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Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions

In the Matter of KPMG LLP (United Kingdom),

Respondent.

PCAOB Release No. 105-2025-012

March 11, 2025

By this Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions (“Order”), the Public Company Accounting Oversight Board (“Board” or “PCAOB”) is:

- (1) censuring KPMG LLP (“KPMG UK,” the “Firm,” or “Respondent”);
- (2) imposing a civil money penalty in the amount of \$600,000 upon the Firm; and
- (3) requiring the Firm to undertake certain remedial actions as described in Section IV of this Order.

The Board is imposing these sanctions on the basis of its findings that, between 2020 and 2023, the Firm: (a) failed to make certain required communications to the relevant audit committee or audit committee equivalent in 10 issuer audits, in violation of AS 1301.10d, *Communications with Audit Committees*; (b) filed 13 inaccurate Form APs in connection with its audits of seven different issuer clients, in violation of PCAOB Rule 3211(a), *Auditor Reporting of Certain Audit Participants*; and (c) violated PCAOB quality control standards.

I.

The Board deems it necessary and appropriate, for the protection of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports, that disciplinary proceedings be, and hereby are, instituted pursuant to Section 105(c) of the Sarbanes-Oxley Act of 2002, as amended (the “Act”), and PCAOB Rule 5200(a)(1) against Respondent.

II.

In anticipation of the institution of these proceedings, and pursuant to PCAOB Rule 5205, KPMG UK has submitted an Offer of Settlement (“Offer”) that the Board has determined

to accept. Solely for purposes of these proceedings and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein, except as to the Board's jurisdiction over Respondent and the subject matter of these proceedings, which is admitted, Respondent consents to the entry of this Order as set forth below.¹

III.

On the basis of Respondent's Offer, the Board finds that:

A. Respondent

1. **KPMG LLP** is a public accounting firm headquartered in London, United Kingdom. It is a member firm of the KPMG International Limited network of firms ("KPMG International"). At all relevant times, KPMG UK was registered with the Board pursuant to Section 102 of the Act and PCAOB rules. During the period covered by this Order, the Firm reported that it annually served as the principal auditor for between 16 and 19 issuer clients.

B. Issuers

2. **Arrival** is headquartered in Howald, Grand Duchy of Luxembourg. Its public filings disclose that it is a commercial electric vehicle designer and manufacturer. KPMG UK issued an audit report that Arrival included in its Form 20-F filed with the U.S. Securities and Exchange Commission ("Commission") for the fiscal year ended December 31, 2021.

3. **Barclays Bank PLC** ("Barclays Bank") is headquartered in London, United Kingdom. Its public filings disclose that it is a wholly-owned subsidiary of Barclays plc, and is a banking and financial services provider. KPMG UK issued audit reports that Barclays Bank included in its Form 20-Fs filed with the Commission for the fiscal years ended December 31, 2020, and 2021.

4. **Barclays PLC** ("Barclays") is headquartered in London, United Kingdom. Its public filings disclose that it is a global financial services provider engaged in wholesale, retail, investment banking, and wealth and investment management services. KPMG UK issued audit reports that Barclays included in its form 20-Fs filed with the Commission for the fiscal years ended December 31, 2020, and 2021.

5. **BHP Group Plc** ("BHP Group") is headquartered in London, United Kingdom. Its public filings disclose that it is a mining company that, with Australia-based BHP Group Limited, operated as a combined group known as "BHP." KPMG UK issued joint audit reports with the

¹ The findings herein are made pursuant to Respondent's Offer and are not binding on any other person or entity in this or any other proceeding.

Australian member firm of KPMG International that BHP Group included in its Form 20-F filed with the Commission for the fiscal year ended June 30, 2019.

6. **British American Tobacco p.l.c.** (“BAT”) is headquartered in London, United Kingdom. Its public filings disclose that it manufactures and sells cigarettes, tobacco, and other nicotine products. KPMG UK issued audit reports that BAT included in its Form 20-Fs filed with the Commission for the fiscal years ended December 31, 2020, and 2021.

7. **LumiraDx Limited** (“Lumira”) is headquartered in Grand Cayman, Cayman Islands. Its public filings disclose that it is a healthcare company. KPMG UK issued an audit report that Lumira included in its Form 20-F filed with the Commission for the fiscal year ended December 31, 2021.

