

Deloitte.



Audit Transparency Report

30 September 2024

**MAKING AN
IMPACT THAT
MATTERS**
since 1845

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Preface

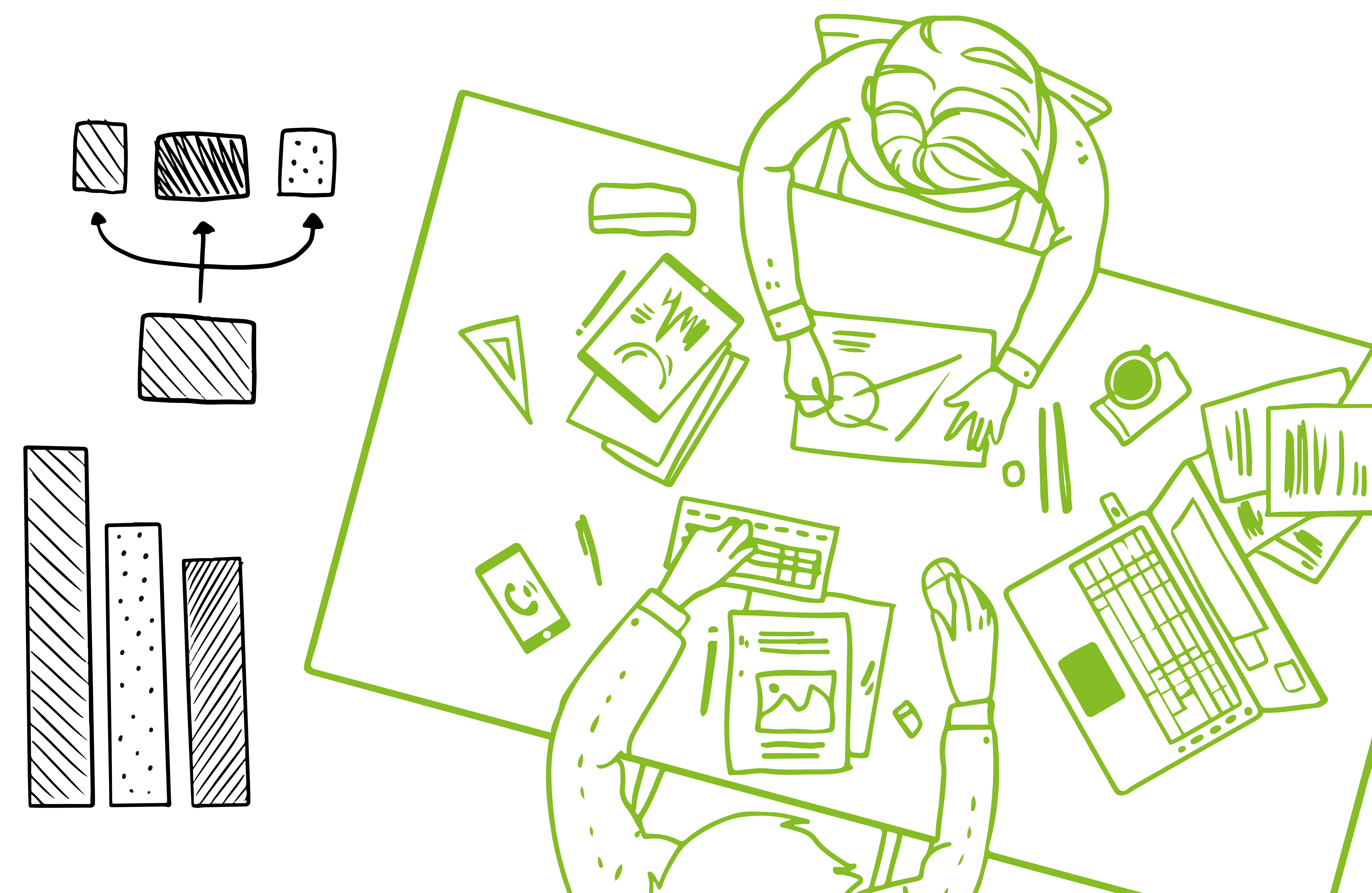
This report sets out the practices and processes that are employed by Deloitte & Touche LLP (Kenya) for the period 1 June 2023 to 31 May 2024.

