



2023 Transparency Report
Deloitte Bosnia and Herzegovina
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Deloitte Bosnia and Herzegovina leadership message¹

This report sets out the practices and processes that are currently employed by Deloitte Bosnia and Herzegovina, in accordance with the requirements of the Law on Accounting and Auditing in the Federation of Bosnia and Herzegovina (Official Gazette of FBiH no. 15/21) and Law on Accounting and Auditing in the Republika Srpska (Official Gazette of RS no. 94/15 and 78/20). Deloitte Bosnia and Herzegovina contains "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo and it's branch in Republika Srpska "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo . All information presented in this report relates to the situation of Deloitte Bosnia and Herzegovina as of December 31, 2023, unless otherwise indicated.



Sabina Softić
Company Director

It is my pleasure to present the Transparency Report of "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo and it's branch in Republika Srpska "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo – Podružnica Banja Luka , (hereinafter: "Deloitte Bosnia and Herzegovina").

It contains organization description and ownership structure, description of our network structure and governance, governance of Deloitte in Bosnia and Herzegovina, internal and external control systems and processes with information about last control, list of public interest entities audited by Deloitte Bosnia and Herzegovina during the previous financial year, information on independence procedures, information about continues professional development, company's financial information and data about auditors' salaries.

The top priority goal of Deloitte Bosnia and Herzegovina is to be recognized as the champion of the highest corporate values and standards in the areas of service quality, commitment to clients, creation of innovative solutions and, most importantly, corporate community involvement. Deloitte Bosnia and Herzegovina achieves its vision with a most intense appreciation of the broader stakeholder community.

Our commitment to the highest audit quality is based on our shared values, which are deeply rooted in our culture and provide a basis for all decisions we make.

Audit services delivered by Deloitte Bosnia and Herzegovina provide assurance of the accuracy and reliability of the financial statements and present to the management of our auditees recommendations for mechanisms of improving their financial reporting and accounting systems, as well as internal control, risk management and business process management systems.

I believe that this report will help in comprehending that for Deloitte Bosnia and Herzegovina, the quality of conducting audits and providing consulting services has always been and will be of the utmost significance.

Sabina Softić


Company Director
Deloitte Bosnia and Herzegovina



¹ Throughout this report, the terms "Deloitte, we, us, and our" refer to one or more of Deloitte Touche Tohmatsu Limited, its network of member firms, and their related entities. For more information about the Deloitte network, please see page 3 or [About the network \(deloitte.com\)](https://www.deloitte.com).

Deloitte network

Deloitte Bosnia and Herzegovina: legal structure and ownership

Deloitte d.o.o. Sarajevo is connected to the Deloitte network through Deloitte Central Europe Holdings Limited, a member firm of Deloitte Touch Tohmtsu Limited. Deloitte Central Europe Holdings Limited, together with Deloitte France, Deloitte Germany, Deloitte Luxembourg, Deloitte Austria, Deloitte Portugal and Deloitte Turkey is a shareholder in Deloitte DCE GmbH (“DCE”), which is as well a member firm of Deloitte Touche Tohmtsu Limited. The object of DCE is fostering collaboration among its shareholders as members of the global Deloitte network. DCE neither provides any professional services nor engages in commercial activities.

"Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo and it's branch in Republika Srpska "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo - Podružnica Banja Luka is referred to throughout this report as “Deloitte Bosnia and Herzegovina”. Deloitte Central Europe, as an organization of entities organized under the umbrella of Deloitte Central Europe Holdings Limited, is referred to throughout this report as “Deloitte Central Europe”. Deloitte Central Europe Holdings Limited holds practice rights to provide professional services using

The “Deloitte” name which it extends to Deloitte entities within its territory Deloitte Central Europe, including Deloitte Bosnia and Herzegovina. Deloitte Bosnia and Herzegovina is authorized to serve as an auditor for clients in Bosnia and Herzegovina.

The founders and equity holders of "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo are:

Sabina Softić, private individual with residence at the address Koševo 26, 71000 Sarajevo, Bosnia and Herzegovina – 51% share.

DELOITTE CENTRAL EUROPE HOLDINGS LIMITED, company incorporated in accordance with the legislation of the Republic of Cyprus, with registered office at the address Lampousas, 1 P.C. 1095 Nicosia, Cyprus – 25% share.

Deloitte d.o.o. za usluge revizije, company incorporated in accordance with the legislation of the Republic of Croatia, with registered office at the address Radnička cesta 80, 10000 Zagreb, Croatia – 24% share.

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 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.

“Deloitte” is the brand under which approximately 457,000 dedicated professionals and practitioners 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 Bosnia and Herzegovina: governance – leadership in action

Deloitte Bosnia and Herzegovina operates as Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo, established in 1998 and maintained by the Municipal Court in Sarajevo with registered office at Zmaja od Bosne 12c in Sarajevo and registration number 65-01-1297-09.

Deloitte Bosnia and Herzegovina Management of the company is responsible for the governance and oversight of the Audit & Assurance practice. Specific responsibilities include representation of company in registered capacity Bosnia and Herzegovina, approving the financial aspects of business plans in Bosnia and Herzegovina.

The following are the members of the Deloitte Bosnia and Herzegovina Management who were registered for the unlimited period:

Deloitte Bosnia and Herzegovina –Management
Sabina Softić, Director
Johnny Jozef Hubert Ploem, Procurator
Yuri Sidorovich, Procurator
Sabina Softić, Banja Luka Branch Manager

Softic, Sabina is appointed by the Deloitte Bosnia and Herzegovina as Partner of the Audit & Assurance practice in Bosnia and Herzegovina. Softic, Sabina and senior management develop and implement the strategy for the Audit & Assurance practice in Bosnia and Herzegovina, including related policies and procedures. In all of their activities, Deloitte Bosnia and Herzegovina senior leaders are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements. Deloitte Bosnia and Herzegovina strategy is developed in alignment with the overall strategic direction established for the Deloitte network.

Deloitte Bosnia and Herzegovina Audit & Assurance leaders participate in Deloitte network groups that set and monitor quality standards, and from which a number of audit quality initiatives emanate.