8. **Prudential Public Limited Company** (“Prudential”) is headquartered in Hong Kong, Special Administrative Region of the People’s Republic of China. Its public filings disclose that it is an insurance provider. KPMG UK issued audit reports that Prudential included in its Form 20-Fs filed with the Commission for the fiscal years ended December 31, 2019, 2020, 2021, and 2022.

9. **PureTech Health plc** (“PureTech”) is headquartered in Boston, Massachusetts. Its public filings disclose that it is a biotechnology and pharmaceutical company. KPMG UK issued audit reports that PureTech included in its Form 20-Fs filed with the Commission for the fiscal years ended December 31, 2020, and 2021.

10. **Smith & Nephew plc** (“Smith”) is headquartered in Hertfordshire, United Kingdom. Its public filings disclose that it is a developer of medical devices and services. KPMG UK issued audit reports that Smith included in its Form 20-Fs filed with the Commission for the fiscal years ended December 31, 2020, and 2022.

11. **Unilever PLC** (“Unilever”) is headquartered in London, United Kingdom. Its public filings disclose that it is a consumer goods company. KPMG UK issued audit reports that Unilever included in its Form 20-Fs filed with the Commission for the fiscal years ended December 31, 2020, 2021, and 2022.

12. Each of the entities identified in paragraphs 2 through 11 was, at all relevant times, an “issuer” as that term is defined in Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

C. Other Relevant Entities

13. **KPMG** (“KPMG Australia”) is a public accounting firm headquartered in Sydney, Australia.

14. **KPMG S.p.A.** (“KPMG Italy”) is a public accounting firm headquartered in Milan, Italy.

15. At all relevant times, KPMG Australia and KPMG Italy were member firms of KPMG International, were registered with the Board pursuant to Section 102 of the Act and PCAOB rules, and participated in one or more of KPMG UK’s issuer audits.

D. Summary

16. This matter concerns KPMG UK’s repeated violations of PCAOB rules and standards in connection with its failure to disclose, or accurately disclose, the participation of other accounting firms in issuer audits. Specifically, KPMG UK failed to make certain required communications to the relevant audit committee or audit committee equivalent in 10 issuer audits, in violation of AS 1301.10d. In addition, KPMG UK filed 13 inaccurate Form APs from 2020 through 2023 in connection with 13 audits of seven different issuers, in violation of PCAOB Rule 3211(a).

17. Finally, between 2020 and 2023, KPMG UK violated PCAOB quality control standards related to engagement performance by failing to establish appropriate policies and procedures, including monitoring procedures, to provide reasonable assurance that the Firm’s audit professionals would accurately identify in required Form AP filings the accounting firms that participated in KPMG UK audits and their percentage of participation.

E. KPMG UK Failed to Make Required Audit Committee Communications in Violation of AS 1301.10d

18. Pursuant to PCAOB auditing standards, an auditor should communicate with a company’s audit committee regarding certain matters related to the conduct of an audit and obtain certain information from the audit committee relevant to the audit.² The auditor should communicate to the audit committee an overview of the overall audit strategy, including the timing of the audit, and discuss with the audit committee the significant risks identified during the auditor’s risk assessment.³

² AS 1301.01. For purposes of AS 1301, “audit committee” is defined as “[a] committee (or equivalent body) established by and among the board of directors of a company for the purpose of overseeing the accounting and financial reporting processes of the company and audits of the financial statements of the company; if no such committee exists with respect to the company, the entire board of directors of the company.” AS 1301.A2.

³ *Id.* at .09. In the adopting release for Auditing Standard No. 16 (now known as AS 1301), the Board indicated that “[c]ommunications between the auditor and the audit committee allow the audit committee to be well-informed about accounting and disclosure matters, including the auditor’s

19. PCAOB standards specify that each auditor, as part of communicating the overall audit strategy, should communicate with the audit committee the names, locations, and planned responsibilities of other independent public accounting firms⁴ or other persons, who were not employed by the auditor, that performed audit procedures in the current period audit.⁵

20. In connection with the following 10 audits, KPMG UK used other accounting firms to perform certain audit procedures as other independent public accounting firms. However, with respect to each of the audits identified below, KPMG UK failed to communicate at the time of the audit to the relevant issuer's audit committee or audit committee equivalent the name, location, and planned responsibilities of one or more of the following other accounting firms.

