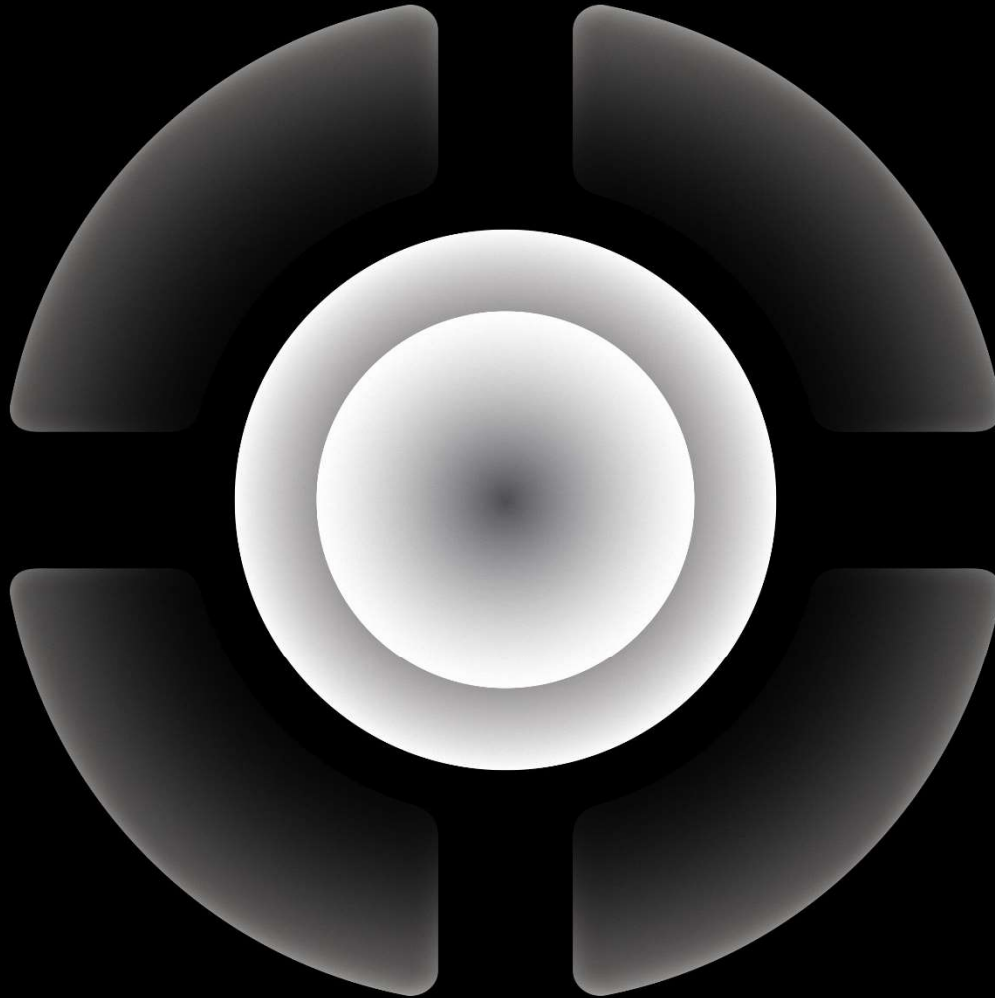


Deloitte.



2021 Transparency Report

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

March 2022



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Deloitte Thailand leadership message

To our clients and stakeholders:

We have a responsibility to do the right thing in the public interest. While keeping pace with the ever-changing world, we are committed to transform our audits through innovation and to continuously evolving the way we execute high-quality audits.

We are continually and relentlessly raising the standards of quality to serve public interest and deliver confidence around what matters to all our stakeholders. Our relentless pursuit of quality defines not just what we do, but who we are. We are committed to build on the trust and confidence we earn from our stakeholders.

Despite the many challenges brought on by the evolving pandemic, we have grown stronger as an organisation and found ways to continue serving clients with distinction while caring for the physical and mental well-being of all our colleagues and supporting our communities.

This report provides you with an insight into our principles, policies, standards and actions we have implemented in our audit practice. This report is prepared on a voluntary basis without any regulatory requirements. We hope it will demonstrate our continued commitment to and investment in audit quality.

Sincerely,



Subhasakdi Krishnamra
Country Managing Partner
Deloitte Thailand



Chavala Tienpasertkij
Audit Leader
Deloitte Thailand

Deloitte network

Deloitte Thailand: legal structure and ownership

In Thailand, services are provided by Deloitte Touche Tohmatsu Jaiyos Co., Ltd. and its subsidiaries and affiliates (“Deloitte Thailand”). Deloitte Thailand is connected to the Deloitte network through Deloitte SEA.

For the purposes of transparency reporting, this report contains information about Deloitte Thailand, which is relevant to the Audit & Assurance business.

Deloitte SEA

Deloitte Thailand is part of the network of entities that make up Deloitte SEA (a collective term that refers to separate legal entities that facilitate and/or provide services across Southeast Asia, and this network of entities are also a part of Deloitte AP (see below)). Through Deloitte AP, Deloitte Thailand is part of the Deloitte network.

Deloitte SEA comprises over 400 partners and 11,000 professionals in 25 office locations, who combine their technical expertise and deep industry knowledge to deliver consistent high quality services to companies in the region.

Deloitte Asia Pacific (Deloitte AP):

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

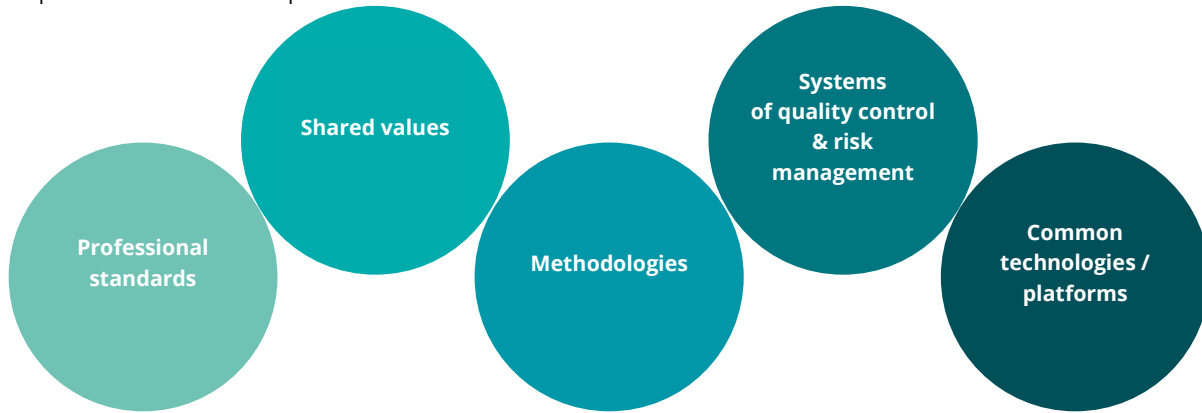
Deloitte Touche Tohmatsu Limited (DTTL):

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Network description

The Deloitte network

The Deloitte network (also known as the Deloitte organization) is a globally connected network of member firms and their respective related entities operating in more than 150 countries and territories across the world. These separate and independent member firms operate under a common brand.



Deloitte Touche Tohmatsu Limited (DTTL or Deloitte Global)

Deloitte Touche Tohmatsu Limited is a UK private company limited by guarantee incorporated in England and Wales. DTTL serves a coordinating role for its member firms and their related entities by requiring adherence to policies and protocols with the objective of promoting a consistently high level of quality, professional conduct, and service across the Deloitte network. DTTL does not provide professional services to clients, or direct, manage, control, or own any interest in any member firm or any member firm's related entities.

"Deloitte" is the brand under which approximately 345,000 dedicated professionals in independent firms throughout the world collaborate to provide audit and assurance, consulting, financial advisory, risk advisory, tax, and related services to select clients. These firms are members of DTTL. DTTL, these member firms and each of their respective related entities form the Deloitte organization. Each DTTL member firm and/or its related entities provides services in particular geographic areas and is subject to the laws and professional regulations of the particular country or countries in which it operates. Each DTTL member firm is structured in accordance with national laws, regulations, customary practice, and other factors, and may secure the provision of professional services in its respective territories through related entities. Not every DTTL member firm or its related entities provides all services, and certain services may not be available to attest clients under the rules and regulations of public accounting. DTTL, and each DTTL member firm and each of its related entities, are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm, and their respective related entities, are liable only for their own acts and omissions, and not those of each other. The Deloitte organization is a global network of independent firms and not a partnership or a single firm. DTTL does not provide services to clients.

