

## KPMG Canada 2022 Third-Party Resource Initial Compliance Confirmation – Client Service

### Class Verification

**KPMG Canada Contract Labour Office (“CLO”)** have informed us that you will be contracting with KPMG *in a client service role*.

---

### Overview

Each third-party resource is required to complete a Third-Party Resource Initial Compliance Confirmation to confirm they will comply with KPMG policies referenced in this Confirmation during the term of the contract with KPMG. Other policies and procedures which must be complied, if any, will be explained to you after the start of the contract.

---

### Instructions

All third parties involved in delivering KPMG engagements are required to read and comply with KPMG's Code of Conduct and to comply with any applicable firm policies relating to Independence and Professional Conduct (which are derived from rules and regulations of national and international regulators and standard setting bodies) – any obligations related to Independence will be clearly communicated to you in advance of the commencement of working on any audit or assurance client of KPMG. As part of your contract, the firm has provided you with the following training materials to assist you in understanding the requirements:

- ☐ PDF of We Do What is Right – Integrity at KPMG Training
- ☐ PDF of KPMG Code of Conduct
- ☐ PDF of Data Privacy Training
- ☐ PDF of Information Protection Fundamentals training
- ☐ PDF of Independence Training
- ☐ PDF of Anti-Money Laundering and Counter-Terrorist Financing Training
- ☐ PDF of Section 5, 6, 14, and 20 of the KPMG Canada Quality & Risk Management Manual.
- ☐ PDF of Global Acceptable Use IT Policy
- ☐ PDF of KPMG Anti-Spam Policy

You will be requested to respond to a series of assertions regarding your compliance or agreement to comply with firm policies and rules of external regulators on Independence as they apply to you (“you” may include immediate and/or close family members as appropriate to the assertion). **You should apply particular care in accurately responding to these assertions.** Through the completion of the underlying Confirmation, you are acknowledging that you have read and understood the requirements in any training provided.

### Resources

You should consider accessing the following resources, the first two which have been provided to you, when completing this confirmation:

- ☐ [The KPMG Canadian Code of Conduct](#) ;
- ☐ KPMG [Quality & Risk Management Manual](#) – Section 5, 6 and 20

- ☐ - if you require, a member of KPMG compliance team (see email address below) can research a client to determine if they are an audit client of the Firm.

If you have any questions about this Confirmation, in general, or on any aspect of this Confirmation, in particular, please contact [CA-FM CDN Compliance Team to ca-fmcdncompliance@kpmg.ca](mailto:ca-fmcdncompliance@kpmg.ca)

---

## Assertions

Each summary statement is followed by an assertion with respect to the specific area it relates to.

Carefully read each summary statement before responding to the assertion, be sure that you understand the requirements of the area as such matters apply to you. Please respond, to the best of your knowledge and belief, to each assertion as requested.

A response of "False" to any of the assertions indicates that you might not have complied or agreed to comply with the firm's independence or compliance policies and you will be contacted for additional information prior to the start of your contract.

---

### 1. General Compliance

KPMG is required to comply with a variety of externally set rules and regulations as such, the firm, its partners, employees and third-party resources are required to comply with a number of policies and procedures. The majority of these policies are included and explained in the [Canadian Quality & Risk Management Manual](#) which you will be granted access to upon contracting with the firm and/ or in the training material provided to as part the contracting process. Other policies are included in documents such as the [Code of Conduct](#) and [Acceptable Use IT policy](#).

You may be required to take additional training courses upon contracting with the firm. If so, many of these policies and procedures will be further addressed in detail depending on your role and/or length of contract. Policies associated with specific service lines or functions, if applicable, will also be explained to you by your Engagement Partner/manager as part of the conduct of your assignment.

☐ I confirm that I will comply with the firm's policies and procedures as they have been or are/will be explained to me.

---

### 2. Code of Conduct

The KPMG Canada [Code of Conduct](#) (Canada Code) describes the principles and standards of ethical conduct which all KPMG partners, employees and third party resources on contract with KPMG must comply. The Canada Code may be found on KPMG Canada's Web site.

For details please refer to <https://intra.amr.kpmg.com/sites/CA/rmc-en/Pages/EC.aspx>

☐ I confirm that I have read KPMG's Canada Code and, upon being contracted by

**KPMG, commit to conduct myself in accordance with it, acting with integrity, objectivity, being free of conflicts of interest and bringing to all professional relationships an unbiased state of mind.**

---

### **3. KPMG Ethics and Compliance Hotline**

The KPMG International Hotline is an anonymous reporting mechanism for concerns about possible illegal, unethical, or improper conduct. In addition, KPMG Canada has a local hotline for reporting concerns about possible illegal, unethical, or improper conduct.