Issuer	Fiscal Year
Barclays	2019
Barclays	2021
Barclays Bank	2019
Barclays Bank	2021
PureTech	2020
PureTech	2021
Unilever	2019
Unilever	2020
Unilever	2021
Unilever	2022

evaluation of matters that are significant to the financial statements, and to be better able to carry out its oversight role." See Auditing Standard No. 16 – *Communications With Audit Committees; Related Amendments to PCAOB Standards; and Transitional Amendments to AU Sec. 380*, PCAOB Rel. No. 2012-004, at 2 (Aug. 15, 2012) ("AS 1301 Adopting Release").

⁴ The term "other independent public accounting firms" in the context of communications with audit committees pursuant to AS 1301 includes "firms that perform audit procedures in the current period audit regardless of whether they otherwise have any relationship with the auditor." AS 1301.10d, Note.

⁵ AS 1301.10d. In the AS 1301 Adopting Release, the Board explained the rationale for identifying other independent public accounting firms for the audit committee as follows: "The audit committee should be aware of all the participants in the audit. This communication regarding other participants in the audit would enable the audit committee to inquire or otherwise determine, for example, whether the other participants are registered with the Board and are subject to PCAOB inspections and whether they have disciplinary history with the Board or other regulators." AS 1301 Adopting Release at Appendix 4, p. A4-15.

21. Accordingly, KPMG UK violated AS 1301.10d in connection with each of those 10 audits.

F. KPMG UK Filed 13 Inaccurate Form APs in Violation of PCAOB Rule 3211(a)

22. PCAOB Rule 3211 provides that each registered public accounting firm must provide information about engagement partners and other accounting firms that participate in audits of issuers by filing a Form AP, *Auditor Reporting of Certain Audit Participants*, for each audit report issued by the firm for an issuer.⁶

23. PCAOB Rule 3211(a) provides that, “[f]or each audit report it issues for an issuer, a registered public accounting firm must file with the Board a report on Form AP in accordance with the instructions to that form.”

24. The instructions to Item 4.1 of Form AP “Part IV - Responsibility for the *Audit* Is Not Divided” require that an auditor who uses an “other accounting firm”⁷ that incurs more than 5% of the total audit hours “[s]tate the legal name of *other accounting firms* and the extent of participation in the *audit*” in its Form AP.⁸

25. The instructions to Item 4.2 of Form AP “Part IV – Responsibility for the *Audit* is Not Divided” further require an auditor to “[s]tate the number of *other accounting firm(s)* individually representing less than 5% of total audit hours” and “[i]ndicate the aggregate percentage of participation” by those other accounting firms.⁹

⁶ Form APs must be filed by the 35th day after the date the audit report is first included in a document filed with Commission, see PCAOB Rule 3211(b)(1), subject to a shorter filing deadline that applies when the audit report is first included in a registration statement filed under the Securities Act of 1933, as amended, see PCAOB Rule 3211(b)(2).

⁷ See General Instruction No. 2 of Form AP (“[O]ther accounting firm’ means (i) a *registered public accounting firm* other than the Firm; or (ii) any other *person* or entity that opines on the compliance of any entity’s financial statements with an applicable financial reporting framework”).

⁸ In the adopting release for PCAOB Rule 3211, the Board explained that information provided on Form AP was “intended to help investors understand how much of the audit was performed by the accounting firm signing the auditor’s report and how much was performed by other accounting firms,” and allow investors to “research publicly available information about the firms identified in the form, such as whether a participating firm is registered with the PCAOB, whether it has been inspected and, if so, what the results were and whether it has any publicly available disciplinary history.” See *Improving the Transparency of Audits: Rules to Require Disclosure of Certain Audit Participants on a New PCAOB Form and Related Amendments to Auditing Standards*, PCAOB Rel. No. 2015-008, at 4 (Dec. 15, 2015).

⁹ See Item 4.2 and Part IV of Form AP.