This report has been prepared in accordance with the requirements of the European Union's Regulation 537/2014 on specific requirements regarding statutory audit of public interest entities.

Throughout this report:

- The Deloitte Pan African Trust is referred to as “Deloitte Africa”.
- Deloitte & Touche LLP (Kenya) is referred to as “Deloitte Kenya” or “the firm”.

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 5 or visit: [About the network \(deloitte.com\)](https://www.deloitte.com/about-the-network).



Deloitte Kenya leadership message

We are pleased to share the seventh edition of Deloitte Kenya's Audit Transparency Report for the year ended 31 May 2024.

Quality remains our top priority as a leadership team and serves as the foundation of our audit and assurance business, defining our brand as we strive to set the standard of excellence for our profession. Our focus on professional excellence and continuous improvement allows us to fulfil the critical role we play in strengthening the capital markets. At the core of all we do is objectivity, professional judgement, and scepticism, which is in line with professional standards and our commitment to ethical behaviour.

Our people remain our greatest asset within the context of a rapidly changing risk landscape, and we continue to invest in developing appropriate skills and building required capabilities to deliver effective services. We are committed to transforming our talent model through an unrivalled talent experience that is professionally and socially rewarding, focused on building a skills-based organisation with career development opportunities and pathways to learn, grow, and develop. We also continue to incorporate specialists and expertise from various service lines within the firm to ensure that we bring the best people and high-quality organisations that we serve – a multidisciplinary model (MDM).

We believe that transparency remains a vital element in building trust. By improving clarity and

transparency of reporting and raising our own standards, we continue to elevate the trust and public expectations placed in us – expectations we continuously strive to exceed. This is critical as transparency reporting anchors our shared purpose of protecting the public interest and building confidence in the market. As a firm, we embrace this as an enabler of effective communication to our stakeholders and being held accountable regarding the expectations of the business environment and the capital markets.

This edition of the transparency report will provide insight on:

- Our continued commitment to quality and how we ensure quality of work.
- How we address key issues of trust, transparency, ethics, and integrity.
- How we support our professionals in their career journey as they uphold professional standards.

We welcome this opportunity to provide this information about our business and our commitment to the public interest to our clients, stakeholders, and our people. We continue to remain socially accountable, driven by our vision of Purpose Beyond Profit and endeavour to continue to harness the full breadth and power of our experience, knowledge, and skills in the delivery of our audits in Kenya and globally.