Our purpose and commitment: instilling trust and confidence

At Deloitte Bosnia and Herzegovina, our purpose is to make an impact that goes beyond the expected. For Audit & Assurance, this means constantly evolving audit and assurance processes, leveraging leading-edge technology, applying a diversity of skillsets, knowledge, and experience to deliver high-quality services. We take great pride in instilling confidence and trust in the capital markets and are committed to relentlessly raising the standards of quality and always acting with integrity, independence and transparency. We are continuously building our capabilities to support the delivery of high-quality audits and other assurance engagements and making leading contributions to shaping the future of the audit profession.



Deloitte Audit & Assurance: Our commitment to serving the public interest

A focus on audit quality

Deloitte's commitment to audit quality permeates everything we do. The independent audit is a central element of the corporate reporting ecosystem, in place to enhance the confidence and trust of investors and other stakeholders, as well as to promote the effective functioning of the capital markets. Deloitte is keenly aware of our obligation to deliver audit services that meet the challenges and complexities of the current environment, while complying with professional and regulatory standards. For the corporate reporting ecosystem to function as intended, it is vital that the auditor's role be executed effectively.

Deloitte is committed to doing more than simply meeting regulatory requirements and conforming to expectations. Deloitte is going beyond the expected to set the standard of excellence for the profession. In keeping with that objective, our commitment to audit quality is unequivocal.

Entities Deloitte audits

As part of Deloitte's Audit & Assurance commitment to supporting the capital markets, we are focused on auditing entities where it serves the public interest and where we have the capabilities to perform a quality audit with objectivity and in compliance with applicable professional standards and laws and regulations, including those relating to ethics and independence.

The company we keep is a critical foundational aspect of our Audit & Assurance strategy and shared values that guide our behavior to lead the way, serve with integrity, take care of each other, foster inclusion, and collaborate for measurable impact. The question we ask ourselves is: what type of entities do we want to be associated with? In order to answer this question, an audit and assurance risk appetite statement has been developed to serve as the foundation for the company we want to keep. The risk appetite statement can be used as a tool to promote robust discussion of risk, and as a basis upon which acceptance and continuance decisions can be debated and challenged effectively and credibly. The statement as shown below sets the tone for our risk culture and aims to

drive consistency in the engagement acceptance and continuance decision making process:

"Deloitte's Audit & Assurance portfolio risk appetite underpins our purpose led agenda and reinforces our Principles of Business Conduct, which articulate the standards to which we hold ourselves, wherever in the world we live and work, in order to build and maintain a sustainable business for current and future generations.

Consistent with our commitment to purpose and to act in the public interest, we recognize that taking on a degree of risk is a natural consequence of doing business. In order to deliver high-quality audit and assurance services, we proactively identify and manage risk through our quality management processes, policies and procedures to make informed decisions aligned to our strategy and values.

We aspire to have a portfolio of clients that aligns with our shared values, respects our people, recognizes emerging issues and societal responsibilities, and is committed to providing transparency to stakeholders in the corporate reporting ecosystem. We endeavor to have a portfolio that does not include clients that lack integrity, engage in illegal activities, disregard the authenticity of financial accounting and reporting, or are unwilling to establish and maintain sufficient internal controls and related processes."

Deloitte Bosnia and Herzegovina has detailed policies and procedures in place for the acceptance of prospective clients, the continuance of existing engagements and the assessment of engagement risk. These policies and procedures are designed with the objective that Deloitte Bosnia and Herzegovina will only accept or continue with 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 professional standards and laws and regulations, including those relating to ethics and independence and conflicts of interest assessments and considerations.
- Considers the client's management team to act with integrity and in alignment with our shared values.

Fewer, stronger member firms

Within the Deloitte member firm structure, Deloitte Bosnia and Herzegovina is part of the Deloitte Central Europe Holdings Limited member firm. As a locally registered and regulated audit firm in Bosnia and Herzegovina we have decision-making authority regarding regulatory matters and professional obligations and maintain ultimate responsibility for the execution of audit and assurance services in accordance with professional standards and local laws and regulations. Deloitte Bosnia and Herzegovina are responsible for maintaining and operating an effective system of quality management to support the performance of high-quality audit and assurance engagements. As a member of a combined firm within the Deloitte network, we work in close cooperation with the other geographies in Deloitte Central Europe Holdings Limited member firm and benefit from additional oversight of quality, risk management, and monitoring activities. This structure fosters shared investment in audit innovation and resources as well as the sharing of leading practices across geographies, contributing to our collective aspirations of continuous improvement in audit quality.

At Deloitte, meeting expectations is where our Audit & Assurance services begin.

Our people’s commitment to integrity, to serve the public interest, and to deliver high-quality assurance over the areas that matter most to our stakeholders is at the core of everything we do.

Our unwavering dedication to quality drives our sustained quality leadership position. We remain focused on excellence across people, process, and technology. Each of these core components helps us to deliver our vision for a better future, creating an impact that not only meets expectations but goes beyond them.

What does this look like? A constantly evolving audit and assurance practice, leveraging bright minds, effective processes, and world-class technologies from across our organization while drawing on our years of experience. We deliver high-quality services in an efficient and effective way that upholds integrity, builds confidence, and drives value by focusing on what really matters.

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

<p>The Deloitte Way: standardization of audit processes supported by our technology suite</p>	<p>Real-time audit quality monitoring</p>
<p>Enhanced talent model which includes learning, rewards and recognition, centers of excellence, and delivery centers</p>	<p>Agile deployment of technology solutions to respond to changing environments</p>

Delivering audit excellence through process, people, and technology transformation²

With The Deloitte Way, Deloitte is bringing standardization, consistency, and efficiency to drive

quality into the core of how our audits are executed: with automation that improves routine tasks and analytics that support audit execution—yielding a deeper and more insightful view into the available data. As a result, we are improving the quality of the audits we deliver while also creating a richer talent experience for our people and clients, providing a streamlined, digital audit experience, that provides greater transparency and insights.

