

Communication: C2
Diversity and Inclusion Task Force
April 15, 2021
Agenda Item # 1

Inclusion & Diversity

Presentation to the City of Vaughan Diversity & Inclusion Task Force

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How we define Inclusion & Diversity at KPMG

Inclusion is about all of us. It is defined by environments that strive for equity, value differences, and respect every individual.

Diversity is about each of us. It is about recognizing and respecting the variety of unique experiences, perspectives, and qualities that every person bring to the team.

Our focus extends beyond Gender to include People of Colour, People with Disabilities, Indigenous Peoples, Newcomers and LGBTQ2+ communities.



How Inclusion and Diversity is Evolving



The Moral Case:

Our responsibility to work towards reducing systemic inequities and fostering a welcoming and safe environment for everyone



The Business Case: Increased productivity, profitability, customer centricity and reputation that comes from focusing on creating an equitable workplace where everyone feels a sense of belonging

"Spectrum of Belonging"

Term

What it means

Diversity

Inclusion

Anti-Racism

Equity

Belonging

The ways in which individuals differ

Respect, support and removal of barriers to contribution Actively opposing racism by challenging and changing systems and structures

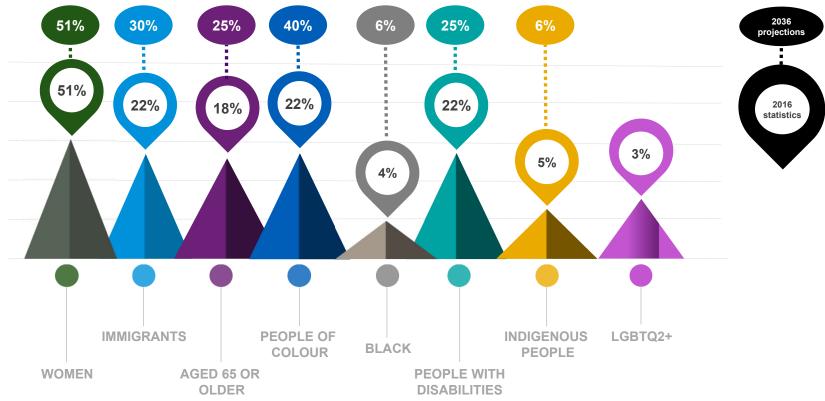
Fair treatment, access and opportunity for all people

A feeling of security, support and acceptance



Canadian demographics

Below highlights key demographic statistics for Canada displaying the need for Canadians to create a more equitable and inclusive social environment.



Canadian demographic analysis as percentages of total population (Source: Statistics Canada, 2016)