Deloitte Thailand: governance – leadership in action

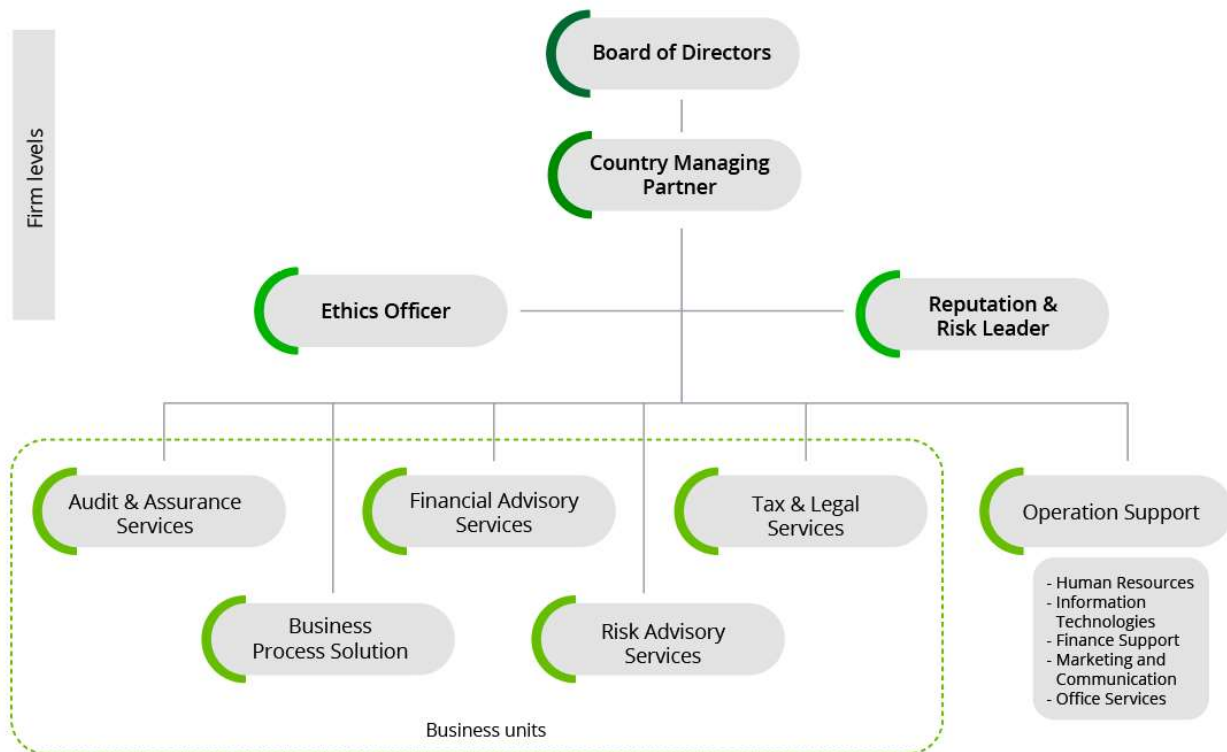
Deloitte Thailand

Deloitte Touche Tohmatsu Jaiyos Co., Ltd. facilitates the coordination of the activities of its subsidiaries and has a management structure and a Board of Directors to provide governance across the organization.

The Board of Directors provides oversight and guidance to the management regarding operation and long-term

strategy. The Board also reviews and approves actions on a variety of governance, operational and administrative matters. Deloitte Thailand has the full support and commitment of its Board of Directors and management team for its focus and dedication to Audit Quality. The Board is a governing body to facilitate the sound governance, the implementation of local rules and regulations and the implementation of DTTL, Deloitte AP and SEA policies and procedures. There are 5 members of the Board, one of whom is a non-executive director who is independent and not involved in the business operation.

Deloitte Thailand Structure



Our purpose and commitment: instilling trust and confidence

At Deloitte Thailand, our purpose is to make an impact that matters. For Audit & Assurance, this means a focus on delivering independent high-quality audits and instilling confidence and trust in the capital markets through the services we deliver. This requires us to continuously build capabilities to support the delivery of high-quality audits and make leading contributions to shaping the future of the audit profession.



What Deloitte Audit & Assurance brings to capital markets

Deloitte Global leadership

The Deloitte Global Audit & Assurance Leadership Team is led by Jean-Marc Mickeler, Deloitte Global Audit & Assurance Business Leader whose responsibilities include:

- Developing and driving Deloitte Global Audit & Assurance strategy
- Setting audit methodology standards and approving audit policy and methodology changes with the objective of enhancing audit quality across the Deloitte network.
- Driving key audit quality initiatives and policies across the Deloitte network

Entities Deloitte audits

As part of Deloitte Global Audit & Assurance's commitment to supporting the capital markets, Deloitte is focused on auditing entities where it serves the public interest and where Deloitte has the capabilities to perform quality audit with objectivity and in compliance with applicable ethical and professional standards.

Deloitte Thailand has detailed policies and procedures in place for accepting prospective clients and engagements and assessing engagement risk. These policies and procedures are designed with the objective that Deloitte Thailand only accepts engagements where it:

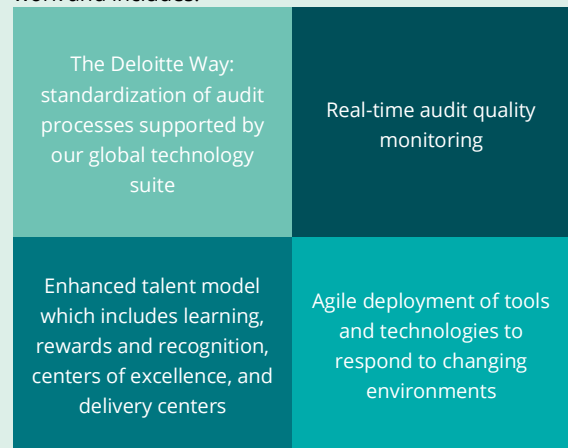
- Is able to perform the engagement and has the capabilities, including time and resources, to do so.
- Can comply with all relevant ethical requirements and professional standards, including independence and conflicts of interest assessments and considerations.
- Considered the integrity of the potential client's management team.

We perform a client continuance assessment, both annually and at any time an entity changes significantly (e.g., change of ownership).

Audit & Assurance Transformation

Being a relevant profession of the future and a sustainable practice that evolves with the pace of change in technology and society is critical. Driving this goal is the Deloitte Audit & Assurance Transformation initiative, which is currently being developed and deployed across the Deloitte network, including Deloitte Thailand.

Audit & Assurance Transformation is an important shift across the network in the way Deloitte professionals work and includes:



Audit innovation¹

With The Deloitte Way, Deloitte is bringing innovation into the core of how our audits are executed: with automation that improves routine tasks, analytics that yield a deeper and more insightful view into the data, and artificial intelligence that enhances human discovery and problem-solving. As a result, clients get an experience that is less burdensome, with more transparency and deeper insight.

Innovation and technology enablement are an expectation in today's fast-changing business environment, and this expectation holds true for the audit profession as well. Today's complex business environment requires that the audit be dynamic, multidimensional, and insightful. There is a demand for real-time, relevant information, and clients expect audits to evolve as they innovate their businesses and processes. Deloitte Thailand auditors are enhancing procedures by making more use of data-driven analytics, as well as cognitive and cloud-based technologies like Artificial Intelligence (AI). This is due in part to the increased automation and effectiveness these provide, but also the need for Deloitte Thailand to stay ahead of technological advances used by the entities that we audit.

Deloitte is committed to the continued investment in emerging technologies and diversity of thought that enables the delivery of enhanced quality, insights, and value to our clients and the markets. Deloitte has released Deloitte Omnia, our next-generation cloud-based audit delivery platform, as well as Deloitte Levvia, a tailored solution to support our very small audits. Further development, enhancement, and broad deployment of both solutions will continue over the next several years. Deloitte also has a global analytics platform, as well as an integrated suite of enabling innovation tools all connected in the cloud.

