

Section 172(1) Statement

This statement describes how the members of the Board fulfil their obligations under section 172 of the Companies Act 2006.

Section 172 requires that a director of a company act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the following factors:

- a) the likely consequences of any decision in the long term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly between members of the company.

In discharging their duty under section 172, the Directors have regard to the factors set out above, as well as to other factors which they consider relevant to the decision being made. The Directors acknowledge that stakeholders may have differing views about various decisions taken by the Board, and therefore engage with stakeholders on these matters as discussed in the *Stakeholders* section below.

Principal Activity and Key Decisions of the Company

The principal activity of the Company is to provide services to the members of Deloitte Asia Pacific Limited ('DAPL'). The Company does not conduct business other than the provision, directly or indirectly, of internal services and support to the members of DAPL. The Company is not engaged in providing services to clients.

As a captive services provider to the members, Board decisions relate predominantly to the services that it provides and to internal governance matters. Decisions made by the Board during this fiscal year include:

- approval of the Company's annual budget for services;
- approval of member voting entitlements; and
- appointment of Directors and officers or authorised signatories.

These decisions made by the Board are appropriately informed by consideration of the section 172 factors through the mechanisms described below.

Considering the long-term consequences of decision-making

In setting strategy, and considering risk issues, the Board's decision-making is focused on, among other things, ensuring that the Company's service delivery to the members is sustainable in the long term. The Company provides services for the benefit of the members without the purpose of making a profit, which allows the Board to focus on decision-making for the longer term.

The desirability of the Company maintaining a reputation for high standards of business conduct

The Board believes that it is essential for the Company to conduct business with a high level of integrity, quality and professionalism and takes all decisions with the aim of maintaining a reputation for high standards of business conduct and advancing the good reputation of Deloitte.

Stakeholders

This section describes the importance of the Company's key stakeholders and some of the engagement activity that takes place with them.

Stakeholder Group	Why is this stakeholder critical to the Company's business?	What engagement activity takes place with this stakeholder?
Members of DAPL	The Company's principal activity is to provide services to the members and the members are therefore the Company's customers. Understanding the needs of the Company's customers in a dynamic and changing marketplace helps it to provide more relevant and effective services.	Engagement with the members primarily occurs through representation on the Board of Directors and through interaction with representatives of the members, who participate in the annual meeting of members. In addition, there is a socialisation process that occurs for items prior to Board review, and often includes direct input from the members, which is communicated to the Board.
Professionals	The Company's professionals are key to its success. They are responsible for performing and managing the services that it provides to the Company's members.	We offer a range of communications and development opportunities for our professionals which are designed to encourage maximum engagement. Examples include regular town halls featuring senior leaders; newsletters, impact reporting, engagement surveys; and learning sessions with subject matter experts (internal and external). We have a strong focus on inclusion, flexibility and wellbeing. Where the Board of Directors is not directly involved in these activities, mechanisms are in place to feedback relevant insights to inform Board decision-making.
Suppliers	The services the Company provides to its members depend on goods and services provided to it both by its members and from external vendors.	<p>A majority (approximately 85%) of the Company's expenses comprise of professional time and associated costs provided to the Company by its members. Members are represented on the Board of Directors both as members and as suppliers. Consequently, engagement with this class of stakeholders is intrinsic to Board decision making.</p> <p>The Company engages with other vendors to understand their business requirements and points of view as part of the supplier selection process. There are mechanisms in place to feedback relevant insights to inform Board decision-making.</p>
Communities	The Company is committed to addressing some of society's most pressing challenges with the belief that business is at its best when it helps to build a better society. By supporting local communities, the Company is able to bring this belief to life.	<p>Through our <i>WorldImpact</i> programme, the Company's professionals are engaged in a range of societal and charitable activities that seek to enhance the communities in which we live and work. This ranges from pro bono work through <i>WorldClass</i>, and our practice of <i>Impact Every Day</i> through the work we do with clients to help solve complex systemic issues.</p> <p><i>WorldClass</i> is Deloitte's global ambition to empower 100 million people by 2030 through education, skill building, and access to opportunity, to volunteering on climate action.</p>

Environment

The Board believes businesses have a critical responsibility to help address the sustainability of our planet. Environmental sustainability is important to the Company and is a component in the Board's decision-making process.

The Group continues to invest in its internal climate and sustainability programme, *WorldClimate* where the Group have committed to reduce our GHG emissions. Deloitte's near-term (2030) greenhouse gas ("GHG") reduction goals have been validated by the Science Based Targets initiative ("SBTi") as 1.5°C-aligned, science-based targets. Deloitte has also committed to set long-term emissions reduction targets using the SBTi's Net Zero Standard. Our near-term goals are to:

- Reduce absolute Scope 1 and 2 GHG emissions 70% by 2030 from a 2019 base year.
- Reduce Scope 3 GHG emissions from business travel 50% per FTE by 2030 from a 2019 base year.
- Engage with our major suppliers with the goal of having 67% (by emissions) set science-based targets.

The Board is committed to a long-term sustainability journey in which the Company addresses the environmental impact of its own operations and across its value chain.

The need to act fairly as between members

The Company's purpose is to provide services to the members on fair and similar terms. Addressing the interests of the members and acting fairly as between them is critical to the Company's success.

The Board is diverse and composed in a way so as to provide for representation of the differing viewpoints that its members may have. Each of the Company's Directors, other than the CEO, is a representative of a member, appointed by that member to enable them to bring their unique views to the boardroom for inclusion and discussion. However, each Director acts in the way he or she considers, acting in good faith, is most likely to promote the success of the Company for the benefit of its members as a whole.

Through this governance mechanism, all Directors remain mindful of the need to act fairly as between all the members.

Approved by the board on 18 December 2023 and signed on its behalf by:



Dennis Chi In Chow
Director