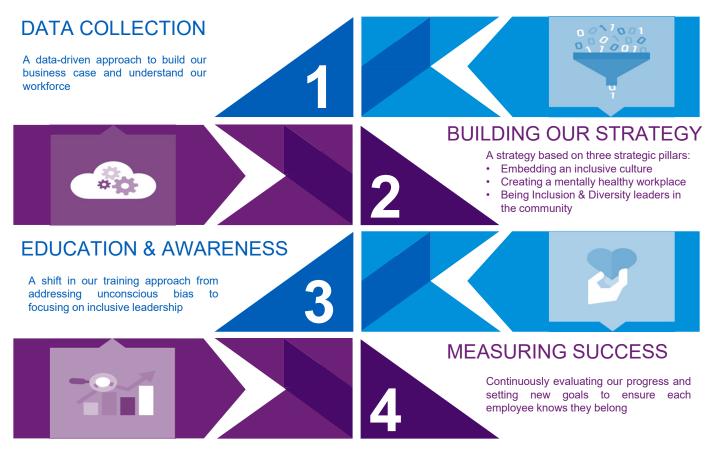




² Evolution of our strategy

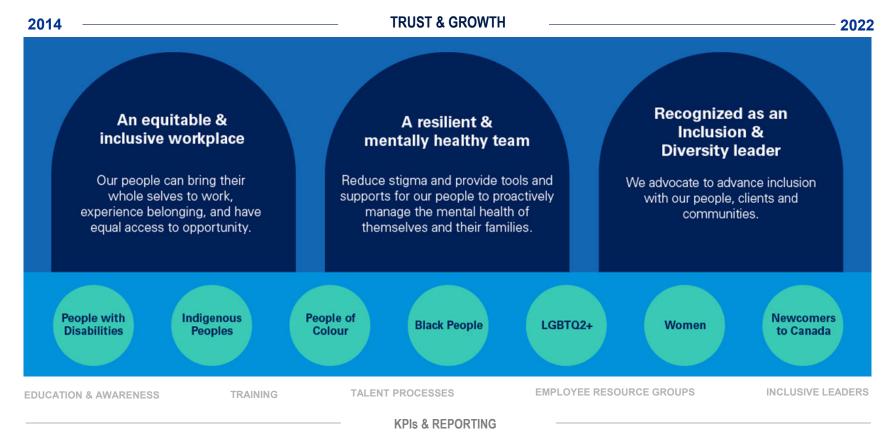
Our 4 step approach 3 pillars of our Firm-wide Strategy How we've evolved **Anti-Black Racism strategy**

Our 4 step approach





3 pillars of our Firm-wide Strategy





18D in Today's Context

Inequities have been exacerbated and brought to the forefront due to the pandemic. In order to support historically marginalized communities during the pandemic, we must understand and be aware of today's context. The following are current realities impacting people and therefore organizations.



Systemic Racism

The impact of systemic racism on Black professionals is harmful. Many suffer from psychological distress:

- Emotional trauma
- · Fear for personal safety
- Doubts about belonging
- Hostile/uncomfortable work environments



Indigenous Inequities

Indigenous groups face disparities from an early age, which lead to a severe gap in the workforce:

- Chronic under-funding of quality on-reserve education
- · Emotional trauma



People with Disabilities

Many professionals with mental/physical disabilities suffer from disadvantages:

- Lack of accommodating practices
- Stigma and inaccessible workplaces
- Uncomfortable work environments



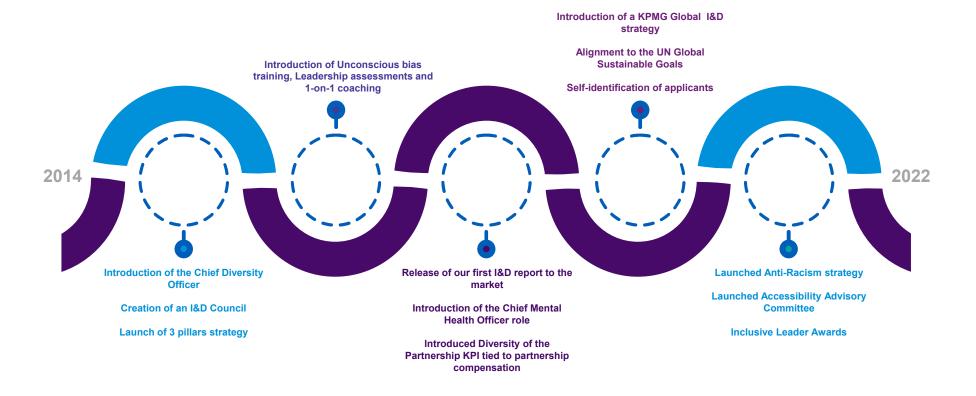
Caregiving

The inequities encountered by caregivers create and emphasize:

- Doubts and decreased feelings of job security
- Lack of accommodating practices
- Isolation at senior manager/director level and above
 - Research shows that women spend more time caregiving
 - 65% of women in leadership are more stressed about their professional lives and expectations since the onset of COVID-19



How we've evolved





Anti-Black Racism strategy

Start with addressing one of the most complex, historical injustices courageously. Listen, learn and act. Enhance our Inclusion and Diversity agenda overall and make sustainable, meaningful change happen. Through addressing anti-black racism, we can help all groups and people that are suffering from discrimination.