Digital innovation is boosting productivity and helping more businesses reach more customers around the world. The pandemic has accelerated this process and helped many businesses through the crisis. Deloitte Thailand has implemented the global innovation initiatives and cloud-hosted solutions as follows;

- *Deloitte Connect – Online communication, information sharing, and progress tracking*
- *Icount – Mobile-enabled inventory counts*
- *Iconfirm – Automated management of the audit confirmation process*
- *Scribe – Streamlines the preparation and review of standard audit deliverables*
- *Audit Online – Interface with delivery centers and support of guided risk assessments*

Data analytics encompasses discovering and analysing patterns, highlighting outliers, identifying exceptions, and extracting other useful information from data through computer-assisted techniques. Data analytics may include visualisation, analysis, or modeling for the purpose of planning or performing an audit. Some of the applied techniques include visualisation, statistical analysis, automation of data aggregation, and recalculation of balances. Data analytics involve both exploratory and predictive modeling, as well as analysis of data with the goal of identifying trends in the underlying data and generating meaningful insights.

The use of data analytics in the audit can encompass a wide range of techniques. Certain simple data analytics can be performed by the auditor, while more complex data analytics may involve the use of a Data Analytics Specialist.

Given the increasing volume of data in business today, data analytics can be used as an audit technique to better understand and analyse large volumes of data. Equipped with a more in-depth knowledge of the entity's business, we are able to focus on items of greater audit interest. The use of data analytics may not always result in efficiencies, but it can enhance audit quality through increased effectiveness. As a result, engagement teams generally can derive a combination of quality, efficiency, and value from its use.

Deloitte Thailand is also using data analytics as part of our risk assessment or further audit procedures including execution certain procedures in our tests of operating effectiveness of controls and substantive tests. The data analytics tools are included;

- *Excel Analytics – an easy-to-use ribbon embedded in Microsoft Excel to enhance capabilities in preparing data prior to further analysis and performing risk identification, detail testing or data administrative procedures*
- *Microsoft Power BI – a business analytics service by Microsoft, giving users the ability to connect to various data sources and create interactive visualisations report and business intelligence capabilities that give insight into the underlying data*
- *Reveal - an analytics application developed by Deloitte Global to assist us in performing substantive analytical procedures by applying predictive analytics using regression analysis. It builds upon the basic concepts involved in any substantive analytical procedure. Reveal performs statistical calculations, including certain validity checks, to develop expectations and presents the results in a format that we can understand without detailed knowledge of the underlying mathematics*
- *Deloitte Audit Journal Entry Testing Tool (DAJET) - the tests in JET are generally designed to search for journal entries that exhibit one or more of the characteristics of fraudulent entries*

¹ For more information about Deloitte audit innovation, please refer to Deloitte [Global Impact Report](#).

Environmental, social, and governance (ESG) reporting²

Financial reporting today

To better assess the resiliency of corporate strategies to climate related and other ESG matters, investors and stakeholders are seeking reliable and comparable information on the potential impacts of these matters. These matters could have implications on a company's financial accounting and reporting, in the context of the existing accounting standards and the financial statement audit. Companies follow financial reporting standards such as the Thai Financial Reporting Standards (TFRS) and International Financial Reporting Standards (IFRS). Auditors follow auditing standards such as those established by the Thai Federation of Accounting Professions (TFAC) and International Auditing and Assurance Standards Board (IAASB) related to the audit of the financial statements. These standards require auditors to identify and assess the risks of material misstatement in the financial statements of the companies they audit, and design and perform audit procedures responsive to those risks. Deloitte is increasing awareness of the potential impacts of climate related and other ESG matters on financial reporting through guidance, tools, templates, learning, and leading practices.

Corporate reporting of the future

In addition, market participants and broader stakeholders are calling for greater insight into corporate performance, specifically demanding enhanced transparency around ESG impacts and dependencies of a company's business model and strategy. Over time, many standard setters and other organizations have developed frameworks or standards for reporting metrics and ESG information for use by companies. However, currently there is no global enforcement mechanism or assurance requirements for consistent adherence or adoption. Deloitte supports the International Financial Reporting Standards Foundation's (IFRSF) proposal to establish an International Sustainability Standards Board (ISSB) that, alongside the International Accounting Standards Board and under the governance and oversight of the IFRSF, would provide a set of global standards.

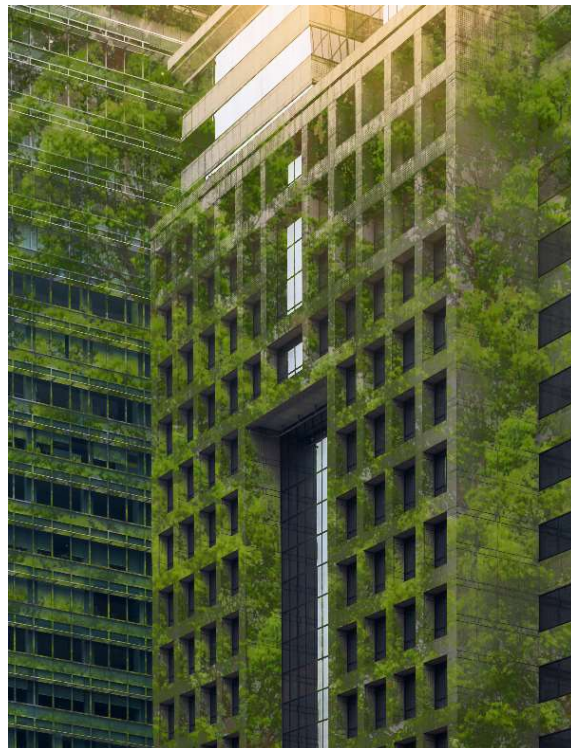
There is a growing interest for companies to integrate climate-related and other ESG considerations into systems of internal control, enhancing the maturity of systems, processes, and governance over climate-related and other ESG information. Those charged with governance (e.g., Audit Committees, Boards) are moving toward incorporating ESG considerations in their oversight responsibilities of companies' management—companies'

readiness, companies' management skillsets, and implementation of processes and controls to collect data.

Deloitte supports efforts to make publicly disclosed ESG information consistent, comparable, and reliable. Assurance provides a greater confidence in ESG information. Deloitte believes that there is a benefit of ESG assurance being provided by an audit firm. Objectivity, credibility, and integrity are qualities valued most in assurance providers. These are in addition to independence, professional skepticism, commitment to quality, and appropriate training that are equally critical. All of these are covered under the typical infrastructure of audit firms and will be further reinforced with the adoption of ISQM 1, which becomes effective in December 2022.

Deloitte supports the continued collaboration of all participants in the financial reporting ecosystem, working together to develop and implement common standards upon which to measure, disclose, and ultimately assure ESG information.

Further, to help the world achieve the goals of the Paris Agreement, Deloitte has launched [WorldClimate](#), a strategy to drive responsible climate choices within the Deloitte network and beyond.



² For more information about Deloitte's alignment with ESG, please refer to Deloitte [Global Impact Report](#).

Coronavirus disease 2019 (COVID-19)

Deloitte's highest priority is the safety and well-being of its professionals. In this changing global environment as the impacts of COVID-19 continue to unfold, investors and stakeholders are looking to auditors more than ever to provide an independent opinion on companies' financial statements. Deloitte remains committed to this critical role and delivering the highest quality audits.

Entity management and auditors alike are affected by restrictions on travel and requirements to stay at home. With travel restrictions affecting entities' personnel and auditors, companies may obtain information in new or different ways. In addition, entity management is faced with significant uncertainty in making judgments to project future operating results and cash flows, going concern, and developing valuation analysis, etc. The financial reporting process likely requires careful analysis and further considerations of impact from management and auditors given the current environment.

All stakeholders of the financial reporting ecosystem must exercise significant judgment in this unprecedented and uncertain environment—governments, when projecting the length of closures; bankers, when deciding if a loan can be repaid in full; management, when evaluating if a company can continue operating as a going concern and audit committees providing oversight of management; auditors, when assessing these judgments; and investors, when analysing the available financial information in light of these unprecedented uncertainties.

Although the existing accounting frameworks have provisions for uncertainties, it is important for financial statement users and regulators to expect a higher degree of market and economic volatility in the near future.

Deloitte welcomes the public statements and guidance issued by regulators that recognise the current uncertainties and emphasise the importance of high-quality, forward-looking corporate disclosures. Importantly, some regulators have conveyed that good faith attempts to provide investors and other market participants with appropriately framed forward-looking information will not be second-guessed. There is benefit to the public for greater transparency from various financial reporting ecosystem stakeholders raising awareness about these issues. This includes providing more clarity on the responsibilities of management, audit committees, companies, auditors, regulators, and other stakeholders.

