# 2025 Inspection KPMG SAS

(Headquartered in Bogota, Colombia)

October 7, 2026

**THIS IS A PUBLIC VERSION OF A PCAOB INSPECTION REPORT**

**PORTIONS OF THE COMPLETE REPORT ARE OMITTED FROM THIS DOCUMENT IN ORDER TO COMPLY WITH SECTIONS 104(g)(2) AND 105(b)(5)(A) OF THE SARBANES-OXLEY ACT OF 2002**




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# TABLE OF CONTENTS

2025 Inspection ..... 2
Overview of the 2025 Inspection and Historical Data by Inspection Year ..... 3
Part I: Inspection Observations ..... 5
Part I.A: Audits with Unsupported Opinions ..... 6
Part I.B: Other Instances of Non-Compliance with PCAOB Standards or Rules ..... 8
Part I.C: Independence ..... 8
Part II: Observations Related to Quality Control ..... 10
Appendix A: Firm's Response to the Draft Inspection Report ..... A-1

# 2025 INSPECTION

In the 2025 inspection of KPMG SAS, the Public Company Accounting Oversight Board (PCAOB) assessed the firm's compliance with laws, rules, and professional standards applicable to the audits of issuers.

We selected for review three audits of issuers with fiscal years ending in 2024. For each issuer audit selected, we reviewed a portion of the audit. We also evaluated elements of the firm's system of quality control.

## 2025 Inspection Approach

In selecting issuer audits for review, we use a risk-based method of selection. We make selections based on (1) our internal evaluation of audits we believe have a heightened risk of material misstatement, including those with challenging audit areas, and (2) other risk-based characteristics, including issuer and firm considerations. In certain situations, we may select all of the firm's issuer audits for review.

When we review an audit, we do not review every aspect of the audit. Rather, we generally focus our attention on audit areas we believe to be of greater complexity, areas of greater significance or with a heightened risk of material misstatement to the issuer's financial statements, and areas of recurring deficiencies. We may also select some audit areas for review in a manner designed to incorporate unpredictability.

Our selection of audits for review does not necessarily constitute a representative sample of the firm's total population of issuer audits. Additionally, our inspection findings are specific to the particular portions of the issuer audits reviewed. They are not an assessment of all of the firm's audit work or of all of the audit procedures performed for the audits reviewed.

View the details on the scope of our inspections and our inspections procedures.

# OVERVIEW OF THE 2025 INSPECTION AND HISTORICAL DATA BY INSPECTION YEAR

The following information provides an overview of our 2025 inspection as well as data from the previous inspection. We use a risk-based method to select audits for review and to identify areas on which we focus our review. Because our inspection process evolves over time, it can, and often does, focus on a different mix of audits and audit areas from inspection to inspection and firm to firm. Further, a firm's business, the applicable auditing standards, or other factors can change from the time of one inspection to the next. As a result of these variations, we caution that our inspection results are not necessarily comparable over time or among firms.

## Firm Data and Audits Selected for Review

| | 2025 | 2022 |
|---|---|---|
| **Firm data** | | |
| **Total issuer audit clients in which the firm was the lead/principal auditor** | 1 | 1 |
| **Total issuer audits in which the firm was not the lead/principal auditor** | 10 | 9 |
| **Total engagement partners on issuer audit work[1]** | 10 | 10 |
| **Audits reviewed** | | |
| **Total audits reviewed[2]** | 3 | 3 |
| **Audits in which the firm was the lead/principal auditor** | 1 | 1 |
| **Audits in which the firm was not the lead/principal auditor** | 2 | 2 |
| **Integrated audits of financial statements and internal control over financial reporting (ICFR)** | 2 | 3 |
| **Audits with Part I.A deficiencies** | 2 | 1 |
| **Percentage of audits with Part I.A deficiencies** | 67% | 33% |

[1] The number of engagement partners on issuer audit work represents the total number of firm personnel (not necessarily limited to personnel with an ownership interest) who had primary responsibility for an issuer audit (as defined in AS 1201, *Supervision of the Audit Engagement*) or for the firm's role in an issuer audit during the twelve-month period preceding the outset of the inspection.