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 we need to evolve our audits as the entities we audit innovate their businesses and processes. Leveraging evolving technology and data, a Deloitte audit delivers deeper insights to create more consistent and transparent audit and assurance for our stakeholders. Deloitte brings bright minds, effective processes, and world-class technologies from across the organization to deliver an impact beyond expectations.

Deloitte Bosnia and Herzegovina auditors are enhancing the way they work by making more use of data-driven analytics, as well as cognitive and cloud-based technologies. This is due, in part, to the increased automation and effectiveness these provide, but also the need for Deloitte Bosnia and Herzegovina to stay abreast 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’s holistic audit platforms, Deloitte Omnia and Deloitte Levvia, demonstrate our commitment to delivering digital, high-quality audits of all sizes and levels of complexity. Deloitte Omnia is our cloud-based, end-to-end audit delivery platform for larger and complex audits, while Deloitte Levvia delivers a streamlined, right-sized digital audit experience for low risk and less complex entities. Development, enhancement, and deployment of both platforms will continue over the next few years. Deloitte is also developing and implementing innovative data and analytics solutions, and our integrated suite of enabling innovation technologies which are all connected in the cloud.

² For more information about Deloitte audit innovation, please refer to Deloitte [Global Impact Report](#) and [Audit innovation](#) and [Audit & Assurance: the Deloitte way](#) pages on Deloitte.com.

Auditing in disruptive times

In the wake of tremendous global disruption marked by public health, political, and social uncertainties over the past few years, the profession, along with all corporate reporting ecosystem stakeholders, has been affected. Deloitte's response to the uncertainties and disruptions has included efforts to continue advancing the profession, while prioritizing the wellbeing of its people.

Particularly in the current environment, a sharpened awareness regarding the heightened risk of fraud, the presence of emerging or evolving risk factors, and the need for effective internal control environments remains critical. Although the existing accounting frameworks have provisions for uncertainties, financial statement users and regulators should continue to expect a higher degree of market and economic volatility in the near term.

Deloitte has consistently welcomed public statements and guidance issued by regulators that recognize uncertainties and emphasize the importance of high-quality, forward-looking corporate disclosures. Greater transparency benefits the public, just as raising awareness about these issues, especially when all corporate reporting ecosystem stakeholders participate. More clarity about the unique and complementary responsibilities of management, audit committees, entities, auditors, regulators, and other stakeholders enables the investing public to hold accountable these parties in a way that effectively serves the public interest.

The value of high-quality audit and assurance services is not diminished in the midst of global unrest. Rather, investors and other stakeholders continue to call for professional services based on independence and objectivity-based principles and practices to engender trust and inspire confidence in the capital markets—and Deloitte is committed to leading the way.

Deloitte Bosnia and Herzegovina's commitment to serving the public interest—especially as it relates to behaving according to the highest standards of ethics, integrity, independence, and transparency is steadfast. Deloitte is keenly aware of the gravity of responsibility that comes with meeting professional obligations and discharging its role as auditors within the corporate reporting ecosystem globally. The following principles remain at the forefront and are continuously reinforced with Audit & Assurance practitioners:

- Exercise professional skepticism and due professional care
- Critically evaluate the quality of audit evidence obtained and determine whether it is sufficient and appropriate to address relevant risks
- Make well-reasoned professional judgments supported by clear documentation
- Foster a culture of excellence and consultation
- Demonstrate commitment to integrity and ethical behavior, including compliance with regulatory and professional obligations
- Stay connected and support one another.

Multidisciplinary model (MDM)

Deloitte's robust multidisciplinary business model comprises audit and assurance, tax, consulting, and risk and financial advisory practices and is an important contributor to the organization's ability to deliver high-quality audit and assurance services. Specifically, the scope of corporate reporting has begun to expand and it is expected to transform drastically in the near future; Financial statements and corporate disclosures will continue to become more complex due to ESG considerations and other matters (cyber, AI, data privacy, etc.). In addition, as big data and other digital advances become routine, the demand for data analysts and IT specialists will grow accordingly.

The MDM remains foundational to Deloitte's cross-disciplinary services globally. Deloitte prides itself on having a deep bench of independent specialists who can be deployed around the world on engagements to provide subject matter expertise and new, insightful perspectives. Deloitte believes that the current MDM helps the organization deliver high-quality audits and assurance engagements in the public interest and reinforces the resilience of the audit and assurance practice. The strengths of the MDM include:

- The possibility to develop industry or thematic insights (e.g., climate, governance, corporate strategy, etc.) through multiple lenses, which enhances auditors' understanding of business risks relevant to conducting audits.
- The MDM enables access to functional specialists and industry experts who are independent, and who provide audit support helping to deliver high-quality audits. This will become more important as we move towards broader corporate reporting.
- The breadth of the MDM is attractive to candidates who may not want to limit their career options to providing audit and assurance services only.
- The scale of the MDM brings greater resilience to each Deloitte business line, including audit and assurance, allowing continued investment in technology, methodology, and process to support delivery of high-quality services.

Deloitte leadership recognizes that each Deloitte business line is important and critical to the organization's ability to deliver on its public interest responsibilities. Management's attention and investment allocation are not limited to the business lines with the highest growth rates.

Deloitte acknowledges the possibility and perception of conflicts of interest, and therefore has robust conflicts and independence policies and systems to help ensure that Deloitte's strategy is executed in alignment with regulatory and professional requirements. In some areas, Deloitte policies are more stringent than professional standards, laws, or regulations.

Environmental, social, and governance (ESG) reporting³

The foundations of business are changing rapidly—long-term resiliency and the ability to create enduring value is directly linked to alignment with the values and expectations of society. Market participants and other stakeholders are calling for greater insight into how organizations are building, protecting, and enhancing enterprise value over time, and are specifically demanding enhanced transparency around climate-related and broader ESG impacts and the dependencies of an entity's business model and strategy.

Specifically, Deloitte recognizes that climate change poses a risk to financial stability and impacts businesses in many sectors with increased disclosure and reporting expectations from various stakeholders.