Inspire Confidence, Empower Change.

Education & Support

Addressing mindset, behaviour & bias

Firm, Leadership, Partners

Education & formal training: starting with our Senior Leadership team: Executive Team, Board, Geographic leaders, HR Leadership, Diversity Council

- Anti-Black Racism Education
- Allyship Training
- Safe space conversations with our Black employees

Talent Processes

Addressing systemic practices

Organizational, firm-wide

- Mentorship & Sponsorship: program to support growth & development of black employees
- Recruitment strategy: integrating highschool, university and community organizations
- Review of Firm-wide People Programs & Practices

Resources & Support

Addressing Emotional Tax

Organizational, BlackNetwork

- Resources and supports: Black mental health professionals and resources offered by our service providers- EFAP
- Focused sessions on wellbeing & mental health specifically to support black employees during this time.

Building Trust

Addressing injustice, leading change

Community, Clients, Market

- Community relationships & scholarships:
- CAUFP, ICON Partners, Desta Black Youth Network
- Develop scholarship programs to support under-served black youth
- Engagement in volunteer work through mentorship of black youth
- Collaboration with Corporate
 Canada:BlackNorth Initiative, CILAR
- —#OurExperienceMatters campaign

Courageous Conversation – boldly standing and acting together against racism

Integrity ———— Excellence_____Courage______Together_____For Better





Governance & Team Structure

Governance Model

Core Team Structure & Role Accountabilities

Executive Inclusion & Diversity Council Role

Employee Resource Groups Role

External Commitments

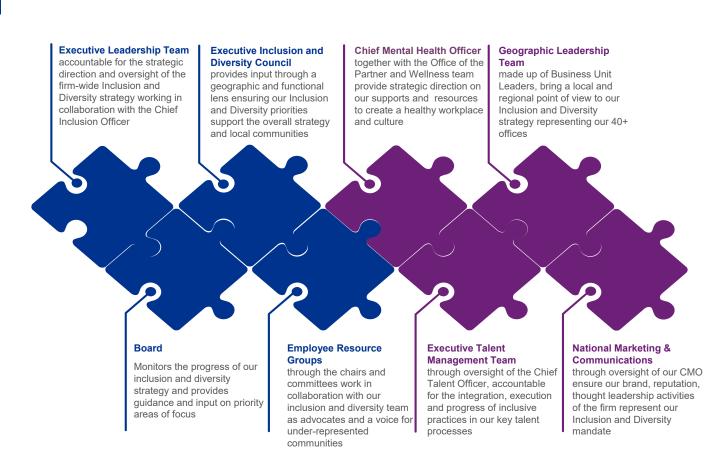
Alliances & Sponsorships

Governance Model

The Inclusion and Diversity team is led by the Chief Inclusion & Diversity Officer responsible for the leadership and execution of the national strategy and priorities in collaboration with all key stakeholders.

The model supports continuous dialogue between leaders, employees and other internal stakeholders, ensuring all parties are represented and aligned.

Our strategy is also in alignment with our Global Inclusion and Diversity mandate.





Core Team Structure & Role Accountabilities

- Oversee the strategy and execution of Inclusion and Diversity (I&D) in Canada
- Oversee evaluation of progress and effectiveness of diversity initiatives and activities
- · Co-chair with CEO Executive Inclusion & Diversity Council
- Formal member of the Global Inclusion & Diversity Steering Group as the lead for Canada
- · Lead and implement key priorities of our strategy
- Develop and monitor performance metrics to evaluate progress and effectiveness of diversity initiatives and activities
- Manage the creation and development of our Employee Resources Groups nationally
- Lead, develop and facilitate workplace education programs to raise awareness and achieve a more inclusive environment
- Act as key point of contact for stakeholder providing updates, changes and recommendations on activities that have an impact on our long term vision and goals



