



# Zero Deforestation Policy

March 2024

## Principle

At KPMG Australia, we recognise the critical importance of halting nature loss by 2030 and of preserving the world's forests to mitigate the dual crises of climate change and biodiversity loss. We acknowledge the importance of Indigenous peoples and local communities in preserving, protecting and regenerating the world's forests and biodiversity.

## Commitment

In line with our new [Climate Action Plan 2023–2030](#), we have developed a Zero Deforestation Policy ('Policy') to address specific sectors of purchased and capital goods in our supply chain, including furniture, printing and stationery, electronic equipment, and food and catering products. This policy aims to minimise the environmental impact associated with these sectors and promote more sustainable sourcing and consumption practices by 2025.

Our Policy reflects our expectations for the conduct of major suppliers and their affiliates, who provide goods to KPMG offices.

## Application

The Policy applies to major suppliers\* of purchased goods to the office operations of the Australian Partnership.

\*Major suppliers are defined as suppliers of purchased goods exceeding \$100,000 in annual spend, where raw materials are brought in and disposed of in KPMG tenancies.

## Action

Our primary focus will be on the direct and indirect impacts that our office operations and supply chain have on forests.

**Direct Impact on Forests** refers to all timber, paper, and pulp consumption from major suppliers of office furniture, printing paper and stationery.

Our commitment is to ensure timber, paper, and pulp products are from responsibly managed forests by 2025, as certified by the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PEFC) or equivalent sustainability standards.

This will require:

- Increased traceability and transparency of timber, paper, and pulp products and the origins of raw materials.
- Robust due diligence procedures (including risk assessments, science-based targets and/or transition plans) are implemented where products are from countries of higher risk to deforestation and progress is regularly and transparently reported.
- Preference for suppliers of printing paper products that offer high post-consumer recycled content and promote paper recycling programs.
- Engaging with our suppliers and relevant stakeholders to foster knowledge exchange, support initiatives that empower local communities, Indigenous peoples, and workers in the timber, paper, and pulp industries, and collectively address deforestation challenges.

**Indirect Impact on Forests** refers to packaging material from major suppliers of purchased or capital goods, including ITC, in-house food and catering, and other office supplies. Our commitment is to:

- Encourage all major suppliers to set waste, packaging or circularity targets by 2025, including minimisation of new materials and the use of packaging materials sourced from responsibly managed forests or from recycled and recyclable materials.
- Engage with suppliers to raise awareness about the importance of sustainable packaging and paper materials, providing guidance and resources to support their transition to more sustainable practices.
- Encourage suppliers to adopt labelling and certification schemes that indicate the sustainability credentials of packaging materials, helping employees make informed choices regarding waste disposal.

## Governance and reporting

Environmental Sustainability Performance indicators are monitored and reported annually through [Our Impact Plan](#), KPMG Australia’s impact report. We will continue to strengthen our environmental reporting, including disclosure of data related to the origin of raw materials in our supply chain, as well as our engagement with suppliers on deforestation challenges.

We will monitor and assess supplier compliance with sustainable sourcing practices and provide guidance and support to help them meet the commitments set out in this Policy by 2025.

To further understand and improve our impact on nature and biodiversity, we are committed to reporting our progress towards zero deforestation in our operations and will continue to share our learnings with our peers, stakeholders, suppliers and communities.

## Review

The Policy will be reviewed annually.

KPMG Australia

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