Deloitte is taking strategic actions to educate our people on climate change and the potential impact on audited entities to support the execution of high-quality audits, thereby giving appropriate consideration to climate-related risks and opportunities. This includes the deployment of materials such as a climate learning curriculum, as well as a framework and related guidance to consider climate-related matters as part of the audit.

Broader corporate reporting

Traditional financial reporting is beginning to evolve into broader corporate reporting. To support this evolution, there are standard setting and rulemaking efforts regarding sustainability by the International Sustainability Standards Board (ISSB) and others around the world.

These standards emphasize the need for better connectivity between financial and non-financial reporting and will help users of corporate disclosures better understand and compare information about entities. Further, these standards will enable greater transparency, consistency, and comparability globally, as well as shift the requirements for climate-related reporting from being voluntary to mandatory.

To be effective, the standards need to be adopted globally in a consistent manner to deliver corporate reporting which is comparable, based on the global baseline, and supplemented by local considerations where warranted. These standards will also need to be brought into regulation around the world, together with associated enforcement, monitoring, governance and controls, assurance, and training. The developments in standard-setting and rulemaking are intended not only to create transparency and consistency in global baseline reporting, but also to make clear that information in financial reporting and information contained in sustainability reporting

together are essential inputs to inform a stakeholder's view of an entity's value.

Therefore, there is a growing demand for companies to integrate climate-related and other ESG considerations into internal control policies and procedures, enhancing the maturity of systems, processes, and governance over climate-related and other ESG information. As a result, those charged with governance (e.g., audit committees, boards) are increasingly incorporating ESG considerations in their oversight responsibilities of an organization's management, its reporting, and their data-collection processes and controls.

Deloitte understands that given the increased risks associated with climate change, it is important for climate-related factors to be properly incorporated into corporate reporting. Today some stakeholders' expectations may not be met by financial statements prepared in accordance with current accounting frameworks. As corporate reporting continues to evolve and stakeholders accommodate and adapt to market shifts and public sentiment, it is important to allow for appropriate due process in order to develop robust standards applied consistently across the globe and to drive reporting that is responsive to the growing asks of investors and other stakeholders.

Deloitte remains committed to engaging in meaningful and transparent conversations with investors, standard-setters, regulators, and other relevant stakeholders. We also look forward to supporting reduced standard and regulatory fragmentation and to greater market confidence as consistency in standards is realized globally.

³ For more information about Deloitte's alignment with ESG, please refer to Deloitte [Global Impact Report](#).

Assurance

With the increased focus and scrutiny of ESG reporting also comes the increased need for confidence over the quality of disclosures and increasing calls for assurance requirements. Individual jurisdictions, such as the European Union and the United States, are moving to introduce or strengthen regulation around sustainability reporting. Assurance requirements are increasingly becoming mandatory.

Providing assurance on ESG information should be expected to follow a professional framework including competence, independence, a system of quality management, and be subject to oversight and inspection as well as professional liability mechanisms to ensure that credible assurance is delivered to the market.

Below are specific actions that Deloitte is undertaking to support execution of high-quality assurance that appropriately address ESG voluntary reporting and regulatory requirements:

- Engaging in shaping the capital market infrastructure for sustainability reporting tied to enterprise value through collaboration on climate and ESG standard setting reporting, and assurance initiatives, such as the IFRS Foundation, the International Auditing and Assurance Standards Board, and the International Ethics Standards Board for Accountants.

- Actively participating in various global platforms such as the World Economic Forum and the 2022 UN Framework Convention on Climate Change (COP27).
- Deployment of enhanced guidance to deliver limited and reasonable ESG assurance through Deloitte's global sustainability assurance methodology. Building capacity through global and localized learning focused on ESG.
- Developing technology-enabled tools, including a tool to evaluate a company's sustainability disclosures against common ESG standards.

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

Deloitte's commitment

Further, to help the world achieve the goals of the Paris Agreement⁴, Deloitte has launched [WorldClimate](#), a strategy to drive responsible climate choices within the Deloitte network and beyond.



⁴ The [Paris Agreement](#) is a legally binding international treaty on climate change. It was adopted by 196 parties at the United Nations (UN) Climate Change Conference (COP21) in Paris, France, on 12 December 2015 and was entered into force on 4 November 2016. Per the UN, its overarching goal is to

hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

Professional development and performance management

Deloitte’s culture of excellence and the design of learning programs place people at the forefront⁵. Deloitte practitioners are technically proficient with high levels of ethics, integrity, professional skepticism, and objectivity, applying their judgment and experience with passion and commitment. We are continuously enhancing our skillsets, knowledge, and experience to go beyond the expected and deliver meaningful impact.

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

Deloitte practitioners bring diverse backgrounds, knowledge, and skills that enhance capabilities as an organization in delivering the highest quality audits. We support and empower our people to achieve their full potential by valuing and demonstrating diversity, equity, inclusion, and wellbeing. In addition, operational discipline, effective management of the business, and our singular approach to doing audits known as The Deloitte Way provide consistency to our audits.

Deloitte recognizes and rewards its Audit & Assurance practitioners and professionals and makes meaningful investments in their futures.



⁵ For more information about Deloitte’s commitment to its people, please refer to [Audit & Assurance People page](#) on Deloitte.com.

Learning and development initiatives

Deloitte’s transformed approach to audit delivery is changing the audit experience for practitioners. Audit teams are empowered by advanced tools and technologies and more extensive use of data and analytics within a guided workflow to execute the end-to-end audit. For Deloitte practitioners, this means focusing on how the engagement is planned, executed, and managed consistently across the globe using our innovative techniques and capabilities. It also offers opportunities to enhance their technical and professional skillsets and competencies. For example, the following skills remain as important as ever—enhanced data analytics, project management, critical thinking, communication, professional judgment, and the application of accounting and auditing principles to work more effectively and deliver high-quality engagements. 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, mandatory audit technical learning curriculum, tailored for learners by level, using a dynamic blend of live instructor-led, digital on-demand courses, and on-the-job activities.
- All client service practitioners are required to follow the firm’s learning requirements for their roles and complete sufficient continuing professional education (CPE) each year and over a cyclical three-year period to ensure both compliance with regulatory standards and Deloitte internal policies. This is achieved 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 specialization).
- All client service practitioners have clearly defined role expectations and Talent Standards which 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. In addition, our assurance learning offering is being expanded to respond to emerging business needs.