Deloitte's overarching strategic objectives are principles-based and remain unchanged (e.g., investments in quality, people, and technology), however, some related processes

have been modified or prioritised to factor in unanticipated changes due to the pandemic. Deloitte firms were required to implement monitoring and consultation processes to maintain high standards of quality and reinforce key areas of focus impacted by the implications of COVID-19.

Deloitte has been focused on setting the necessary tone for the historically challenging period that followed. From an audit risk perspective, the fluid economic and health environments globally continue to put pressure on the risk of fraud, asset impairments, and going concern in certain industries. Operational challenges in some industries can manifest into financial reporting challenges, while other industries may be benefiting from the current environment.

The professional standards, Deloitte policies and guidance, strong consultation and specialist networks, and steadfast diligence continue to be the basis for Deloitte's execution of high-quality audits. Deloitte's global technology and infrastructure allowed for an agile and rapid response to the various impacts of the COVID-19 pandemic. Deloitte prepared for various contingencies in order to support changing needs and to support professionals during periods when they have been required to work remotely. Deloitte Global has launched and continues to maintain the Deloitte Global Audit & Assurance Technical Delivery Resource Center – a central location for all Deloitte professionals to access globally relevant and locally adaptable COVID-19-related audit resources and guidance. These responses have allowed us to continue to reinforce execution of the Deloitte audit approach throughout the pandemic.

Deloitte has also led global initiatives to understand the implications of working virtually for professionals, to provide them with support to enhance team collaboration and to consider new ways of working in a remote environment. Despite the virtual working environment, learning was successfully delivered to Deloitte professionals through virtual programs and we are using this experience to drive continuous improvement.

The transformation of audit execution in an increasingly dynamic work environment has led Deloitte to respond to the rapidly changing needs and requirements of the talent landscape. As Deloitte is organising the return to the workplace in several countries, it is challenging its historical working methods and considering a hybrid working environment.

Going forward, Deloitte will continue to focus its efforts and provide a consistent audit experience in a way that embraces the evolving expectations of clients and professionals.

Multidisciplinary model (MDM)

MDM is an important contributor to high-quality audits. Auditors increasingly use the work of specialists in a number of areas, including to assist in their evaluation of accounting estimates and fair value measurements. This has been more important than ever as companies' financial statements were required to reflect the uncertainties presented by COVID-19. Financial statements may continue to grow in complexity due to new ESG considerations and other focus areas. Further, as big data utilisation becomes more pervasive in line with other digital advances, the demand for data analysts and IT specialists will grow accordingly. Among the benefits of the MDM are:

- Possibility to develop industry insights through multiple lenses, which enhances auditors' understanding of business risks relevant to conducting audits.
- Immediate access for the audit practice to specialised resources in other business lines. This promotes audit quality because auditors can leverage the knowledge and experience of advisory professionals who are skilled in subjects beyond audit and assurance.
- A diverse organisation helps attract and retain premier talent.
- Availability of intellectual capital within the network to innovate audit processes, technologies, etc.
- Parts of the business grow at different rates during various time periods across markets. Deloitte's MDM provides a safeguard against market volatility that is important to long-term viability of the network and makes significant investments in audit quality and innovation possible, even in times of financial pressures on the audit business.

Deloitte's response to COVID-19 demonstrates both resiliency in putting audit quality and the public interest first which is further supported by the significant benefits of the MDM. Each non-audit Deloitte business has a shared and vested interest in supporting audit quality initiatives and Deloitte's strategy to deliver high-quality, globally consistent service to clients.

Professional development and performance management

Deloitte culture and the design of learning programs place people at the forefront. Deloitte professionals are technically proficient with high levels of ethics, integrity, professional skepticism, and objectivity, and are continuously enhancing their skillset and experience.

Deloitte is committed to delivering an unrivalled talent experience, developing professionals, and furthering their careers by creating a life-long learning environment—advancing audit education, skillsets, and flexible career options that appeal to future auditors.

Deloitte professionals bring diverse backgrounds, knowledge, and skillsets that enhance capabilities as an organisation in delivering the highest quality audits.

In addition, operational discipline, effective management of the business, and the development of a singular approach to doing audits known as The Deloitte Way, provide the foundation for Deloitte's commitment to bring consistency to our audits.

Deloitte is driving a sustainable audit and assurance business that recognises and rewards its people and ongoing investments in their future.



Learning and development initiatives

Deloitte's transformed approach to audit delivery is changing the audit experience for professionals. Audit teams are empowered by advanced tools and technologies and more extensive use of data analytics within a guided workflow to execute the end-to-end audit cycle. For Deloitte professionals, this means focusing on how the engagement is planned, executed, and managed consistently across the globe using forward looking techniques and capabilities. It also offers opportunities to enhance their technical and professional skillsets and competencies. For example, the following skills become more important—enhanced data analytics, project management, critical thinking, communication, enhanced professional judgment, and the application of accounting and auditing principles to work more effectively and deliver higher quality engagements.

Not only does Deloitte deliver value in more areas, but as capabilities and skillsets are enhanced, we build greater confidence and become ever-better evaluators of risk.

Deloitte has made substantial investments in talent and learning strategies and transformed the technical audit curriculum to build the refreshed skillsets and proficiency required by level:

- At the core, Deloitte has a single, global mandatory audit technical learning curriculum for auditors, targeting learners by level, using a dynamic blend of live instructor-led, digital on-demand courses, and on-the-job activities.
- All client service professionals are required to complete at least 20 hours of continuing professional education (CPE) each year and at least 120 hours every three years, through structured, formal learning programs, such as internal or external courses, seminars, or e-learning covering all areas of the competency model (e.g., shared competencies, function-specific technical competencies, and competencies in areas of specialisation).
- Thai Federation of Accounting Professions also requires all auditors to complete at least 40 hours of CPE each year which consist of 20 hours of formal CPE and 20 hours of informal CPE.
- All client service professionals have clearly defined role expectations and global Talent Standards outline the capabilities that are required of practitioners at each level.

Deloitte has also established specific learning opportunities for specialists working on audit engagements to support their knowledge and understanding of the audit process. Enhanced project management, a key capability for executing audit engagements, has been included in annual development programs which provide a blend of technical and soft skill learning development. The objective of the Deloitte Thailand professional development program is to help partners and practitioners maintain and enhance their professional competence and ensure consistency of audit execution. To supplement on-the-job development, Deloitte Thailand provides formal continuing professional development programs in relevant subject areas consistent with the Deloitte Global Audit & Assurance Curriculum.

In response to COVID-19, our Audit and Accounting Technical teams, led by the NPPD, presented additional and relevant updates developed in conjunction with Deloitte SEA on changes to regulatory, accounting and auditing methodologies that may apply to COVID-19 impacted clients. In addition, changes to policies and increased consultation requirements were included in these updates.

In addition, we redesigned the instructor-led audit technical learning programmes to a virtual learning approach, allowing our professionals to complete the required learning in a safe and timely manner due to the on-going movement restrictions imposed by the Government during the year.

The Audit Talent Development team monitors learning and development requirements by:

- Communicating annual learning plans for all levels of our practitioners.
- Placing self-responsibilities for online certification by all practitioners to confirm completeness of their annual learning plans. Our online learning platform allows practitioners to obtain a summary of their CPD hours and monitor their professional obligations.
- Remind absentees to complete their mandatory courses and rearranging for alternative sessions.

As part of their annual evaluation rating, all levels of A&A staff and partners are required to certify their completion of annual learning plans. Non-compliance with learning requirements will result in monetary penalties and remediation.

Deloitte Thailand – One of Thailand Best Companies to work for in Asia 2019

Deloitte Thailand is one of best companies to work for in Asia 2019 organised by HR Asia. Deloitte Thailand continues to build a diverse, inclusive and agile workforce that is deeply skilled and providing our people with exceptional professional experiences, including new approaches to connectivity, learning and development, and advancement.



Deloitte University

Deloitte actively cultivates the collective knowledge and skills of Deloitte professionals globally through continued investment in Deloitte Universities (DU). These are state-of-the-art learning and development centers focused on Deloitte culture, and rooted in the principles of connectedness and leadership in a highly inclusive learning environment^[2].

Deloitte University Asia Pacific has been set up in Singapore and is committed to growing leadership skills at every level of the organisation. It provides corporate training for employees from the Asia Pacific region which includes team-based learning and business simulations.