- Lead the organization in shifting to a culture that supports and drives good mental health
- Key point of contact for our partners, supporting their learning, how to navigate our resources and provide coaching on creating a mentally healthy environment for their teams
- In collaboration with the I&D team, Office of the Partner and Wellness team establish a long-term vision that supports our partners, people and their families
- Plan and execute on inclusion programs, training and strategic initiatives both internally and externally, focused on Black, Indigenous Peoples and People of Colour (BIPOC), Women, People with Disabilities, and the LGBTQ2+ community
- Prepare all inclusion and diversity reporting for our priority communities and our mental health strategy, using data analysis and visualization skills. Identify and present key insights & trends to tell the story behind the numbers and drive action
- Develop all firm-wide communications related to our I&D strategy to include- key recognition days, education sessions, formal training



Executive Inclusion & Diversity Council Role

Executive Inclusion & Diversity Council

Partner Level
Geographic Representation
Functional Representation

The Inclusion & Diversity Council is co-chaired by our Chief Inclusion & Diversity Officer and CEO. The members of the Council are KPMG Partners across Canada. Their responsibility is to provide input into the vision for our I&D strategy and to drive and embed key initiatives at the local office level.

- Participate actively in quarterly and annual business planning meetings
- · Be a visible champion and voice for I&D in your local markets
- · Work closely with the National I&D team to encourage local office participation in initiatives, training and education
- Collaborate with local HR teams in monitoring and assessing the progress of inclusive talent processes against key I&D metrics
- · Lead I&D discussions with Senior Leadership in your respective regions
- Lead I&D training in your region
- Provide support and guidance to local People Networks
- · Go-to for local employees for any questions, concerns regarding I&D initiatives and priorities
- Represent KPMG from an I&D perspective in the local external market by attending or speaking at events, panels, roundtables



Employee Resource Groups Role

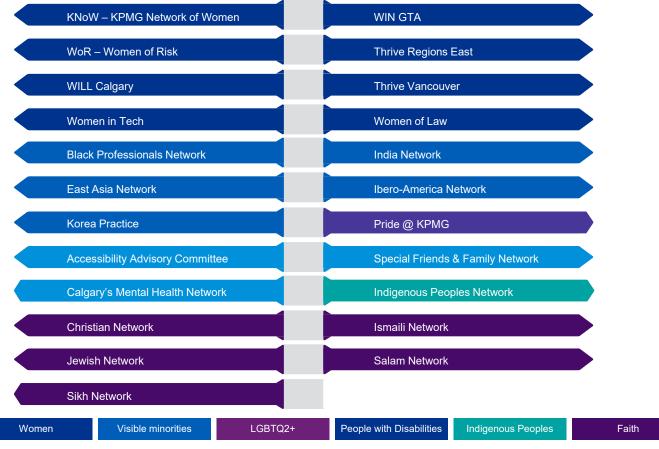
Employee Resource Groups

Executive Sponsor-Partner level Employee led and driven Across all levels Employee Resource Groups are critical to KPMG's goal of creating a sense of belonging for our people. They are comprised of representatives from a variety of key diversity groups, and beyond. These organic, grassroots groups exist across the firm by having an executive sponsor, and give their members the support of fellow KPMG people and their partners in similar circumstances.

- · Promote a culture of understanding and inclusion in the workplace
- Responsible for developing a business plan for allocated budget
- · Enhance education & awareness across KPMG on how to create a more inclusive workplace
- · Provide personal and professional support necessary to allow employees achieve their full potential
- · Collaborate with other Employee Resource Groups to provide input on how to create more inclusive practices at the firm
- Develop cross-business and associative relationships to help KPMG's diverse customer and market strategy
- · Learn from each other and offer to support among members; share best practices



Employee Resource Groups at KPMG Canada





Diversity Groups:

External Commitments

Catalyst Accord 30% by 2022

Boards and C-Suites of major Canadian organizations signed a pledge to accelerate the advancement of women in business by: Increasing the average percentage of women on boards and women in executive positions in corporate Canada to 30% or greater by 2022.

Catalyst Accord

Black North Initiative

Black North Initiative

Commitment to seven goals we believe will move Canada toward ending anti-Black systemic racism and creating opportunities for underrepresented groups by 2025.

