year

January
KPMG Australia refreshed the Environmental Policy and Environmental Statement

March
KPMG Australia undertook a gap analysis to understand what clients and competitors were doing in this space

July
KPMG Australia developed a Social Impact Framework Identifying Climate Change as 1 of 4 focus areas for KPMG’s Corporate Citizenship Strategy

August
KPMG Australia signed a three year partnership with Qantas to join their Future Planet Program and offset their air travel through a portfolio of environmental projects

November
KPMG Australia wins National CitySwitch Award

2015

October
KPMG Australia joined the CitySwitch program in Sydney and Melbourne

November
KPMG Australia engaged key stakeholders on the Climate Change Strategy

2014

September
KPMG Global signed up to the Sustainable Development Goals Business Manifesto

2008

KPMG Global announced the Global Green Initiative, the first public global strategy by a Big Four firm in response to climate change

KPMG Australia launches Step Lightly program to increase environmental awareness and encourage behavioural change within the firm

2002

KPMG became a global signatory to the United Nations Global Compact