Yearly, Deloitte Thailand sends a group of professionals to the university to be trained on how to better develop strategic relationships with clients and reinforce their role as trusted business advisors, as well as to enhance their leadership capabilities.

Without access to temporarily shut Deloitte University (DU) facilities during COVID 19 pandemic, we shifted to both formal online courses and a self-directed digital learning platform, called CURA, that gave Deloitte professionals access to a wide range of curated, customised content. These training approaches will remain valuable even as DU locations begin to reopen, post-pandemic.

Deloitte. University

In May 2021, Deloitte announced the launch of **The WorldClass Education Challenge**, an initiative inviting educators, entrepreneurs and innovators to work alongside Deloitte professionals to advance solutions that support access to a quality education for more of the world's students. Solutions in Africa and Asia, where the majority of the world's children and youth will live and learn over the next decade, are the primary focus. In collaboration with the World Economic Forum's UpLink platform, Deloitte aims to discover, fund and scale novel educational approaches that have proven successful at advancing learning during the pandemic. The cohort that's ultimately selected will receive up to US\$1 million in professional services on a pro bono basis, financial grants, a dedicated relationship manager to support the organisations' collaboration with

Deloitte, and participation in selected Forum and Deloitte events, projects and communities.

Audit & Assurance (A&A) Leadership appointments

Critical A&A Leadership roles are clearly defined. A role profile and key performance indicator framework provide a basis for consistent leadership appointment and evaluation across the Deloitte A&A network and align member firm and Deloitte Global A&A strategic objectives. Deloitte has introduced globally consistent standards for member firm A&A leaders, including A&A Business Leaders, A&A Quality Leaders, and A&A Risk Leaders through clearly defined roles, responsibilities, and expected success outcomes. These inform objective setting and evaluation processes and reinforce Deloitte's culture of quality and excellence. Robust monitoring of succession planning is in progress to ensure Deloitte is developing and appointing the appropriate individuals with the capabilities to achieve these consistent standards.

Partner remuneration

Execution of high-quality audits is expected from all professionals and is embedded across the Deloitte network. Audit quality is recognised through reward and recognition programs and is built into performance standards at every level, against which professionals' overall evaluations are measured.

In accordance with global policies, Deloitte Thailand's partners are evaluated on a yearly basis, and depending on the outcome of the evaluation, the remuneration of partners may increase or decrease. Specifically, partner evaluations take the following factors into account:

- **Quality Leadership** - Demonstrates strict adherence to regulatory and risk compliance as well as consistent uncompromised delivery of quality client service.
- **Business Leadership** - Successful growth of firm revenues and enhancing profitability
- **As One** - Supports and leads firm's strategies and initiatives, contributes as a leader in the firm.
- **Talent Leadership** - Demonstrates exemplary commitment and contribution to the attraction, development and retention of talent.
- **Client Leadership** - Retains, strengthens, and expands strategic client relationships and consistently delivers high-quality client work.
- **Brand & Eminence Leadership** - Demonstrates a strong contribution to firm reputation and eminence building.

^[2] For more information about Deloitte Universities, please refer to Deloitte [Global Impact Report](#).

Metrics related to the sale of non-audit & assurance services are excluded when evaluating or compensating Audit & Assurance (“A&A”) partners.

Our A&A partner performance and remuneration framework creates a strong link between audit quality and partner remuneration. All A&A partners receive a quality and risk rating as part of their performance management, which includes granular feedback relating to audit quality (e.g., internal practice reviews and external inspection findings, compliance with firm policies including independence, audit quality indicators).

These quality and risk ratings are assessed independently by the NPPD and Audit Risk Leader. An A&A partner’s quality and risk ratings may result in an overall increase or decrease in the partner’s overall performance evaluation rating.

At Deloitte Thailand, audit quality is a key leadership benchmark for all A&A partners. Partners are rewarded for going above and beyond expected risk protection, quality and ethical behaviours and for promoting such behaviours to their fellow partner and/or teams. As part of their annual evaluation, the NPPD and Audit Risk Leader considers A&A partners who have evidenced significant positive contributions to the quality and risk agenda as well as exceptional quality and risk leadership. Such partners are the beacon of audit quality to their fellow partners and/or teams. Positive behaviour is rewarded through a variety of options including monetary awards or improvement in overall evaluation ratings (which can result in increase of annual adjustment, increase in base remuneration or both).

Findings from the Securities and Exchange Commission of Thailand (“SEC Thailand”) inspections are an important input, amongst other quality measures, into an A&A partner’s quality and risk rating. In considering SEC Thailand inspections findings, we have regard to the nature and severity of the SEC Thailand findings. We also consider whether the findings are indicative of an issue which requires a broader firm response or whether they are unique to the engagement or partner circumstances.

There have been financial consequences for partners in relation to poor quality and risk ratings. Financial penalties include monetary fines to decreasing annual evaluation ratings (which can result in either loss/reduction of annual adjustments, reduction in base remuneration or both). Financial penalties aside, the said A&A partner would be supported by the firm leadership through reduced audit portfolio, removal from audits of public interest entities and other firm-wide responsibilities to enable the partner to focus on his/her remediation process.

We have other formal and informal disciplinary options available. There are multiple inputs to any such actions depending on severity, including internal and external inputs (which may include regulatory findings).

Partners are evaluated annually and remuneration takes into account factors that ensures our processes have been followed, contributions are properly recognised, and our values have been maintained.

Deloitte's priority focus on audit quality

Deloitte's commitment to audit quality is central to everything we do, from instilling a culture of quality and excellence across the network, to business and financial priorities, and the processes, tools and technologies applied in the execution of audits. Making sure audit quality keeps pace with emerging economic, business, and regulatory conditions, as well as technological advances is critical to the continual enhancement of Deloitte's role in protecting the public interest and supporting the effective functioning of the financial ecosystem. Deloitte's brand is defined by the high-quality audits delivered and by the unwavering commitment to continuous improvement.



Leadership commitment and tone at the top

Deloitte's culture of quality and excellence begins with strong tone from the top, starting with senior leadership through to the leaders in all our offices and audit engagements. Deloitte's focus on audit quality is evident through the direct involvement of leaders across activity levels and consistent messaging that reinforces the importance placed on audit quality. Deloitte's relentless pursuit of quality defines not just what we do, but who we are.

Independence, objectivity, and professional skepticism

The execution of high-quality audits requires independence, objectivity, and professional skepticism. This means a continuous and tangible focus on Deloitte's critical role in protecting the public interest, including creating a culture of quality where doing the right thing is of paramount importance. As evaluators, Deloitte consistently reinforces the important role of who must maintain a mindset of professional skepticism throughout the conduct of our work. This approach to the audit is reflected in many aspects of Deloitte policies, methods, procedures, and learning, and is reinforced through quality control and accountability measures.

Audit approach

Deloitte's approach to a high-quality audit involves an audit methodology, common across the Deloitte network, supplemented by audit tools for use by our professionals to plan, perform, supervise, review, document, conclude, and communicate the results of each audit. Deloitte's audit approach is underpinned by professional standards.

This audit methodology is dynamic—it evolves continuously to keep pace with the changing demands of investors, companies, and other stakeholders. It recognises that advances in the availability and management of large data sets and in statistical science are relevant to continuing to enhance the quality of Deloitte audits.

Deloitte audit methodology is risk-based, focusing on the financial statement account balances, disclosures, and underlying assertions that have a reasonable possibility of being materially misstated.

Processes to support Deloitte professionals in the execution of high-quality audits

The resources applied by Deloitte professionals in the performance of their audits include the proprietary tools, guidance, materials, and practice aids used in conducting

audits, which are available to all our professionals in the Deloitte Global Technical Library, an extensive online library. Deloitte regularly issues accounting and auditing guidance to our professionals and communicates developments that may affect audit quality.

Consultation

Quality and risk management considerations are integral to Deloitte's audit business. That is why Deloitte views consultation as an essential, collaborative process—one that helps determine the most appropriate answers to complex questions. Deloitte consultation policies require that conclusions are documented, understood, and implemented. In addition to formal consultations, whenever engagement partners and teams need additional information or perspectives, they are encouraged to seek assistance from the Audit Quality team, or others in the organisation with specialised knowledge.

System of quality control

Deloitte believes an effective system of quality control is crucial for the consistent performance of high-quality audit engagements and we continue to make significant investments in the people, processes, and technologies that underlie Deloitte's quality control processes.