[2] The population from which audits are selected for review includes both audits for which the firm was the lead/principal auditor and those where the firm was not the lead/principal auditor but played a role in the audit.

If we include a deficiency in Part I.A of our report, it does not necessarily mean that the firm has not addressed the deficiency. In certain cases, the firm may have performed remedial actions after the deficiency was identified. Depending on the circumstances, remedial actions may include performing additional audit procedures, informing management of the issuer of the need for changes to the financial statements or reporting on ICFR, or taking steps to prevent reliance on prior audit reports.

Our inspection may include a review, on a sample basis, of the adequacy of a firm's remedial actions, either with respect to previously identified deficiencies or deficiencies identified during the current inspection. If a firm does not take appropriate actions to address deficiencies, we may criticize its system of quality control or pursue a disciplinary action.

If we include a deficiency in our report — other than those deficiencies for audits with incorrect opinions on the financial statements and/or ICFR — it does not necessarily mean that the issuer's financial statements are materially misstated or that undisclosed material weaknesses in ICFR exist. It is often not possible for us to reach a conclusion on those points based on our inspection procedures and related findings because, for example, we have only the information that the auditor retained and the issuer's public disclosures. We do not have direct access to the issuer's management, underlying books and records, and other information.

## Audit Areas Most Frequently Reviewed

This table reflects the audit areas we have selected most frequently for review in the 2025 inspection and the previous inspection. For the issuer audits selected for review, we selected these areas because they were generally significant to the issuer's financial statements, may have included complex issues for auditors, and/or involved complex judgments in (1) estimating and auditing the reported value of related accounts and disclosures and (2) implementing and auditing the related controls.

| 2025 | | 2022 | |
|---|---|---|---|
| **Audit area** | **Audits reviewed** | **Audit area** | **Audits reviewed** |
| **Revenue and related accounts** | 2 | **Revenue and related accounts** | 2 |
| **Accruals and other liabilities** | 1 | **Cash and cash equivalents** | 1 |
| **Allowance for credit losses** | 1 | **Allowance for loan losses** | 1 |
| **Long-lived assets** | 1 | **Long-lived assets** | 1 |
| **Goodwill and intangible assets** | 1 | **Investment securities** | 1 |

# PART I: INSPECTION OBSERVATIONS

Part I.A of our report discusses deficiencies, if any, that were of such significance that we believe the firm, (1) at the time it issued its audit report(s), had not obtained sufficient appropriate audit evidence to support its opinion(s) on the issuer's financial statements and/or ICFR or (2) in audit(s) in which it was not the lead/principal auditor, had not obtained sufficient appropriate audit evidence to fulfill the objectives of its role in the audit.

Part I.B discusses certain deficiencies, if any, that relate to instances of non-compliance with PCAOB standards or rules other than those where the firm had not obtained sufficient appropriate audit evidence to support its opinion(s) or fulfill the objectives of its role in the audit(s). This section does not discuss instances of apparent non-compliance with rules related to maintaining independence.

Part I.C discusses instances of apparent non-compliance with rules related to maintaining independence.

Consistent with the Sarbanes-Oxley Act ("Act"), it is the Board's assessment that nothing in Part I of this report deals with a criticism of, or potential defect in, the firm's quality control system. We discuss any such criticisms or potential defects in Part II. Further, you should not infer from any Part I deficiency, or combination of deficiencies, that we identified a quality control finding in Part II. Section 104(g)(2) of the Act restricts us from publicly disclosing Part II deficiencies unless the firm does not address the criticisms or potential defects to the Board's satisfaction no later than 12 months after the issuance of this report.

## Classification of Audits with Part I.A Deficiencies

Within Part I.A of this report, we classify each issuer audit in one of the categories discussed below based on the Part I.A deficiency or deficiencies identified in our review.