Anne Muraya
Chief Executive Officer
Deloitte East Africa

Deloitte network

Deloitte network

Deloitte Kenya: legal structure and ownership

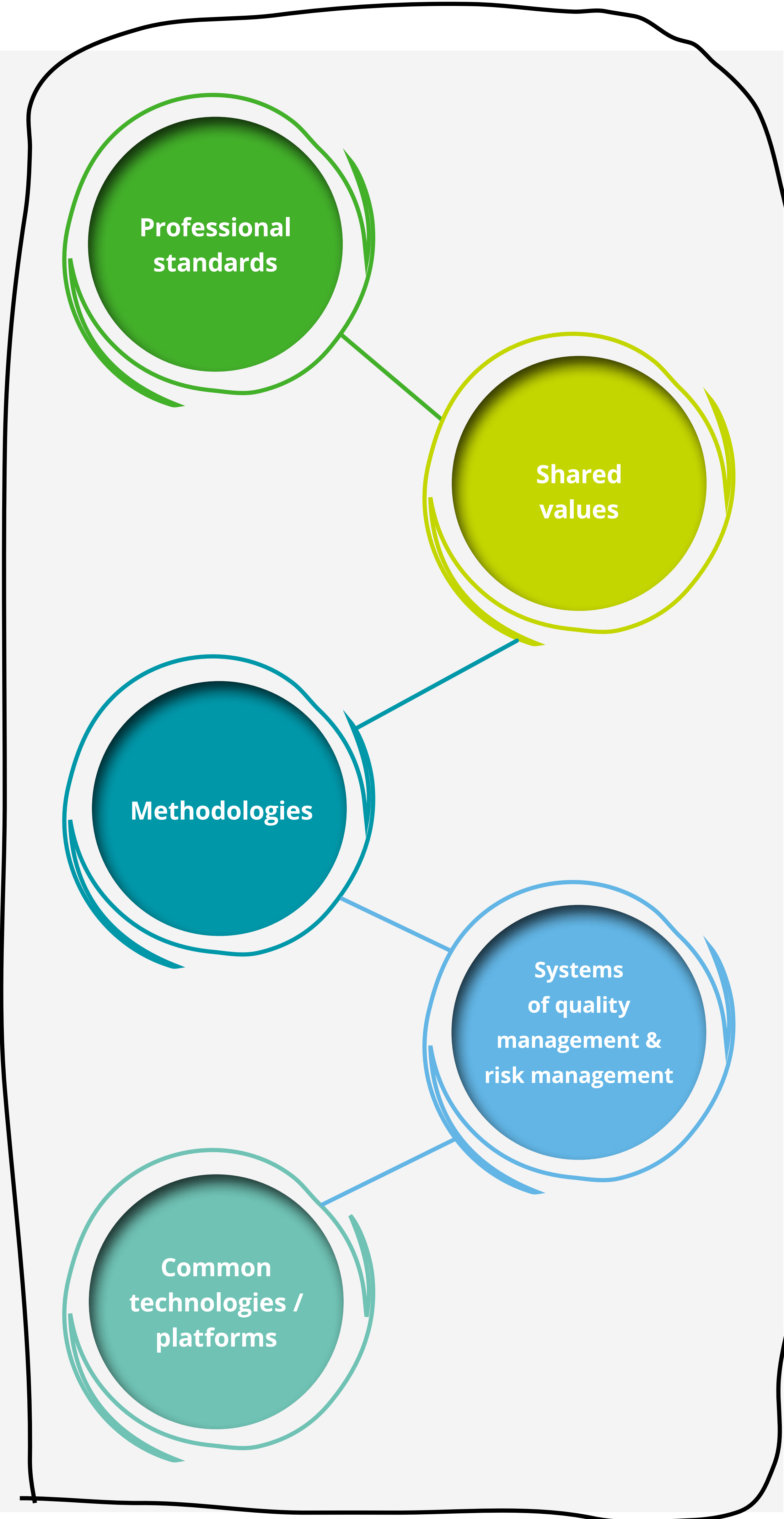
Deloitte Kenya is connected to the Deloitte network through the Deloitte Pan Africa Trust, a member firm of Deloitte Touche Tohmatsu Limited (DTTL). Deloitte Africa comprises of the countries: Botswana, Ethiopia, Ghana, Kenya, Malawi, Namibia, Nigeria, South Africa, Tanzania, Uganda, Zimbabwe, and Zambia, and territorial rights over Burundi, Eswatini, Lesotho, and Rwanda. During the financial year ended 31 May 2024, Deloitte Africa re-entered the Ethiopian market and initiated a change in the Zimbabwean practice that is expected to conclude by 2025.

The current partners in Deloitte Zimbabwe will take over the Zimbabwe country practice and will exit Deloitte Africa and the Deloitte network. Deloitte Kenya is authorised to serve as an auditor for clients in Kenya and is regulated by the Institute of Certified Public Accountants of Kenya (ICPAK). The firm practices as a limited liability partnership established in accordance with Kenyan law, with registration number PF/0004. The firm’s head office is located at Deloitte Place, Waiyaki Way, Muthangari, Nairobi, Kenya.

Network description

The Deloitte network

The Deloitte network (also known as the Deloitte organisation) is DTTL, a globally connected network of DTTL 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 private company limited by guarantee incorporated in England and Wales. DTTL serves a coordinating role for its member firms and their respective related entities and establishes 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 services to clients and does not direct, manage, or control any member firm or any of their respective related entities.