The objective of the Deloitte Bosnia and Herzegovina 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 Bosnia and Herzegovina provides formal continuing professional development programs in relevant subject areas consistent with the Deloitte Global Audit & Assurance Curriculum.

During the first years, most training is comprised of mandatory courses on technical topics including audit methodologies and processes but afterwards the optional part increases given that individual needs become more diverse. An individual learning program is required as from approximately four years’ experience.

Through an automated monitoring system it is possible to check the status of internal and external courses followed by an individual auditor. Continuing education is also a factor taken into account for the yearly evaluation of audit staff and the assessment of their growth potential.

All certified auditors in Deloitte Bosnia and Herzegovina continuously maintain and improve their qualifications through a combination of internal courses and training seminars organized by the Association of Accountants and Auditors of the Federation of Bosnia and Herzegovina.

Deloitte is ranked #1 on the list of the most desirable employer in Bosnia and Herzegovina in the sector accounting and audit. This is fifth consecutive year that Deloitte has been awarded for the title of the Most Desirable Employer in the mentioned sector. This award shows that society recognizes appreciation of our employees! The recognition is awarded by the company MojPosao.ba, and this year over 500 companies were nominated, where they were the best selected after over 230,000 votes.

Deloitte University

Deloitte actively cultivates the collective knowledge and skills of Deloitte people globally through continued investment in Deloitte Universities (DU). These are state-of-the-art learning and development centers focused on Deloitte culture and founded in the principles of connectedness and leadership in a highly inclusive learning environment⁶. Last year, in-person programming returned to Deloitte Universities, providing opportunities for our people to reconnect with each other after several years of remote learning.



Audit & Assurance Leadership appointments

Critical Audit & Assurance leadership roles are clearly defined. A role profile and key performance indicator framework provide a basis for consistent leadership appointments and evaluations across the Deloitte Audit & Assurance network and align member firm and Deloitte Global Audit & Assurance strategic objectives. Deloitte has introduced globally consistent standards for member firm Audit & Assurance leaders, including Audit & Assurance Business Leaders, Audit & Assurance Quality Leaders, and Audit & Assurance 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 helps ensure Deloitte is developing and appointing the appropriate individuals with the capabilities to achieve these consistent standards.

Remuneration

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

Deloitte Bosnia and Herzegovina'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 evidenced through positive practice review or external inspection results, expertise, integrity, professionalism, entrepreneurship, independence and compliance.

Attraction and retention

The current environment for talent is extremely competitive and attraction and retention of our people is a strategic priority for Deloitte. We acknowledge the challenges our people are facing and recognize our part to re-establish the connections that so many have missed during the COVID-19 pandemic. Deloitte is focused on transforming the Audit & Assurance talent experience, including reimagining the ways of working to improve retention and further advance the diversity, equity, and inclusion (DEI), and wellbeing of Deloitte people. We are looking at opportunities to collectively expand the talent experience. This focus on our people and retention of top talent enhances Deloitte's ability to deliver high-quality audits.

Deloitte continues to receive recognition and awards across the globe for its commitment to delivering an unrivalled talent experience for its people [Awards and recognition | Deloitte Global](#).

Social Impact

Making an Impact Every Day

We believe human connection can help create innovative solutions and lasting impact on pressing issues of our time. By harnessing the collective power of Deloitte's network of people, clients, nonprofits, and communities, we aim to achieve lasting social impact for the greater good.



⁶ For more information about Deloitte Universities, please refer to Deloitte [Global Impact Report](#).

Deloitte's priority focus on audit quality

Deloitte's commitment to audit quality is central to everything we do. We consistently deliver on this commitment by instilling a culture of quality and excellence across the network, establishing business and financial priorities, and developing effective processes, tools, and technologies applied in the execution of audits. Deloitte's brand is defined by the high-quality audits delivered and by the unwavering commitment to continuous improvement of our systems of quality management. 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 corporate reporting ecosystem.



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 and assurance engagements. Deloitte's focus on audit quality is evident through the direct involvement of leaders in initiatives emphasizing that quality is the highest priority for audit and assurance practitioners at all levels and consistent messaging that reinforces the importance placed on executing high-quality audit and assurance engagements. Deloitte's relentless pursuit of quality defines not just what we do, but who we are.

System of quality management (SQM)

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

Regulators and standard setters in Bosnia and Herzegovina and globally are also focused on driving further improvements in firms' system of quality management. In December 2020, the IAASB released its new, revised suite of quality management standards, including International Standard on Quality Management 1 (ISQM 1). Systems of quality management in compliance with ISQM 1 were required to be designed and implemented by the audit firms by 15 December 2022.

ISQM 1 introduced a risk-based approach to the SQM that require firms to respond to quality objectives and risks to our ability to execute high-quality audits in the following areas:

- The firm's risk assessment process;
- Governance and leadership;
- Relevant ethical requirements;
- Acceptance and continuance of client relationships and specific engagements;
- Engagement performance;
- Resources;
- Information and communication; and
- The monitoring and remediation process.

The effective implementation of ISQM 1 has been and remains a key element of Deloitte's audit quality strategy and Deloitte Bosnia and Herzegovina's key priority. Deloitte Bosnia and Herzegovina's ISQM 1 implementation activities were completed by 15 December 2022, building on the multi-year investments and commitment already delivered to go beyond the requirements of the existing professional standards.

As part of the implementation of ISQM 1, quality objectives, quality risks and responses were formalized and brought together in a globally consistent technology platform to facilitate the design and maintenance of the system, as well as the operation through tri-annual self-assessments by business process owners and reporting capabilities to support the required annual evaluation. As a result, Deloitte firms today operate a unique system of quality management that supports the consistent performance of quality audits in accordance with the objectives set out by the ISQM 1.