The purpose of this classification system is to group and present issuer audits by the number of Part I.A deficiencies we identified within the audit as well as to highlight audits with an incorrect opinion on the financial statements and/or ICFR.

### Audits with an Incorrect Opinion on the Financial Statements and/or ICFR

This classification includes instances where a deficiency was identified in connection with our inspection and, as a result, an issuer's financial statements were determined to be materially misstated, and the issuer restated its financial statements. It also includes instances where a deficiency was identified in connection with our inspection and, as a result, an issuer's ICFR was determined to be ineffective, or there were additional material weaknesses that the firm did not identify, and the firm withdrew its opinion, or revised its report, on ICFR.

This classification does not include instances where, unrelated to our review, an issuer restated its financial statements and/or an issuer's ICFR was determined to be ineffective. We include any deficiencies identified in connection with our reviews of these audits in the audits with multiple deficiencies or audits with a single deficiency classification below.

### Audits with Multiple Deficiencies

This classification includes instances where multiple deficiencies were identified that related to a combination of one or more financial statement accounts, disclosures, and/or important controls in an ICFR audit.

### Audits with a Single Deficiency

This classification includes instances where a single deficiency was identified that related to a financial statement account or disclosure or to an important control in an ICFR audit.

# PART I.A: AUDITS WITH UNSUPPORTED OPINIONS

This section of our report discusses the deficiencies identified, by specific issuer audit reviewed, in the audit work (1) supporting the firm's opinion(s) on the issuer's financial statements and/or ICFR and (2) in audit(s) in which it was not the lead/principal auditor, to fulfill the objectives of its role in the audit.

We identify each issuer by a letter (e.g., Issuer A). Each deficiency could relate to several auditing standards, but we reference the PCAOB standard that most directly relates to the requirement with which the firm did not comply.

We present issuer audits below within their respective deficiency classifications (as discussed previously). Within the classifications, we generally present the audits based on our assessment as to the relative significance of the identified deficiencies, taking into account the significance of the financial statement accounts and/or disclosures affected, and/or the nature or extent of the deficiencies.

## Audits with an Incorrect Opinion on the Financial Statements and/or ICFR

None

## Audits with Multiple Deficiencies

### Issuer A – Financials

#### Type of audit and related areas affected

In our review, we identified deficiencies in the financial statement and ICFR audits related to **Other Accounts Receivable**, for which the firm identified a significant risk, and **Intangible Assets**.

#### Description of the deficiencies identified

The issuer is a party to certain concession arrangements for the construction, maintenance, and operation of infrastructure assets over a contractual period. During the construction of these assets, the issuer recognizes revenue for the concessions it ultimately expects to receive and records either other

accounts receivable or intangible assets, depending on the arrangement. The following deficiencies were identified:

- The firm selected for testing controls over certain intangible assets recorded from these concession arrangements that consisted of the issuer's review and approval of (1) construction in progress, (2) the capitalization of intangible asset additions, (3) the reconciliation of certain long-lived assets between information technology systems, (4) the construction margin for each concession, and (5) income from construction for each concession. The firm did not evaluate the specific review procedures that the control owners performed to evaluate the reasonableness of the amounts capitalized for, and subsequent valuation of, these assets. (AS 2201.42 and .44)

- The firm selected for testing controls over certain other accounts receivable recorded from these concession arrangements that consisted of the issuer's review of (1) the valuation of the receivables and (2) an assumption used to estimate their fair value. The firm did not evaluate the review procedures that the control owners performed, including the procedures to identify items for follow-up and the procedures to determine whether those items were appropriately resolved. (AS 2201.42 and .44)

- The firm did not identify and test any controls over certain other assumptions used to estimate the fair value of these other accounts receivable. (AS 2201.39)

- The firm's approach for substantively testing the valuation of these other accounts receivable was to test the issuer's process. The firm did not perform procedures to evaluate whether the issuer had a reasonable basis for certain significant assumptions used to estimate the fair value of these assets. Further, the firm did not perform procedures to evaluate whether the issuer had a reasonable basis for other significant assumptions used to estimate the fair value of these assets, beyond inquiries of management and performing other procedures to evaluate the reasonableness of certain elements of the significant assumptions. (AS 2501.16)

## Issuer B

### Type of audit and related area affected

In our review of an audit in which the firm played a role but was not the lead auditor, we identified deficiencies in connection with the firm's role in the financial statement audit related to **Accounts Receivable**, for which the firm identified a significant risk.