Regulators and standard setters in Thailand and globally are also focused on driving further improvements in firms' systems of quality control. In December 2020, the IAASB released its new, revised suite of quality management standards, including International Standard on Quality Management 1 ("ISQM 1"). Effective 15 December 2022, ISQM 1 focuses on quality management at the firm level.

Deloitte's ISQM 1 implementation activities are well underway, working with leaders across Deloitte Thailand and Deloitte SEA, as well as the broader network, to further enhance our proactive approach to managing the quality of engagements performed—identifying and addressing risks to audit quality and driving continued advancements in quality control processes.

Consistent with Deloitte's culture of continuous improvement and innovation, these standard setting activities provide the opportunity to challenge ourselves—examining those areas where we can further support and transform the system of quality control. Audit quality is always front and center, and robust audit quality monitoring and measurement processes play an integral role in our ability to continually improve.

External and internal audit quality monitoring

Audit Quality Monitoring & Measurement

A continued focus on audit quality is of paramount importance to the Deloitte brand. It is critical that a Deloitte audit is consistently executed and of high quality, wherever in the world it is performed.

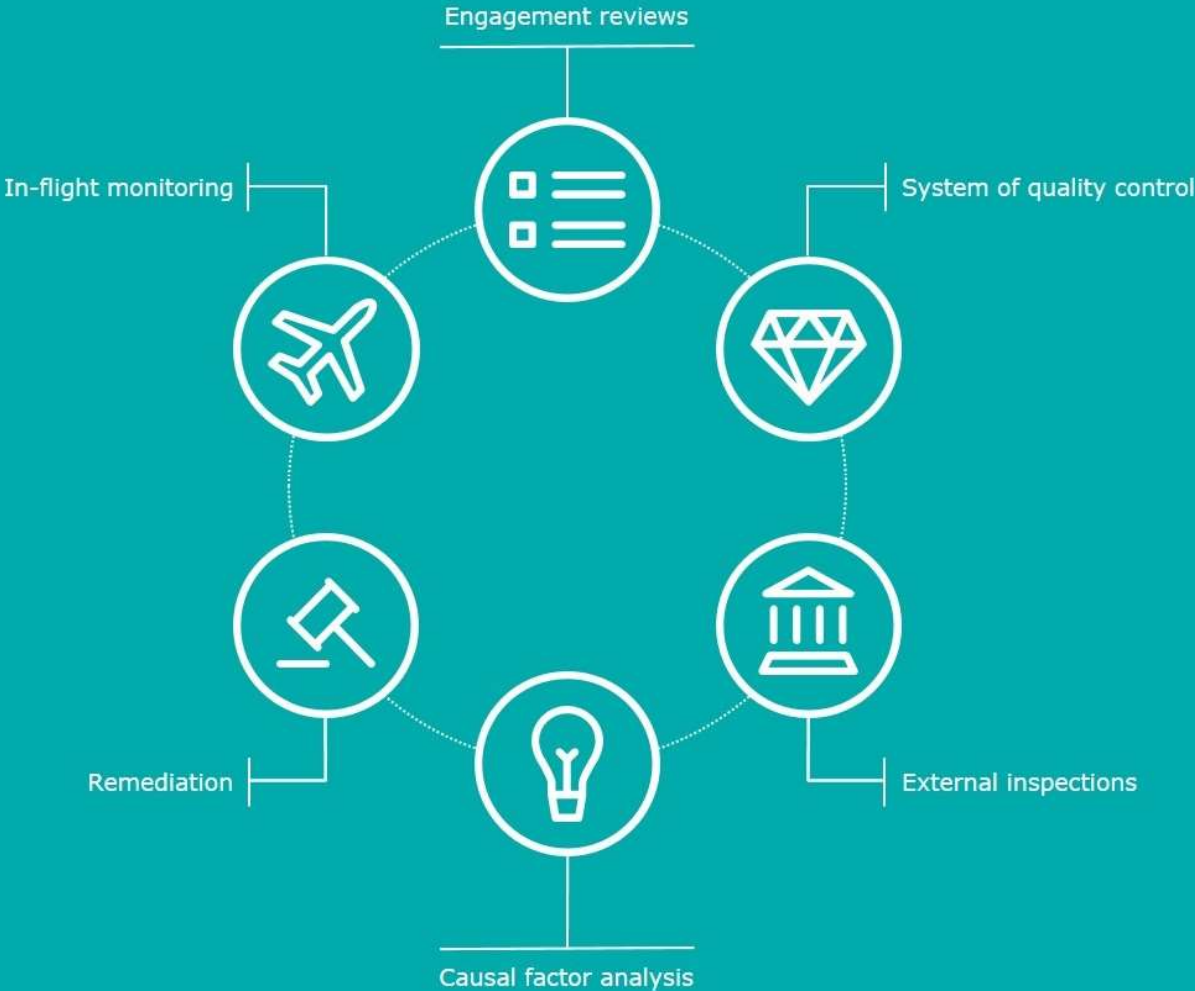
The objectives of the Deloitte Global Audit Quality Monitoring & Measurement (AQMM) program are to:

- Transform the way audit quality is monitored and measured and audit deficiencies are resolved; and
- Enhance the internal system of quality control which all Deloitte network firms follow

The AQMM program is focused on driving:

- Continuous, consistent, and robust monitoring of completed and in-flight engagements
- Fundamental understanding of deficiencies and timely execution of corrective actions by all member firms consistently
- Greater transparency and consistency in reporting key measures of audit quality

Audit Quality Monitoring & Measurement



In-flight monitoring

Continuous audit quality monitoring by Deloitte Thailand drives a faster response to audit issues on “in-flight” engagements, driving identification, timely solutions, and real time corrective actions achieved by:

- Deployment and monitoring of a series of core diagnostics, enabling engagement partners and teams, as well as Deloitte Thailand audit quality leader(s) to continuously monitor audit quality and take immediate action.
- A program of subject matter specific “health checks” to assist Deloitte Thailand audit quality leader(s) in assessing progress and identifying potential issues on in-flight engagements.
- Performance reviews of live engagements which allows Deloitte Thailand to proactively identify and remediate any quality issues throughout the audit.
- In-flight monitoring results are evaluated overall to determine whether additional communication and support is needed for audit engagement teams with respect to adherence to the audit methodology or updates thereto.

Engagement reviews

Key components of engagement reviews (internal practice reviews) include:

- Risk-based engagement selection and consideration of all major industries served by Deloitte Thailand.
- Mandatory moderation panel to drive consistency in findings and engagement ratings.
- External partners and deputies who oversee practice reviews to drive global consistency.
- Identifying appropriate resources from other Deloitte geographies with the right experience and industry knowledge, including establishing central review teams.

System of quality control (SQC) review

SQC review includes numerous elements such as documenting key areas of the SQC processes and controls and performing procedures for testing the operating effectiveness of the SQC, including execution of a comprehensive SQC review program. Deloitte is also preparing for the future by focusing on readiness activities for monitoring related to implementation of ISQM1. These preparations are further advancing quality control processes and the approach to monitoring, and continually strengthening our culture of continuous improvement.

Every A&A partner with engagement signing responsibilities is selected at least once in a 3-year period for practice review. The most recent practice review programme, which was performed entirely virtually, was completed in December 2021. Archived engagement files of 15 (2020: 14) of our audit partners were subjected to the 2021 practice review programme. From 2020, there was a significant

reduction in total practice review findings with no files rated ‘Non-Compliant’ in 2021.

Audit Quality Indicators (AQIs), used in conjunction with other metrics, further assist Deloitte Thailand in developing and monitoring audit quality action plans and reporting on the progress in its audit quality journey. AQIs are integrated with ongoing AQMM activities.

In addition, proper timing and sequencing of audit activities, including timely reviews of work performed and the resolution of matters identified, are closely associated with high-quality audits. Audit Quality Milestones are intended to drive consistency of engagement teams in project management, timing of when work is done, and necessary focus on engagement staffing, including sufficiency and the skills, knowledge, or experience of assigned resources.

Causal factor analysis and remediation

Continuous improvement is essential to Deloitte’s culture of quality and excellence. Understanding why audit deficiencies occur is critical to the design of effective actions to remediate findings. Further, actions are taken when audit deficiencies are identified during the performance of an audit engagement. Engagement level remediation is imperative to drive continuous improvement in audit quality and avoid future similar findings. An audit quality plan is prepared by Deloitte Thailand and provides for effective implementation and monitoring of key audit quality priorities.