“Deloitte” is the brand under which approximately 460,000 dedicated professionals and practitioners in independent member firms (or their respective related entities) throughout the world collaborate to provide audit and assurance, consulting, financial advisory, risk advisory, tax, and related services to select clients. These member firms are members of DTTL. DTTL, these member firms, and each of their respective related entities form the Deloitte organisation. 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 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 audit and assurance clients under the rules and regulations applicable to audit firms. DTTL, and each DTTL member firm and each of its related entities, are legally separate and independent, cannot obligate or bind any other, and are liable only for their own acts and omissions, and not those of any other. The Deloitte organisation is a global network of independent firms and not a partnership or a single firm. DTTL does not provide services to clients.

Deloitte Kenya: governance – leadership in action

Deloitte Kenya and other practicing firms within Deloitte Africa are governed by the Deloitte Africa Board, which is constituted in terms of the Africa Participation Agreement. The Board comprises independent Non-executive Directors, Ex-officio Directors, and a cross-representation of partners of the firm. The Board provides oversight on key matters including governance, strategy, alignment to the Global firm, transformation, risk management, and regulatory matters.

Article 13 of Reg. 537/2014 requires: EU transparency reporting requirement: description of the legal structure and ownership of the audit firm.

Deloitte Africa Board

The following are the members of the Deloitte Africa Board who were elected by the partners and directors:



Ruwayda Redfearn
CEO Ex-officio



Graeme Berry
Chief Operating Officer



Delia Ndlovu
Chair



Alex Gwala
Southern Africa



Penny Binnie
Southern Africa



Wesley Govender
Southern Africa



Oduware Uwadiae
West Africa



Saleem Cassim
Southern Africa



Carike Nel
Southern Africa



Alice Tembo
Southern Africa



Doreen Mbogho
East Africa



Fatima Abba
Southern Africa



Eshak Harunani
East Africa



Yemi Saka
West Africa



Diamini Zama
Specialist Member



Ory Okolloh
Independent Non-Executive



Nikiwe Bikitsha
Independent Non-Executive



Ron Sonenthal
International Observer

* Deloitte Africa Board as at 31 May 2024

Deloitte Africa Executive



Ruwayda Redfearn
Chief Executive



Graeme Berry
Chief Operating Officer



Joe Eshun
Managing Director
Businesses



Lungile Mahluza
Chief People Officer



Navin Sing
Chief Risk Officer



Ashleigh Theophanides
Chief Sustainability Officer



Nina le Riche
Chief Growth Officer



Eric Tshabalala
Africa Audit & Assurance
Managing Partner



Arun Babu
Africa Consulting
Managing Director



Temitope Odukoya
Africa Financial Advisory
Managing Partner



Gregory Rammego
Africa Risk Advisory
Managing Director



Itireleng Kubeka
Africa Tax & Legal
Managing Director



Fatai Folarin
West Africa
Managing Partner



Anne Muraya
East Africa
Managing Partner



Deloitte Kenya: governance – leadership in action (continued)