Deloitte Bosnia and Herzegovina continues to work with leaders across the firm, 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 management processes serves us well into the future as the environment within which we operate continues to evolve and become increasingly complex.

Consistent with Deloitte's culture of continuous improvement and innovation, Deloitte Bosnia and Herzegovina's ISQM 1 implementation efforts have provided us the opportunity to challenge ourselves—examining those areas where we can further enhance and transform our system of quality management. Audit quality is always front and center, and robust audit quality monitoring processes play an integral role in our ability to continually improve.

The first annual evaluation of the systems of quality management is required to be performed within one year following 15 December 2022. Deloitte Bosnia and Herzegovina performed its first evaluation of its SQM as of the end of May 2023.

Conclusion on the effectiveness of the system of quality management

Deloitte Bosnia and Herzegovina is responsible for designing, implementing, and operating a system of quality management (SQM) for audits or reviews of financial statements, or other assurance or related services engagements performed by the firm, that provides the firm with reasonable assurance that the objectives of the SQM are being achieved. The objectives are:

The firm and its personnel fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and

Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.

In accordance with the requirements of International Standard on Quality Management 1, Deloitte Bosnia and Herzegovina performed evaluation of its SQM as of the end of May 2023, taking into account the results of the evaluation performed at Deloitte CE level⁷ and concluded that the SQM provides the firm with reasonable assurance⁸ that the objectives of the SQM **are being achieved**.

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 serving the public interest, including creating a culture of quality where doing the right thing is of paramount importance. Deloitte consistently reinforces the important role of auditors as independent evaluators who must maintain a mindset of professional skepticism throughout the conduct of our work. This approach to the audit is reflected in Deloitte policies, methods, procedures, and learning, and is reinforced through quality management and accountability measures.

Audit approach

Deloitte’s approach to performing a high-quality audit involves the use of an audit methodology, common across the Deloitte network, supplemented by audit tools for use by our practitioners to plan, perform, supervise, review, document, conclude, and communicate the results of each audit. Deloitte’s audit approach is underpinned by professional standards, as well as requirements of applicable laws and regulations.

Deloitte’s 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. Our audit methodology is also dynamic—it evolves continuously to keep pace with the changing demands of investors, companies, and other

stakeholders. It recognizes 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.

Resources to support Deloitte practitioners in the execution of high-quality audits

The resources applied by Deloitte practitioners 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 practitioners in the Deloitte Global Technical Library, an extensive online library, and in our audit execution platforms (EMS, Deloitte Omnia, and Deloitte Levvia). Deloitte regularly issues accounting and auditing guidance to our practitioners and communicates developments that should be factored into audit risk assessments and responses in order to maintain and drive quality audit execution.

Consultation

Quality and risk management considerations are integral to Deloitte’s audit business and to the performance of audit engagements. That is why Deloitte views consultation as an essential, collaborative process—one that involves robust challenge and helps determine the most appropriate answers to complex questions. Deloitte has identified circumstances where consultation outside of the engagement team is required in order to demonstrate an appropriate level of professional judgment and the exercise of professional skepticism. Deloitte consultation policies require that conclusions are documented, understood, and implemented. Foundational to the effectiveness of the consultation process is Deloitte’s investment in consultation resources who have the appropriate skills and expertise. In addition to formal consultations, whenever engagement partners and teams need additional information or perspectives, they are encouraged to seek assistance from the Deloitte quality and risk management teams, or others in the organization with specialized knowledge.

⁷ In order to achieve the ISQM 1 quality objectives and based on the performed risk assessment the firm has designed and implemented set of SQM-related responses, which capture Deloitte’s global, regional (Deloitte CE) and local (geo-specific) policies, guidance, and procedures, to address the identified quality risks and statements, and, when necessary, also other requirements within the standard in uniform and structured way (“SQM responses”). The firm has also implemented all relevant network requirements and assigned responsibilities within the

SQM to multiple levels of leadership, including regional (Deloitte CE) and local (geo-specific), that reflects the organizational structure of the firm and utilizes so the available network services.

⁸ Reasonable assurance is obtained when the system of quality management reduces to an acceptably low level the risk that the objectives of the SQM are not achieved. Reasonable assurance is not an absolute level of assurance, because there are inherent limitations of a system of quality management.



External and internal audit quality monitoring

Monitoring of audit quality

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 objective of monitoring and remediation processes are to provide relevant, reliable, and timely information about the design, implementation, and operation of the system of quality management to leadership in order to enable appropriate and timely actions to be taken to respond to identified deficiencies. This includes the identification of deficiencies and good practices in the system of quality management and the assessment of the effectiveness of remedial actions in driving improvements in audit quality.

System of quality management (SQM) monitoring

SQM monitoring is an integral part of Deloitte Bosnia and Herzegovina's monitoring activities and considers relevant requirements in ISQM 1, as well as evaluating the design, implementation and operating effectiveness of responses that address the quality risks that have been identified for the firm.

Audit Quality Indicators (AQIs) are used in conjunction with other metrics to further assist Deloitte Bosnia and Herzegovina in developing and monitoring audit quality action plans and reporting on the progress in its audit quality journey.

Monitoring of in-process engagements

Continuous audit quality monitoring by Deloitte Bosnia and Herzegovina involves the proactive identification of audit issues on in-process engagements in order to drive timely solutions and real time corrective actions. This is achieved through the following suite of activities:

- Deployment and monitoring of a series of core diagnostics, enabling engagement partners and teams, as well as Deloitte Bosnia and Herzegovina audit

quality leader(s) to continuously monitor audit quality and take immediate action.

- A program of subject matter specific “health checks” to assist Deloitte Bosnia and Herzegovina audit quality leader(s) in assessing progress and identifying potential issues on in-process engagements.
- Results of monitoring of in-process engagements 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.

Inspections of completed engagements

Key components of inspections of completed engagements include:

- Risk-based engagement selection and consideration of all major industries served by Deloitte Bosnia and Herzegovina.
- Mandatory moderation panel to drive consistency in findings and engagement ratings.
- Network monitoring with external partners and deputies, independent of Deloitte Bosnia and Herzegovina, who drive consistency by providing input and sharing best practices for monitoring programs.
- Identifying appropriate resources (from within Deloitte Bosnia and Herzegovina as well as from other Deloitte geographies) with the right experience and industry knowledge, including establishing central review teams.