External inspections

In addition to Deloitte Thailand’s monitoring of audit quality through engagement and SQC reviews, Deloitte Thailand is subject to reviews by the Securities and Exchange Commission of Thailand. The 2021 SEC Thailand’s review result is as follows:

	Element of SQC 1	Result
	Overall Firm Rating	Very Good
1	Leadership Responsibilities for Quality within the Firm	Very Good
2	Relevant Ethical Requirements	Very Good
3	Acceptance and Continuance of Client Relationships and Specific Engagements	Very Good
4	Human Resources	Very Good
5	Engagement Performance	Good
6	Monitoring	Very Good

Deloitte Thailand is appreciative of SEC Thailand's rating for the firm of Very Good³, a recognition of our commitment and investment in audit quality. We take SEC Thailand's observations and recommendations seriously. In the element of Engagement Performance, Deloitte Thailand has implemented SEC Thailand's recommendation to have more specialists involved to assist engagement teams in the conduct of audit procedures relating to Thai Financial Reporting Standard No.9 "Financial Instruments". SEC Thailand's recommendation and actions taken by Deloitte Thailand have been communicated to our auditors and the firm has also arranged training sessions to reinforce how audit engagement teams may collaborate with specialists during audits and on the accounting technical requirements of the financial reporting standard.

Statement on the effectiveness of the functioning of the internal quality control system

Deloitte Thailand confirms we are satisfied that our internal quality controls and systems are robust, operate effectively, and allow us to readily identify any areas of potential enhancement. We continually seek to refine all aspects of our business and we use the findings of the practice review, other internal reviews, and external regulatory reviews to enhance our system of quality control.



³ SEC Thailand classifies quality control systems rating as "Very Good", "Good", "Acceptable" and "Need Improvement".

Independence, ethics, and additional disclosures

Deloitte Global Independence



Sets **independence policies and procedures** based upon the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and the independence standards of the US Securities and Exchange Commission and the Public Company Accounting Oversight Board. Performs full reviews of independence quality controls on a three-year cycle; provides an annual focused review program to be performed by member firms as part of their Audit Practice Review for the off-cycle years; and performs in-depth follow-up reviews as needed.



Performs **on-going monitoring** activities of firms—enabling continuous enhancements to global policies, quality controls, tools, and practice support activities.



Delivers **global systems** to provide professionals with entity information to support compliance with personal and professional independence requirements, including financial interests and scope of service approvals.



Supports **independence awareness** across the Deloitte network through active engagement with independence and business leadership groups, periodic communications and alerts, and development of guidance, learning and instructions.

Deloitte Thailand Independence

Deloitte Thailand has policies and procedures designed to address compliance with applicable professional standards that relate to independence. These policies and procedures are based on the Deloitte Global Independence policy, and are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte Global policies. Deloitte Thailand leadership reinforces the importance of compliance with independence and related quality control standards, thereby setting the appropriate tone at the top and

instilling its importance into the professional values and culture of Deloitte Thailand. Strategies and procedures to communicate the importance of independence to partners, other professionals, and support staff have been adopted, emphasising each individual's responsibility to understand and meet the independence requirements. The Director of Independence is responsible for overseeing independence matters within the Deloitte Thailand, including the design, implementation, operation, monitoring, and maintenance of the system of quality control related to independence.

The key elements of the system of quality control that Deloitte Thailand implemented in accordance with global independence policies include the following:

- Engagement acceptance and monitoring
- Monitoring long association of partners and professionals with audited entities
- Business relationship assessments and monitoring
- Use of independence business process tools, including the Deloitte Entity Search and Compliance (DESC) system, the Service Request Monitoring (SRM) application, and the Global Independence Monitoring System (GIMS).
- An Inspection & Testing program, and annual and special purpose independence confirmations, to monitor individuals' compliance with independence requirements
- Consultation processes including the identification of individuals who are to be contacted for independence matters
- Procedures to identify and analyse non-compliance with independence requirements and apply related disciplinary measures and actions
- Independence-related learning and communications

Our rotation policies require that the engagement partner (Thai SEC signing partner), EQCR and other key audit partners for the audits of listed entities to be rotated after 7 (seven) cumulative years of service unless a shorter cumulative period of service is mandated by law. Following rotation, these audit partners are not permitted to be involved in the audit engagement or undertake other client-specific roles for a period of 2, 3 or 5 years, depending on their role.

The National Professional Practice Office ("NPPD") tracks the number of years of audit partner involvement, to facilitate succession planning and monitor compliance with the rotation requirements. Engagement partners, EQCRs and other key audit partners are required to notify the NPPD function for evaluation prior to making any changes to their roles as it relates to listed entities.



DESC

Deloitte Entity Search and Compliance

Global, searchable database containing specific entity information relevant in determining personal and professional independence restrictions



SRM

Service Request Monitoring

Application integrated with DESC that provides a standard business process workflow for submitting and reviewing preapproval requests to provide services to clients



GIMS

Global Independence Monitoring System

Application that contains financial relationship data with relevant independence compliance indicators

Long association requirements of audit partners and professionals

Rotation of engagement partners, EQCRs and other key audit partners helps provide a new perspective to audit engagements, ensures professional skepticism is maintained and reduces familiarity and self-interest threats to independence.

Ethics

All Deloitte professionals are expected to act with integrity in accordance with high ethical standards as described in the Deloitte [Global Principles of Business Conduct](#) (“Global Code”). The Global Code is embedded into each member firm’s Code of Conduct and defines the commitments that all Deloitte professionals make regarding ethical standards, as well as explaining each individual’s responsibilities to their clients, colleagues, and society.

In addition to the Global Code, other foundational elements of Deloitte’s ethics program include global policies, a program of training and communications, and established reporting channels supported by defined incident management protocols. For continuous improvement, regular program assessments and reviews are conducted and feedback is collected from Deloitte professionals through an annual ethics survey.

Ethics at Deloitte is led by the Deloitte Global Chief Ethics Officer at the global level, and by member firm Ethics Officers at the local level, who are experienced partners with direct access to member firm’s governing body. Deloitte Global and member firm ethics leaders work together to continually monitor risk and to reinforce compliance with the Global Code.

Deloitte Thailand maintains policies and procedures that build on the global policies and are designed to provide reasonable assurance that its professionals comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by Deloitte Thailand are in accordance with the requirement of Federation of Accounting Professions’ Code of Ethics for Professional Accountant. Deloitte Thailand also complies with Deloitte Global policies and procedures, which align with the requirements and guidance set out in the international Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, a standard-setting body of the International Federation of Accountants (IFAC). When the Federation of Accounting Professions’ Code of Ethics for Professional Accountant are more restrictive than the Deloitte Global policies and procedures, Deloitte Thailand follows the applicable Federation of Accounting Professions’ Code of Ethics for Professional Accountant.

Deloitte Thailand reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes, and measurement systems. In addition, Deloitte Thailand requires all partners, other professionals, and support staff to confirm annually that they have read and comprehended the Code of Conduct and understand that it is their responsibility to comply with it.

Deloitte Thailand Anti-Corruption statement

Thailand's Collective Action Coalition Against Corruption (CAC) is an initiative by the Thai private sector to tackle corruption via collective action. The CAC aims to encourage companies to implement anti-corruption policies and mechanisms to create an ecosystem of clean business.

We have been a full member of the CAC since April 2015 and we are committed to the CAC declaration on anti-corruption and have put in place good business principles and controls against bribery.

We strongly believe in doing business with integrity and supporting the fight against all kinds of corruption. Our partners and employees are expected to conduct themselves with honesty, fairness and high ethical standards. They are also expected to abide by all anti-corruption laws and avoid any impropriety or conflict of interest.

We have in place an Anti-Corruption Policy that applies to all our partners and employees who are required to read, understand and adhere to the policy.



Deloitte SEA ISO/IEC 27001 Certification

The network of entities that make up Deloitte SEA, including Deloitte Thailand, obtained the ISO/IEC 27001 Certification that they operate an Information Security Management System which complies with the requirements of ISO/IEC27001:2013. ISO/IEC 27001:2013 is the international standard that describes best practice for an Information Security Management System (ISMS). Archiving accredited certification to ISO 27001 demonstrates that organisation is following information security best practice, and delivers and independent, expert assessment of whether data is adequately protected.