### Description of the deficiencies identified

The firm's approach for substantively testing the valuation of certain accounts receivable was to test the component's process. The following deficiencies were identified:

- The firm did not perform procedures to evaluate whether the method used by the component to estimate the allowance for doubtful accounts for these receivables was in conformity with the requirements of relevant GAAP, and appropriate for the nature of the account, taking into account the firm's understanding of the component and its environment. (AS 2501.10)

- The firm did not perform procedures to evaluate the reasonableness of the significant assumptions used by the component to estimate the allowance for doubtful accounts for these receivables. (AS 2501.16)

### Audits with a Single Deficiency

None

## PART I.B: OTHER INSTANCES OF NON-COMPLIANCE WITH PCAOB STANDARDS OR RULES

This section of our report discusses certain deficiencies that relate to instances of non-compliance with PCAOB standards or rules other than those where the firm had not obtained sufficient appropriate audit evidence to support its opinion(s) or fulfill the objectives of its role in the audit(s). This section does not discuss instances of apparent non-compliance with rules related to maintaining independence.

When we review an audit, we do not review every aspect of the audit. As a result, the area below was not necessarily reviewed on every audit. In some cases, we assess the firm's compliance with specific PCAOB standards or rules on other audits that were not reviewed and include any instances of non-compliance below.

We identified the following deficiency:

In one audit reviewed, the firm's communication of a critical audit matter in the audit report included a description of an audit procedure that the firm did not perform. In this instance, the firm was non-compliant with AS 3101, *The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*.

## PART I.C: INDEPENDENCE

PCAOB Rule 3520, *Auditor Independence*, requires a firm and its personnel to be independent of the firm's audit clients. This requirement encompasses not only an obligation to satisfy the independence criteria set out in PCAOB rules and standards but also an obligation to satisfy all other independence criteria applicable to an engagement, including the independence criteria set out by the SEC in Regulation S-X, 17 C.F.R. § 210.2-01, *Qualifications of Accountants* ("Rule 2-01").

This section of our report discusses identified instances of apparent non-compliance with PCAOB Rule 3520. An instance of apparent non-compliance with PCAOB Rule 3520 does not necessarily mean that the Board has concluded the firm was not objective and impartial throughout the audit and professional engagement period. Although this section includes instances of apparent non-compliance with PCAOB Rule 3520 that the firm brought to our attention, there may be other instances of non-compliance with rules related to independence that were not identified through our procedures or the firm's monitoring activities.

## PCAOB-Identified

We did not identify any instances of apparent non-compliance with PCAOB Rule 3520.

## Firm-Identified

During the inspection, the firm brought to our attention that it had identified, through its independence monitoring activities, five instances for one issuer,[3] in which the firm or its personnel may not have complied with Rule 2-01(c) related to maintaining independence.

While we have not evaluated the underlying reasons for the instances of apparent non-compliance with PCAOB Rule 3520, the number, large or small, of firm-identified instances of apparent non-compliance may be reflective of the size of the firm, including any associated firms; the design and effectiveness of the firm's independence monitoring activities; and the size and/or complexity of the issuers it audits, including the number of affiliates of those issuers. Therefore, we caution against making any comparison of these firm-identified instances of apparent non-compliance across firms.

The firm reported five instances of apparent non-compliance with Rule 2-01(c)(1) regarding financial relationships, all of which occurred at the firm or involved its personnel. Of these instances, four related to investments in an audit client and one related to an other financial relationship with an audit client. All of these instances related to staff members, a senior associate, and a manager who were members of an audit engagement team.