30% Club

30% Club -

The aim of the 30% Club Canada is to include both board Chairs and CEOs to achieve better gender balance at board level, as well at senior management levels. Our mission is at least 30% representation of ALL women on all boards and C-suites globally by 2022.

50-30 Challenge

An initiative between the Government of Canada, business and diversity organizations. Two Goals: Gender parity ("50%") on Canadian board(s) and senior management; Significant representation ("30%") on Canadian board(s) and senior management of other under-represented groups, including racialized persons, people living with disabilities, members of the LGBTQ2+community and First Nations, Inuit and Métis peoples.

50-30 Challenge

Tent Partnership for Refugees

Tent Partnership for Refugees

KPMG made a commitment to hiring 50 Refugees by 2022. Canada's new immigrants are a driving force in meeting our talent and labour market needs, working every day to build a truly inclusive corporate Canada.



Alliances & Sponsorships

All sponsorships go beyond a funding commitment. Investments go towards programs and initiatives that include scholarships, mentoring, research, education, training, development workshops, etc.

ICON Talent Pride at Work Rick Hansen ACCES **WXN** Indspire **Partners** Canada Foundation **Employment** Catalyst Canada Our Children's **CAUFP** TRIEC Medicine Rotman **Abilocity Conference Board** Commerce Pride Specialisterne **Martin Family** Alliance **Prosperity Project** Initiative People of People with Indigenous LGBTQ2+ Women **Newcomers** Color Peoples Disabilities