The scope statement of ISO 27001:

The Information Security Management System (ISMS) manages the protection of confidential information received from clients or third parties in connection with the design, development, and provision of audit & assurance, consulting, risk advisory, financial advisory, legal, and tax services, including working papers and deliverables generated from those services.

The information security objectives are covered the following:

- Integrity: protect the integrity of information hosted and managed by Deloitte from unauthorised or accidental modification, and protect the accuracy and completeness of this information.
- Confidentiality: preserve the confidentiality of information hosted and managed by the Deloitte from unauthorised access and disclosure.

- Availability: ensure the availability of information hosted and managed by the Deloitte as and when required by the business.



Deloitte Global Ethics

Deloitte is committed to conducting business with honesty, distinctive quality, and high standards of professional behaviour.

Deloitte's Global Principles of Business Conduct ("Global Code") outlines Deloitte's ethical commitments as a network and expectations for Deloitte's approximately 345,000 people, giving a strong, principled foundation. The foundations of the network's ethics program is comprised of the following elements:



Creating **Impact** to our society

At Deloitte, we believe that we have a responsibility to be a force for good and to lead the way on the increasingly challenges faced by our society today. As a global organisation, we are committed to creating a more sustainable and equitable world for all.

Through **WorldClass** initiatives, we aim to develop job skills, improve educational outcomes and expand opportunities for 100 million people worldwide by 2030. We believe that we make the greatest impact when our people apply their skills and knowledge to help individuals achieving their aspirations and reaching their potential.

WorldClimate is our strategy to drive responsible climate choices within our organization and beyond. We commit to achieve net-zero greenhouse gas (GHG) emissions by 2030, ahead of the 2050 timeframe set by the Paris Agreement.

Deloitte Thailand has initiated a number of meaningful projects in the last 18 months. Apart from the COVID-19 Relief programmes to help our people and communities during the pandemic, we have also shared our commitment to address global challenges through WorldClass and WorldClimate.



Collaborating with the Saturday School Foundation for **New Computers** donation to students who do not have access to online learning tools. Students can borrow laptops from the Foundation for their studies during the lockdown.



Donation to Rajavithi Hospital for the setup of **Extended COVID-19 ICU Field Hospital** to enhance the medical treatment capacities for severely ill patients.



Extending our help to establish **the COVID-19 Community Isolation Centre** at Wat Sutthi Wararam to give people experiencing mild to moderate COVID-19 symptoms a safe place to isolate and to conserve healthcare facility resources for critical patients.



Supporting local small food shops impacted by dine-in restrictions, for them to earn a living, by ordering a total of 9,000 **Lunchboxes** from May to July 2021 and delivering them to medical professionals working in public and field hospitals in Bangkok and surrounding provinces.



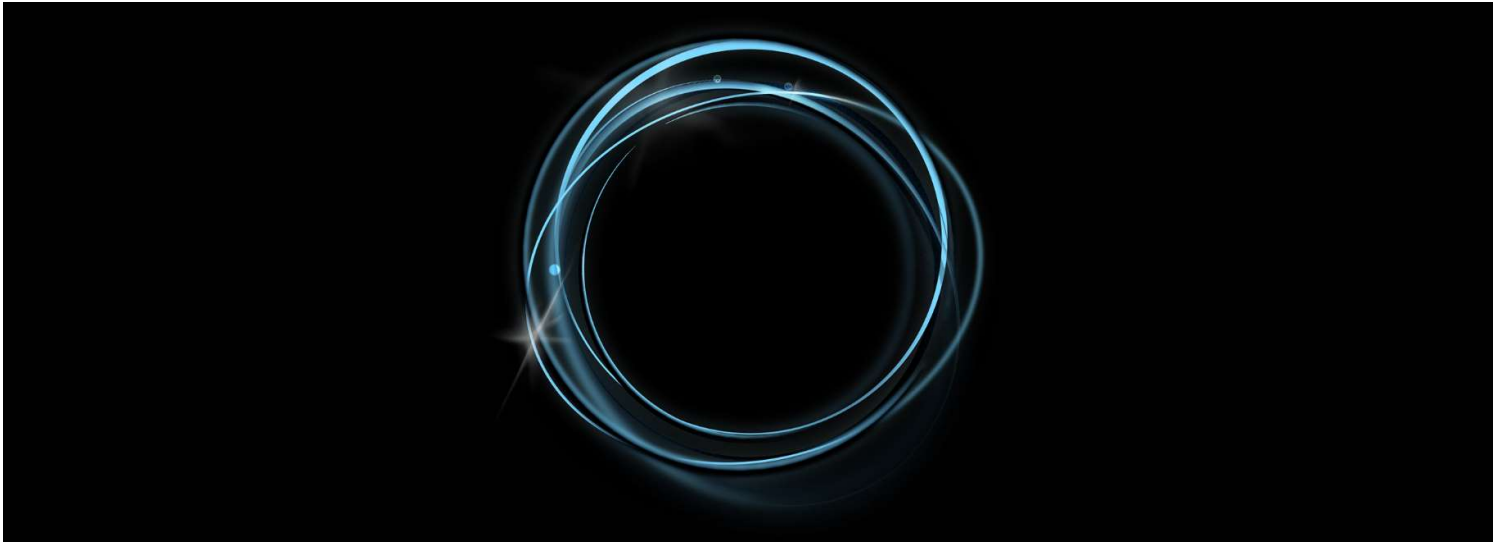
Supporting "**Kid-Tueng Aom-Kord Tama-Shard** (คิดถึงอ้อมกอดธรรมชาติ)," online sustainability awareness series to promote sustainable domestic tourism across the country.



Aligning with the UNEP Triple Planetary Crisis: Biodiversity Loss, Climate Change & Pollution, we have collaborated with **Environmental Education Centre Thailand (EEC Thailand)** to launch the Environmental Inspiration & Education Programme for students across the country – with the belief that the best way to build a resilient future is to foster environmental care and advocacy in the next generation.



By committing to net-zero greenhouse gas emissions, we have engaged and educated our people to make positive climate choices at home and at work. We have launched **Sustainable Office Initiatives** – removing all single-use plastic from our office, shifting to recycled materials, providing reusable tumblers for all staff, prohibiting catering services that use plastic containers, changing drinking water bottles offered to visitors to 100% recyclable label and seal-free bottles which are sold back to the manufacturer for recycling purposes and many more efforts to come in the future.



Shaping the future of the audit profession

Deloitte is proactively engaging with a range of stakeholders – including policy makers, regulators, investors, company directors, audit committee chairs and industry bodies – to help to ensure audit and the corporate governance and reporting regime continues to evolve to meet the needs of society and to serve its purpose in promoting confidence and trust in the capital markets. All of these stakeholders play a critical role in supporting the provision of relevant information in the public interest. The drive to bring innovation to the audit reflects Deloitte’s commitment to enhance the audit of today as well as establish a long term vision for the future of audit.







Appendix

Appendix A | Audit Quality Indicators (AQIs)

An integral component of supporting audit quality improvement efforts, the audit quality “indicators” and/or “predictors” provide measurable data on the auditors’ ability and commitment to deliver quality audits.

These audit quality indicators help us monitor and measure improvement in audit quality, and to identify factors that may contribute to or cause practice review and/or external inspection findings.

Our AQIs include the following:

	Partner / Manager involvement in engagements		Partner and staff experience
	Partner-manager Headcount to Field Staff Headcount		EQCR involvement in engagements
	Staff turnover		Delivery of sufficient / appropriate learning

% Partner-manager time involvement in engagement

	FY20	FY21
% Partner-manager time involvement in engagement	20%	26%*

* Deloitte Thailand spent more time on risk assessment, internal control, material judgement and uncertainties, breach of covenant, impairments of non-financial assets, restructuring plan and going concern in certain industries.

Partner-manager Headcount to Field Staff Headcount

	FY20	FY21
Partner-manager to field staff ratio	1:6	1:5

Staff turnover

	FY20	FY21*
% Staff turnover	20%	21.7%

*Turnover rate = Total employees who left the firm divided by average employee of the firm

Partner and staff experience

	FY20	FY21
Partner experience	22.6	26.7
Staff experience	3.2	3.6

% EQCR time involvement/Total engagement hours

	FY20	FY21
% EQCR time involvement/Total engagement hours	1.1%	1%

Training hours

	FY20	FY21
Total training hours	100,700	97,200
Average training hours per person	126	128

Note:

FY20 and FY21 is the fiscal year ended 31 May 2020 and 2021, respectively.

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