The firm has reported to us that it has evaluated these instances of apparent non-compliance and determined in all instances that its objectivity and impartiality were not impaired. The firm also reported to us that it communicated these instances to the issuer's audit committee as required by PCAOB Rule 3526.

[3] The firm-identified instances of apparent non-compliance do not necessarily relate to the issuer audits that we selected for review.

# PART II: OBSERVATIONS RELATED TO QUALITY CONTROL

Part II of our report discusses criticisms of, and potential defects in, the firm's system of quality control.

We include deficiencies in Part II if an analysis of the inspection results, including the results of the reviews of individual audits, indicates that the firm's system of quality control does not provide reasonable assurance that firm personnel will comply with applicable professional standards and requirements. Generally, the report's description of quality control criticisms is based on observations from our inspection procedures.

This report does not reflect changes or improvements to the firm's system of quality control that the firm may have made subsequent to the period covered by our inspection. The Board does consider such changes or improvements in assessing whether the firm has satisfactorily addressed the quality control criticisms or defects no later than 12 months after the issuance of this report.

When we issue our reports, we do not make public criticisms of, and potential defects in, the firm's system of quality control, to the extent any are identified. If a firm does not address to the Board's satisfaction any criticism of, or potential defect in, the firm's system of quality control within 12 months after the issuance of our report, we will make public any such deficiency.

# APPENDIX A: FIRM'S RESPONSE TO THE DRAFT INSPECTION REPORT

Pursuant to Section 104(f) of the Act, 15 U.S.C. § 7214(f), and PCAOB Rule 4007(a), the firm provided a written response to a draft of this report. Pursuant to Section 104(f) of the Act and PCAOB Rule 4007(b), the firm's response, excluding any portion granted confidential treatment, is attached hereto and made part of this final inspection report.

The Board does not make public any of a firm's comments that address a nonpublic portion of the report unless a firm specifically requests otherwise. In some cases, the result may be that none of a firm's response is made publicly available.

In addition, pursuant to Section 104(f) of the Act, 15 U.S.C. § 7214(f), and PCAOB Rule 4007(b), if a firm requests, and the Board grants, confidential treatment for any of the firm's comments on a draft report, the Board does not include those comments in the final report. The Board routinely grants confidential treatment, if requested, for any portion of a firm's response that addresses any point in the draft that the Board omits from, or any inaccurate statement in the draft that the Board corrects in, the final report.

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July 9, 2026

Ms. Christine Gunia
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**Response to Part I of Public Company Accounting Oversight Board Draft Report on 2025 Inspection of KPMG S.A.S.**

Dear Ms. Gunia,

We are pleased to provide our response to Part I of the Public Company Accounting Oversight Board's ("PCAOB") Draft Report on 2025 Inspection of KPMG SAS dated June 10, 2026 ("Draft Report").

Consistently executing high-quality audits is our top priority. We take findings from the PCAOB inspection process seriously and believe the inspection process serves to assist us in identifying areas where we can continue to improve our performance and strengthen our system of audit quality control. We remain committed to full cooperation with the PCAOB, appreciate the professionalism and commitment of the PCAOB staff and value the important role the PCAOB plays in improving audit quality.

We conducted a thorough evaluation of the matters identified in Part I of the Draft Report and have taken appropriate actions to address the engagement-specific findings in a manner consistent with PCAOB auditing standards, SEC and PCAOB Rules, and KPMG policies and procedures.

We remain dedicated to evaluating and improving our system of quality control, including monitoring audit quality and implementing changes to our policies and practices in order to enhance audit quality. We understand our responsibility for our policies and practices in order to enhance audit quality. We understand our responsibility to investors and other participants in the capital markets and are committed to continuing to work constructively with the PCAOB to improve audit quality and build confidence in the auditing profession.

Yours sincerely,
KPMG S.A.S.

Gilberto Mahecha Martinez
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**KPMG Confidencial**

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