External inspections

In addition to Deloitte Bosnia and Herzegovina's own monitoring of audit quality, we are subject to external monitoring by the Ministry of Finance of the Federation of Bosnia and Herzegovina and Ministry of finance of Republika Srpska.

Deloitte Bosnia and Herzegovina has not yet been subject to external inspections by the Ministry of Finance of the Federation of Bosnia and Herzegovina and/or by the Ministry of finance. In Republika Srpska, Ministry of finance of Republika Srpska made last inspection in 2020. with no findings.



Root cause analysis and remediation

Continuous improvement is essential to Deloitte's culture of quality and excellence. Understanding why engagement level findings and SQM deficiencies occur is critical to being able to design effective remedial actions. When engagement level findings or SQM deficiencies are identified, whether through internal or external monitoring activities, actions are taken to identify gaps and develop appropriate remediation activities. Remediation is imperative to drive continuous improvement in audit quality and avoid future similar findings. An audit quality plan is prepared by Deloitte Bosna and Herzegovina and provides for effective implementation and monitoring of key audit quality priorities.

Independence, ethics, and additional disclosures

Deloitte Bosnia and Herzegovina Independence



Sets **independence policies and procedural expectations** based upon the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and, where applicable, the independence standards of the US Securities and Exchange Commission and the Public Company Accounting Oversight Board.



Supports ongoing SQM monitoring activities and gives insights into areas of focus. On a three-year cycle, performs **network monitoring activities** through its monitoring program, providing recommendations and observations for consideration as part of firms' Monitoring & Remediation activities. In-depth follow-up reviews are conducted as needed.



Provides firms with **technical independence expertise**, as required, which also informs potential enhancements to policies, procedural expectations, tools, and practice support activities.



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



Promotes **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 Bosnia and Herzegovina Independence

Deloitte Bosnia and Herzegovina has quality responses that address quality objectives and quality risks as they relate to the relevant ethical requirements for independence. These responses include policies and procedures that are based on expectations set out in Deloitte Independence policies, and which are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte policies. Deloitte Bosnia and Herzegovina leadership reinforces the importance of compliance with independence and related quality management standards, thereby setting the appropriate tone at the top and instilling its importance into the professional values and culture of Deloitte Bosnia and Herzegovina. Strategies and procedures to communicate the importance of independence to partners, other practitioners, and support staff have been adopted,

emphasizing each individual's responsibility to understand and meet the independence requirements. The Director of Independence is responsible for overseeing independence matters within Deloitte Bosnia and Herzegovina, including the design, implementation, operation, monitoring, and maintenance of the system of quality management related to independence.

As part of the firm’s system of quality management, Deloitte Bosnia and Herzegovina has:

- Implemented responses to address quality objectives and quality risks it has identified for its key independence areas;
- Performed appropriate monitoring activities over its key independence areas; and
- Has appropriate independence governance in place.

The firm’s key independence areas include:

- Client, engagement, and business relationships, including use of the independence business process tools, the Deloitte Entity Search and Compliance (DESC) system, and the Service Request Monitoring (SRM) application
- Firm and personal financial relationships, including the use of the Global Independence Monitoring System (GIMS)
- Employment and other relationships
- Independence confirmations
- Independence consultations
- Independence-related policies, communications, and learning
- Breaches of independence requirements
- Disciplinary measures for failures to adhere to applicable independence requirements

An internal review of compliance with policies and procedures in the key independence areas during the year, and a report was issued on 18 December 2023.



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 and enter into business relationships with clients



GIMS

Global Independence Monitoring System

Application that contains financial relationship data with relevant independence compliance indicators

Long association requirements of audit partners and practitioners

Deloitte Bosnia and Herzegovina maintains policies and procedures requiring rotation of key audit partners and staff. These differ for a public interest entity as defined in Law on Accounting and Auditing in the Federation of Bosnia and Herzegovina and the Law on Accounting and Auditing in Republika Srpska (the "PIE") or entities defined as a public interest entity by Deloitte Bosnia and Herzegovina ("other PIE"). The rotation rules are as follows:

- PIE entities in FBiH: Deloitte Bosnia and Herzegovina audits PIE entities in FBiH for a maximum of seven consecutive years, with additional three years provided that the responsible individual is rotated as a key audit partner. They shall not participate again in the statutory audit of the audited PIE entity before four years have elapsed following cessation of such service.
- Non-PIE entities in FBiH: Deloitte Bosnia and Herzegovina audits non-PIE entities in FBiH for a maximum of seven consecutive years, with additional three years provided that the responsible individual is rotated as a key audit partner. They shall not participate again in the statutory audit of the audited PIE entity before one year has elapsed following cessation of such service.
- PIE and non-PIE entities in RS: Deloitte Bosnia and Herzegovina audits both PIE and non-PIE entities in RS for a maximum of seven consecutive years, with additional three years provided that the responsible individual is rotated as a key audit partner. They shall not participate again in the statutory audit of the audited PIE entity before two years have elapsed following cessation of such service.
- In case of other PIE, individuals responsible for carrying out a statutory audit should not serve other PIE for more than seven consecutive years in the position of a key audit partner. They shall not participate again in the statutory audit of the audited other PIE entity before two years have elapsed following cessation of such service.

During the cooling-off period of four or two years, the key audit partner should not participate in the audit of the audited entity, perform the engagement quality control review, consult with the engagement team or the audited entity regarding technical or industry-specific issues, transactions or events or otherwise directly influence the outcome of the statutory audit.

While it is the primary responsibility of the individuals serving as key audit partners to ensure they comply with the rotation requirements, Deloitte Bosnia and Herzegovina implemented a monitoring process that includes among other analysis of client portfolios and individuals assigned in various roles to statutory audits and considering appropriate competence, capability,

workload and availability of statutory auditors so as to enable these individuals to adequately discharge their responsibilities as key audit partners.