The KPMG International Hotline is not a substitute for local mechanisms and procedures for reporting matters which contravene local Codes of Conduct as well as for dealing with grievances relating to human resource issues.

If you need more information on the KPMG International Hotline or the KPMG **Canada's Hotline** or to report concerns related to possible illegal, unethical or improper conduct through the Hotline, please visit:

KPMG Canada Ethics and Compliance Hotline - <https://intra.amr.kpmg.com/sites/CA/rmc-en/Pages/EC.aspx>

KPMG International Hotline - <https://home.kpmg/xx/en/home/campaigns/2018/01/kpmg-international-hotline.html>

In addition, the KPMG Canada Hotline is staffed 24 hours a day, seven days a week, by an independent third-party service provider and can be accessed through the toll-free hotline number is **1-866-683-5434**

☐ **I am now aware that KPMG offers an International Hotline and a KPMG Canada Hotline for reporting concerns related to possible illegal, unethical, or improper conduct and know how to access this Hotline.**

---

### **4. Insider Trading**

KPMG partners, employees and third-party resources shall not:

- Engage (directly or indirectly) in insider trading, misuse inside information or be involved in any other behaviour that may create a misleading impression as to securities or otherwise manipulate or distort the market; or
- Require, request, assist or encourage any other person to engage in any of the conduct described above, even if such conduct is legal or permitted under applicable law.

In order to avoid the appearance of insider trading, KPMG partners, employees or third-party resources (contractors) shall not buy or sell the securities of any client during the period they are providing services to that client.

Any KPMG partner, employee or third party resources (contractors) who suspects insider trading, misuse of inside information or any other behaviour which may manipulate or distort the market is required to report it to [CA-FM CDN Compliance Team](#) to [ca-fmcdncompliance@kpmg.ca](mailto:ca-fmcdncompliance@kpmg.ca) : attention Chief Compliance Officer

☐ I confirm that I will comply with firm policies related to insider trading upon during the term of my contract with KPMG.

---

## 5. Confidential KPMG and Client Information

Firm [policy](#) requires the firm, partners, employees and third party resources (contractors) to respect the confidentiality of information acquired in the course of providing professional services and use and disclose such information only for authorized purposes.

☐ I confirm that during my contract with KPMG I will maintain the strictest confidentiality with regards to KPMG, client, and former client information, as well as information of non-clients that is known to be confidential, including price-sensitive information in relation to the securities of a client or former client or third party that is NOT generally available to the public.

---

## 6. Intellectual Property of Prior Employers and KPMG

Intellectual property rights include:

- Trade secrets
- Copyright
- Patents
- Trademarks
- 'Know how'

All intellectual property created while employed by former employer or under contract with another entity remains the property of that employer/entity. Similarly, any intellectual property created by a third-party resource in conjunction with their contract with KPMG remains the property of KPMG.

☐ I confirm that I will not bring any intellectual property belonging to a former employer or a former contract position to KPMG and that all intellectual property I create while under contract with KPMG will be reported to and be the property of KPMG.

---

## 7. Use of IT Resources and IT Security

[The Global Acceptable Use Policy](#) (GAUP) as provided to you, establishes the minimum standards for the acceptable and appropriate use of KPMG's information and technology assets by KPMG partners, employees and third party resources (contractors). It also sets out how KPMG partners, employees and third-party resources (contractors) should protect KPMG physical technology assets when in their care. All KPMG partners, employees and third-party resources (contractors) are expected to comply with these policies.

KPMG Technology Assets are technology assets owned or leased by KPMG, provided by KPMG to its partners, employees and third-party resources (contractors) for approved activities. KPMG Technology Assets may be tangible (e.g., computers, peripheral devices, electronic storage media, telephones, fax machines, and copiers), or intangible (e.g. networks, software, systems, applications, and authorized cloud services).

☐ I confirm that I will read or have read the Global Acceptable Use Policy upon joining KPMG and comply with the requirements of the KPMG policies relating to the use of Technology Assets, e-mail, software, the Intranet and the Internet.

## 8. Notification Of Other Employment

The firm must maintain independence from KPMG audit clients, therefore to assess if the proposed contract would create any independence issues, all third party resources (contractors) are required to promptly notify KPMG Contract Labor Office (through the completion of the Independence Assessment Form as provided to you) regarding current other employment arrangements prior to commencing the contract with KPMG and thereafter during the contract, the Engagement Partner or Hiring Manager as soon as they intend to become an officer, director, or employee of another entity while under contract with KPMG.