26. Form AP Item 3.2 explains that an other accounting firm participated in the audit if “the Firm assume[d] responsibility for the work and report of the *other accounting firm* as described in . . . AS 1205, *Part of the Audit Performed by Other Independent Auditors*,” or “the *other accounting firm* or any of its principals or professional employees was subject to supervision under AS 1201, *Supervision of the Audit Engagement*.”¹⁰

27. For 13 audits across seven different issuers with fiscal years ending in 2019 through 2022, KPMG UK filed Form APs that failed to accurately report information concerning other accounting firm participants.¹¹ In particular, the Firm failed to file accurate Form APs in connection with the following:

- the Firm’s use and reporting of component auditors or firms used by the component auditors;
- the Firm’s use of other non-accounting firms, including a “shared service center,”¹² or non-accounting firms’ use of other accounting firms; and
- the Firm’s use of personnel borrowed from other accounting firms.

i. Audits Using Component Auditors

a. KPMG UK Failed to Identify or Report in Form AP the Participation of Component Auditors or Other Accounting Firms Used by Component Auditors

28. During certain audits, KPMG UK utilized work performed by other KPMG International member firms (generally, “Component Auditors”). Some of those Component Auditors, in turn, used the professional staff of other KPMG International member firms to perform certain audit procedures requested by KPMG UK.

29. By performing the requested procedures, KPMG International member firms participated in the following eight audits (“Group Audits”):

Issuer	Fiscal Year(s)
Prudential	2019

¹⁰ See Note to Item 3.2 of Form AP.

¹¹ Each of the other accounting firm participants referenced in the Order meets the definition of an “other accounting firm” requiring reporting on Form AP in accordance with the instructions of Form AP. See Rule 3211(a) and *supra* note 8.

¹² KPMG UK used the term “shared service center” to describe an entity that centralizes the performance of procedures requested to support an engagement.

Prudential	2020
Prudential	2021, 2022
PureTech	2020, 2021
Smith	2020, 2022

30. Following each of the eight Group Audits, KPMG UK filed a Form AP. KPMG UK failed, however, to report the participation of the relevant other accounting firms in its Form AP filings.

31. Accordingly, KPMG UK violated PCAOB Rule 3211(a) in connection with the Form APs filed for the Group Audits.

32. Following reevaluation of its Form AP reporting, KPMG UK filed the following amended Form APs—one for each Group Audit—to report the participation of other accounting firms in the Group Audits:

Issuer	Fiscal Year	Form AP/A Filing Date	Description of Amendment
Prudential	2019	Feb. 2, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by two and moving one firm from Item 4.2 to Item. 4.1.
Prudential	2020	Feb. 2, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by three.
Prudential	2021	Feb. 2, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by one.
Prudential	2022	Feb. 2, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by one.
PureTech	2020	Feb. 22, 2024	Identifying KPMG Italy’s participation in Item 4.1, representing 5 to 10% of total audit hours.
PureTech	2021	Feb. 22, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by one.
Smith	2020	Feb. 19, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by one.

Issuer	Fiscal Year	Form AP/A Filing Date	Description of Amendment
Smith	2022	Feb. 19, 2024	Increasing the reported number of firms individually representing less than 5% of total audit hours by one.

b. KPMG UK Failed to Accurately Report the Participation of Component Auditors and Other Accounting Firms in its 2019 BHP Audit

33. In connection with KPMG UK’s audit of BHP’s June 30, 2019, financial statements (the “2019 BHP Audit”), KPMG UK and KPMG Australia both performed audit work. KPMG UK and KPMG Australia jointly issued audit reports on BHP’s consolidated June 30, 2019, financial statements and the effectiveness of BHP’s internal controls over financial reporting as of June 30, 2019.

34. KPMG Australia utilized multiple other accounting firms to perform audit work on the 2019 BHP Audit.

35. On October 26, 2020, KPMG UK filed a Form AP for the 2019 BHP Audit that reported the participation of two other accounting firms engaged by KPMG Australia that represented less than 5% of total audit hours and four accounting firms with participation higher than 10% of total audit hours.¹³ However, an additional five accounting firms had been involved in the 2019 BHP Audit that KPMG UK did not report on Form AP.

36. Accordingly, KPMG UK violated PCAOB Rule 3211(a) in connection with the Form AP filed for the 2019 BHP Audit.

37. On October 13, 2021, KPMG UK filed an amended Form AP reporting those five other accounting firms representing less than 5% of total audit hours (and accordingly, increasing the reported number of firms participating in less than 5% of total audit hours by five, from two to seven).

ii. Audits Using a Non-Accounting Firm/Shared Service Center

38. In connection with the five audits listed below, KPMG UK utilized work performed by two non-accounting firms, one of which was a shared service center. During those five audits, those non-accounting firms, in turn, used the professional staff of other KPMG International member firms to perform certain necessary audit procedures.