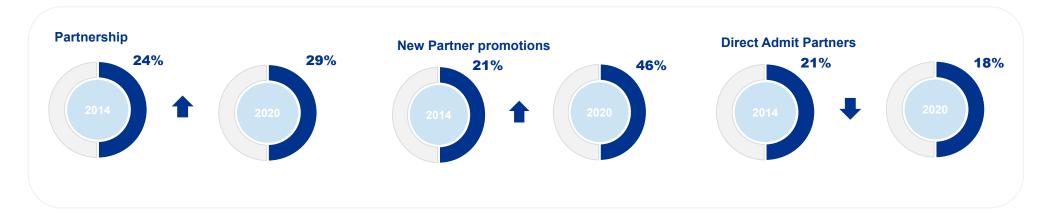


4 Performance Indicators

Diversity of the Partnership Board & Senior Leadership

Diversity of the Partnership

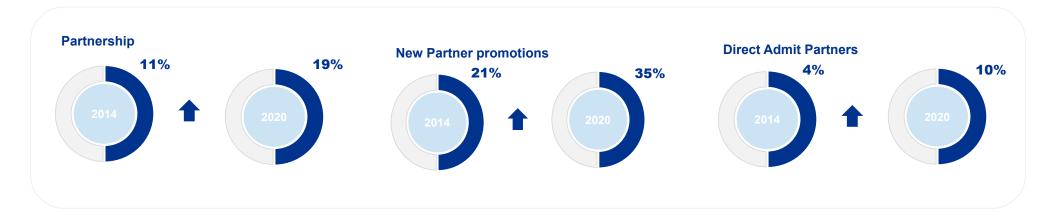
GOAL: 30% WOMEN BY 2022





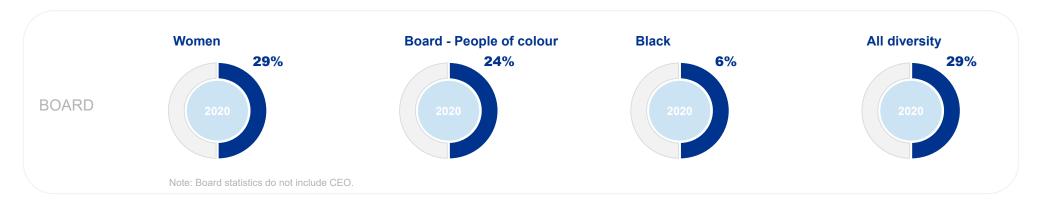
Diversity of the Partnership

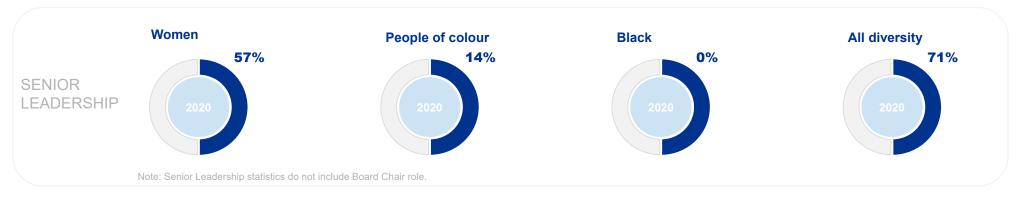
GOAL: 20% PEOPLE OF COLOUR BY 2022





Diversity of the Board and Senior Leadership

















How can we support our clients?

Inclusion & Diversity Advisory Practice
Inclusion & Diversity Approach
KPMG Inclusion IQ and Inclusion and Diversity Assessment Framework

The Inclusion & Diversity Practice

Who are they?

The Inclusion and Diversity (I&D) team sits within KPMG's People and Change (P&C) Advisory practice. There are over 15 I&D advisors across the Canadian P&C team.

We have a truly global capability of more than 1,300 P&C practitioners, supported by a global Centre of Excellence (COE).

















KPMG strives to increase our efforts to become a more inclusive, diverse, anti-racist, and equitable organization.



KPMG Canada has an internal Inclusion and Diversity team, with a leader based in the GTA, who collaborates closely with the P&C I&D team to share leading practices and our own journey.



KPMG Canada is the only Canadian organization that provides both I&D advisory services and have won Canada's Best Diversity Employers Award 13 years in a row.



KPMG Canada focuses on employees' Mental Health. We have a Chief Mental Health Officer as well as a Chief Diversity Officer.



KPMG Canada is proud to acknowledge our own Inclusion & Diversity journey, but we recognize that there is more work to be done.



Inclusion & Diversity Approach

In recent years, I&D has become a priority for many organizations. Below are 9 examples of how I&D integration can address client challenges and add value to their organizations:

Current State Assessment

Gain an understanding of current organizational I&D capabilities, and identify opportunities and gaps

Corporate Social Responsibility

Ensure the organization has measures in place holding them socially accountable to its workforce and other stakeholders

Brand and Reputation

Respond to negative press by making efforts to improve the organization's reputation within the market and among the labour force

Capability Development

Support the development of learning curricula to create an inclusive culture that understands how bias and behaviour impacts the workplace

I&D Strategy

Define what I&D means to the organization in the long-term, and design a roadmap of initiatives that will support long-term ambitions



Talent Management & Succession Planning

Embed I&D principles into talent processes to attract people from a wider talent pool, fill skills gaps, and reduce turnover

Financial Impact

Quantify the potential financial benefits of a strong I&D program as a way of "making a business case" for I&D investment

Health & Wellness

Analyze connections between employee health and wellness and organizational success. Identify inclusive initiatives that can have positive impacts on productivity, collaboration and morale

Metrics/Data

Gain a clear understanding of I&D progress on an individual and organizational level.

Identify which I&D initiatives are driving the most opportunity across the business or hindering success.



KPMG Inclusion IQ - I&D Assessment Framework

KPMG's Inclusion IQ Assessment Framework is built on a foundation of 8 1&D dimensions and an 1&D Maturity Model:







- 8 I&D "dimensions" that form the current state I&D assessment
 - Each dimension has 3-6 "subdimensions"
- Survey/interview/focus group questions align to each dimension

I&D Maturity Model

- Each I&D "sub-dimension" is defined and aligned with 5 maturity levels.
- Each "dimension"/"sub-dimension" is scored. The client receives the score breakdown by dimension/sub-dimension and an overall score.
- Recommendations can be provided to indicate how the organization can advance to the next level.





Thank you.