Ethics

All Deloitte people are expected to act with integrity in accordance with high ethical standards as described in the [Deloitte Central Europe Code of Conduct](#) ("Code of Conduct"). The Code of Conduct defines the commitments that all Deloitte people make regarding ethical standards, as well as explaining each individual's responsibilities to their clients, colleagues, and society.

In addition to the Code of Conduct, other foundational elements of Deloitte's ethics program include 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 people through an annual ethics survey.

Ethics at Deloitte Bosnia and Herzegovina is led by the Ethics Officer who is an experienced partner with direct access to the member firm's CEO and governing body monitoring risk and reinforcing compliance with the Code of Conduct.

Deloitte Bosnia and Herzegovina maintains policies and procedures that are designed to provide reasonable assurance that its people comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by Deloitte Bosnia and Herzegovina are in accordance with national professional requirements. Deloitte Bosnia and Herzegovina also complies with Deloitte 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 national professional requirements are more restrictive than the Deloitte policies and procedures, Deloitte Bosnia and Herzegovina follows the applicable national requirements.

Deloitte Bosnia and Herzegovina reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes, and measurement systems for all people. Learning includes targeted content for onboarding, manager and senior manager promotion, partner admission, independent contractors, and refresher programs every two years. Recent training topics have included a focus on the importance of owning up to one's mistakes, navigating personal relationships in the workplace, and demonstrating respect, integrity and professionalism on social media, and courses have included a confirmation that professionals are aware that answers should not be shared with others and doing so would constitute a violation of the Code of Conduct. In addition, Deloitte Bosnia and Herzegovina conducts ethics reviews for senior leaders and requires all partners, other practitioners, 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 Ethics

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

The Code of Conduct outlines Deloitte's ethical commitments as a network and expectations, giving a strong, principled foundation. The foundations of the network's ethics program is comprised of the following elements:



Appendices

Appendix A | Financial information

Disclosure in accordance with Article 82.1 (i) of Law on Accounting and Auditing in the Federation of Bosnia and Herzegovina (Official Gazette of FBiH, no. 15/21) and with 45.2 (9) of the Law on Accounting and Auditing of Republika Srpska (Official Gazette of RS, no. 94/15 and 78/20).

The breakdown of the Federation of Bosnia and Herzegovina's 2023 turnover:

Turnover	BAM
Audit services	2,080,040
Non-audit services	7,656,646
Other revenue	54,565
Total	9,791,250

The breakdown of the Republika Srpska's 2023 turnover:

Turnover	BAM
Audit services	240,027
Non-audit services	1,047,433
Other revenue	45,964
Total	1,333,424

Appendix B | Public interest entities

Disclosure in accordance with Article 82, paragraph 1, item f) of the Law on Accounting and Auditing in the Federation of Bosnia and Herzegovina (Official Gazette of FBiH, no. 15/21)

Public interest entities audited for statutory purposes by Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo in the financial year 2023:

Name	FYE
Bosna Re d.d. Sarajevo	31.12.2022.
Bosna Bank International d.d.	31.12.2022
Croatia remont d.d., Čapljina	31.12.2022
Croatia osiguranje d.d., Mostar	31.12.2022
MKF MI-BOSPO Tuzla	31.12.2022
MKF Mikra	31.12.2022
MKF Partner	31.12.2022
NLB d.d. Sarajevo	31.12.2022
Petrolinvest d.d.	31.12.2022
Pobjeda - Rudet d.d. Goražde	31.12.2022
Raiffeisen bank d.d. Sarajevo	31.12.2022
Raiffeisen Leasing	31.12.2022
Triglav Osiguranje d.d. Sarajevo	31.12.2022
Ziraat Bank BH d.d. Sarajevo	31.12.2022
KLAS d.d. Sarajevo	31.12.2022
MLIN I PEKARA d.o.o. Ljubače - Tuzla	31.12.2022
Solana d.d. Tuzla	31.12.2022
SPRIND d.d. Rajlovac-Sarajevo	31.12.2022
Svjetlostkomerc d.d.	31.12.2022
Vemal Tešanj d.d.	31.12.2022
Vispak prehrambena industrija Viso	31.12.2022
ZIM d.d. Zenica	31.12.2022
OIF Eurobond	31.12.2022.

Name	FYE
OIF Raiffeisen Balance	31.12.2022.
OIF Raiffeisen Cash	31.12.2022.
Raiffeisen Invest d.d. DUF	31.12.2022.

Disclosure in accordance with Article 45, paragraph 2, item 6 of the Law on Accounting and Auditing of Republika Srpska (Official Gazette of RS, no. 94/15 and 78/20)

Public interest entities audited for statutory purposes by "Deloitte" Društvo sa ograničenom odgovornošću za reviziju, računovodstvo i finansijski konsalting d.o.o. Sarajevo – Podružnica Banja Luka in the financial year 2023:

Name	FYE
Raiffeisen capital a.d	31.12.2022.
Triglav osiguranje a.d. Banja Luka	31.12.2022

Appendix C | Statements

According to legal requirements in Bosnia and Herzegovina, Management of Deloitte Bosnia and Herzegovina declares, under full moral, material and criminal responsibility, the following:

1. Deloitte Bosnia and Herzegovina's internal control system was effective in 2023.
2. Our independence procedures were conducted successfully, and the internal control of independence compliance within our company was conducted during 2023.
3. Our licensed auditors have complied with the continuing education obligations required by local regulations.

Sarajevo 30 April 2024

The image shows a handwritten signature in blue ink on the left and a circular blue stamp on the right. The stamp contains the Deloitte logo and text in Bosnian, including 'Deloitte', 'POSREDOVANJE U PROMETU NEKRETNIM PRAVNIM PREDMETIMA I UPOSREDOVANJE U PROMETU NEKRETNIM PRAVNIM PREDMETIMA', and 'POSREDOVANJE U PROMETU NEKRETNIM PRAVNIM PREDMETIMA I UPOSREDOVANJE U PROMETU NEKRETNIM PRAVNIM PREDMETIMA'.

Sabina Softić, Director



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