¹³ In connection with the 2019 BHP Audit, KPMG UK and KPMG Australia reissued (and dual-dated) their joint audit report on September 22, 2020, resulting in KPMG UK filing a Form AP on October 26, 2020.

Issuer	Fiscal Year
Arrival	2021 (dual-dated audit report) ¹⁴
BAT	2020
BAT	2021
Lumira	2021
PureTech	2021

39. Following each of the five audits, KPMG UK filed a Form AP. Despite the participation of the other accounting firms in each of the five audits, KPMG UK failed to report the other accounting firms' participation in its Form AP filings.

40. Accordingly, KPMG UK violated PCAOB Rule 3211(a) in connection with the Form APs filed for those five audits.

41. In January and February 2024, KPMG UK filed amended Form APs—one for each of the five audits—to report the participation of the relevant KPMG International member firm as an other accounting firm representing less than 5% of total audit hours.

iii. Audit Using Personnel Borrowed from Other KPMG International-Affiliated Firms

42. In connection with the audit of BAT's 2021 financial statements (the "2021 BAT Audit"), KPMG UK utilized, and supervised under AS 1201, personnel "borrowed" ("Borrowed Personnel") from two other KPMG International member firms to perform work on the audit.¹⁵ As a result of the Borrowed Personnel performing that work, those other accounting firms were participants in the 2021 BAT Audit.¹⁶

¹⁴ For Arrival's December 31, 2021 financial statements, KPMG UK reissued and dual-dated its audit report, resulting in two Form APs for the audit of the 2021 financial statements.

¹⁵ KPMG UK distinguished Borrowed Personnel from what the firm considered "Seconded Employees." See Staff Guidance, Form AP, *Auditor Reporting of Certain Audit Participants, and Related Voluntary Audit Report Disclosure Under AS 3101, The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*, at 7 (Dec. 17, 2021) ("[S]upervision of a professional employee in a secondment arrangement does not, in and of itself, mean that the other accounting firm participated in the audit. A secondment arrangement for purposes of reporting on Form AP is one in which, for at least three consecutive months, (1) a professional employee of an accounting firm in one country works for an accounting firm located in another country, and (2) the professional employee performs audit procedures with respect to entities and their operations in that other country and does not perform more than de minimis audit procedures in relation to entities or business operations in the country of his or her employer.").

¹⁶ See Note to Item 3.2 of Form AP.

43. Following the 2021 BAT Audit, KPMG UK filed a Form AP. Despite utilizing two other accounting firms through Borrowed Personnel, KPMG UK failed to report the participation of the firms in its Form AP.

44. Accordingly, KPMG UK violated PCAOB Rule 3211(a) in connection with the Form AP for the 2021 BAT Audit.

45. KPMG UK thereafter reevaluated the Form AP for the 2021 BAT Audit and, on January 23, 2024, filed an amended Form AP to report the participation of the two KPMG International member firms, each as an other accounting firm representing less than 5% of total audit hours.

G. KPMG UK Violated PCAOB Quality Control Standards

46. PCAOB rules require that a registered firm comply with PCAOB quality control standards.¹⁷ Those standards require a firm to “have a system of quality control for its accounting and auditing practice.”¹⁸ As part of this requirement, “[p]olicies and procedures should be established to provide the firm with reasonable assurance that the work performed by engagement personnel meets applicable professional standards, regulatory requirements, and the firm’s standards of quality.”¹⁹

47. PCAOB quality control standards also recognize that monitoring procedures are necessary “to provide the firm with reasonable assurance that the policies and procedures relating to each of the other elements of quality control are suitably designed and are being effectively applied.”²⁰ Under PCAOB standards, monitoring involves an ongoing consideration and evaluation of, among other things, compliance with the firm’s policies and procedures.²¹

48. From 2020 through 2023, KPMG UK failed to establish and implement adequate policies and procedures, including monitoring procedures, to provide the Firm with reasonable assurance that the work performed by engagement personnel met applicable regulatory requirements related to accurately reporting on Form AP the participation, including the percentage of participation, of other accounting firms in issuer audits.

49. Although KPMG UK had certain quality control policies and procedures relating to Form AP reporting in connection with the use of other accounting firms, as well as policies

¹⁷ PCAOB Rule 3400T, *Interim Quality Control Standards*.