☐ I confirm that prior to commencing my contract with KPMG and during my engagement with KPMG, where I am or intend to become an officer, director, or employee of another entity, I have/ will comply with firm policies regarding the notification requirement and will promptly notify the Engagement Partner or Hiring Manager of any other employment positions.

## 9. Notification of Business Relationship(s) and Financial Interest(s)

Where the third-party resource (contractor) will be providing services to a KPMG audit client, they may be considered a “covered person” for audit independence purposes. In those instances, the third-party resource (contractor) must comply with the applicable independence rules with regards to the audit client(s) during the term of their engagement. The covered person assessment will be performed by the Engagement team.

To assess any independence issues, third party resources (contractors) should, upon request by the Engagement team provide the following information with respect to both themselves and members of their immediate family (spouse, spousal equivalent and any other individuals dependent upon you for more than half of their living expenses) to the firm's Ethics & Independence Partner or **CA-FM CDN Compliance Team [ca-fmcdncompliance@kpmg.ca](mailto:ca-fmcdncompliance@kpmg.ca)**

- any financial interest (stocks, bonds, ETFs, options, etc.).
- financial relationships (bank accounts, loans, mortgages, credit cards, margin accounts, insurance, etc.); *[only if the KPMG audit client is subject to the US SEC independence rules]*
- personal business relationships.

- immediate family member serving as a director, officer or an employee of the audit client in a position to exert direct and significant influence over the subject matter of the audit engagement.

☐ I confirm that during my contract with KPMG before performing services for any KPMG audit client, I will promptly notify the Engagement team/Partner of my financial and/or business relationship and provide any information requested by the Engagement team/Ethics & Independence Partner or *CA-FM CDN Compliance* [ca-fmcdncompliance@kpmg.ca](mailto:ca-fmcdncompliance@kpmg.ca) regarding any business relationships or financial interests held by myself or my immediate family to allow KPMG to assess any independence issues.

---

## 10. Administrative Proceedings

☐ I confirm that I am not currently, nor have I been within the preceding six years, subject to any form of disciplinary sanction imposed by the Canadian Public Accountability Board, Securities and Exchange Commission or the Public Company Accounting Oversight Board.

## 11. KPMG SEC Audit Engagement Independence Declaration

Please note that **for any KPMG SEC audit clients** that you work on, you will need to complete an Independence Declaration for that specific client before you commence any services. If this has not been provided to you by the Engagement Partner, please request this of the Engagement manager or Partner responsible for the assignment. It is imperative that this is signed before you provide any service to that client as you will need to be cleared for Independence with respect to the specific client.

## 12. KPMG Media Policy

The KPMG Media Policy governs how our firm and our people interact with the media. The policy, which sets out responsibilities and processes to protect and enhance our brand, requires that all media interactions involve only authorized spokespeople and must be conducted through KPMG's Media Relations team.

For details, please refer to the **Media Policy –**

[https://intra.amr.kpmg.com/sites/CA/kpmg-today/\\_layouts/15/WopiFrame.aspx?sourcedoc=/sites/CA/kpmg-today/Documents/Firmwide/13743\\_Media%20Policy%20document\\_EN\\_V1c.pdf&action=default](https://intra.amr.kpmg.com/sites/CA/kpmg-today/_layouts/15/WopiFrame.aspx?sourcedoc=/sites/CA/kpmg-today/Documents/Firmwide/13743_Media%20Policy%20document_EN_V1c.pdf&action=default)

☐ I have read the KPMG Media Policy and I will commit to conduct myself in accordance with the requirements of the policy.

## 13. Potential Conflict of Interest

KPMG personnel shall ensure they have no conflict of interest with the client which may interfere, or be perceived to interfere, with their ability to remain objective while they conduct work for the client.

Conflict of interest may arise in situations where the contractor:

- (i) may have conducted prior services for the same client that they are now providing to under a KPMG contract;
- (ii) has a personal connection with the client which may interfere, or be perceived to interfere, with their ability to remain objective; or
- (iii) is personally in possession of confidential information relating to another party to a transaction.

☐ I confirm that if any such potential conflicts were to exist or if I am unsure of a potential conflict of interest, I will discuss the matter with the Engagement Partner.

#### 14. Personal Certification

I certify that the above responses are correct in every respect, as of [Date]. *[Date can either be the start date or the date the Confirmation is signed]*

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Country)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Office)

<b>INTERNAL USE</b>		<b>Contract Labor Office Acknowledgment (or Designated Payroller):</b>  I have reviewed the third-party's responses for completeness and no exceptions are noted:  Reviewed by: _____  Date Reviewed: _____
Date Received from Third Party:		
CLO Reference:	Classification:	