¹⁸ QC § 20.01, *System of Quality Control for a CPA Firm’s Accounting and Auditing Practice*.

¹⁹ QC § 20.17.

²⁰ QC § 30.02, *Monitoring a CPA Firm’s Accounting and Auditing Practice*; see also QC § 20.20.

²¹ See QC § 20.20.d; QC § 30.02.d.

and procedures concerning required audit committee communication, the Firm failed to implement and monitor them in an adequate manner. As a result, the Firm repeatedly filed numerous inaccurate Form APs between 2020 and 2022.

50. Accordingly, the Firm failed to comply with QC § 20 and QC § 30.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, the Board determines it appropriate to impose the sanctions agreed to in Respondent's Offer. Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), KPMG UK is hereby censured;
- B. Pursuant to Section 105(c)(4)(D) of the Act and PCAOB Rule 5300(a)(4), a civil money penalty in the amount of \$600,000 is imposed on KPMG UK.
 1. All funds collected by the Board as a result of the assessment of this civil money penalty will be used in accordance with Section 109(c)(2) of the Act.
 2. The Firm shall pay this civil money penalty within ten (10) days of the issuance of this Order by: (a) wire transfer in accordance with instructions furnished by Board staff; or (b) United States Postal Service money order, bank money order, certified check, or bank cashier's check (i) made payable to the Public Company Accounting Oversight Board, (ii) delivered to the Office of Finance, Public Company Accounting Oversight Board, 1666 K Street, N.W., Washington D.C. 20006, and (iii) submitted under a cover letter, which identifies KPMG UK as a respondent in these proceedings, sets forth the title and PCAOB release number of these proceedings, and states that payment is made pursuant to this Order, a copy of which cover letter and money order or check shall be sent to Office of the Secretary, Attention: Phoebe W. Brown, Secretary, Public Company Accounting Oversight Board, 1666 K Street, N.W., Washington D.C. 20006.
 3. If timely payment is not made, interest shall accrue at the federal debt collection rate set for the current quarter pursuant to 31 U.S.C. § 3717. Payments shall be applied first to post-Order interest.

4. Respondent understands that failure to pay the civil money penalty described above may result in summary suspension of its registration, pursuant to PCAOB Rule 5304(a), following written notice to Respondent at the address on file with the PCAOB at the time of the issuance of this Order.
- C. Pursuant to Section 105(c)(4)(G) of the Act and PCAOB Rule 5300(a)(9), the Board orders that:
1. Review by KPMG UK. Within three months of the date of this Order, KPMG UK shall review and evaluate its quality control policies and procedures to assess whether those policies and procedures provide the firm with reasonable assurance that its personnel and other associated persons comply with Rule 3211; and that such policies and procedures, including monitoring procedures, provide the Firm with reasonable assurance that Firm personnel will communicate to audit committees all matters required by AS 1301.
 2. Reporting. Within three months of the date of this Order, KPMG UK shall submit a written report to the Director of the Division of Enforcement and Investigations summarizing the review and evaluation of the areas specified in paragraph C.1 above (“Report”). The Report shall describe any modified or additional policies or procedures adopted or to be adopted by KPMG UK or, if KPMG UK concludes no such modifications or additions should be adopted, a detailed and satisfactory explanation of why the Firm believes changes are not warranted. In addition, KPMG UK shall submit any additional information and evidence concerning the Report, the information in the Report, and KPMG UK’s compliance with this Order as the staff of the Division of Enforcement and Investigations may reasonably request.
 3. Certificate of Implementation. Within six months of the date of this Order, KPMG UK’s Chief Executive shall certify in writing (“Certificate of Implementation”) to the Director of the Division of Enforcement and Investigations that KPMG UK has implemented all of the modifications and additions, if any, to its policies and procedures that were described in the Report. The Certificate of Implementation shall provide written evidence of KPMG UK’s adoption of such modifications and additions in narrative form, identify the actions taken to implement such modifications and additions, and be supported by exhibits sufficient to demonstrate implementation. KPMG UK shall also submit such additional

evidence of, and information concerning, implementation as the staff of the Division of Enforcement and Investigations may reasonably request.

4. Noncompliance. KPMG UK understands that a failure to satisfy all applicable undertakings may constitute a violation of PCAOB Rule 5000 and could provide a basis for the imposition of additional sanctions in a subsequent disciplinary proceeding.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

March 11, 2025