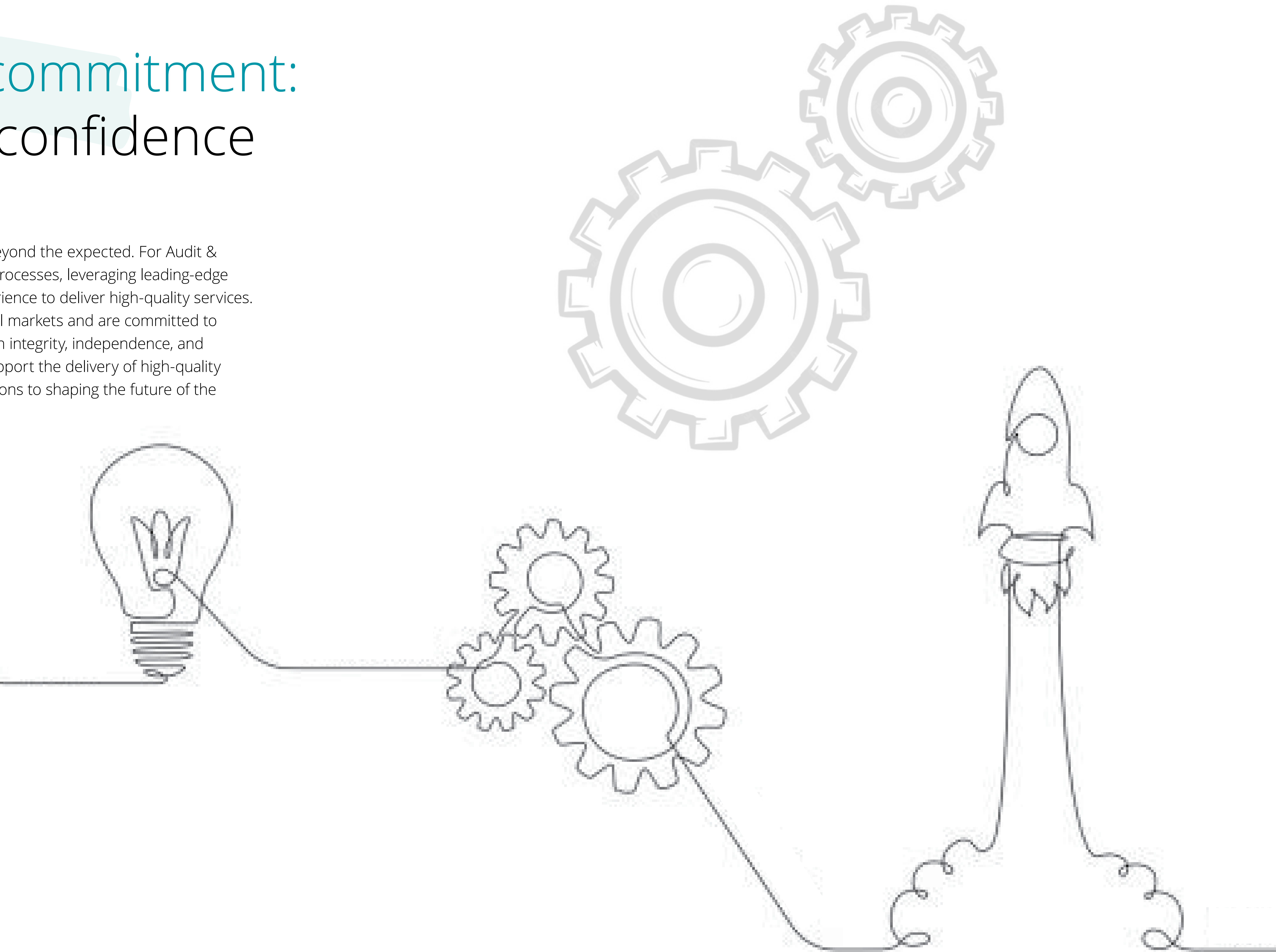
Freda Muchena-Mitambo, Audit & Assurance Business Leader, is appointed by the Deloitte Kenya CEO. Freda and senior management develop and implement the strategy for the Audit & Assurance practice, including related policies and procedures. In all their activities, Deloitte Kenya senior leaders are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements. Deloitte Kenya’s strategy is developed in alignment with the overall strategic direction established for the Deloitte network.

Deloitte Kenya Audit & Assurance leaders participate in Deloitte network groups that set and monitor quality standards, and from which several quality and risk initiatives emanate.

* Deloitte Africa Board as at 31 May 2024

Our purpose and commitment: instilling trust and confidence

At Deloitte Kenya, 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 audit and assurance engagements and making leading contributions to shaping the future of the profession.





Deloitte Audit & Assurance

Our commitment to serving the public interest

Deloitte Audit & Assurance:

Our commitment to serving the public interest

A focus on quality

Deloitte's commitment to 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 and assurance 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 aims to go beyond the expected to set the standard of excellence for the profession. In keeping with that objective, our commitment to quality is unequivocal.

Deloitte Global leadership

The Deloitte Global Audit & Assurance Executive, which includes the Audit & Assurance Business Leaders from the larger member firms is led by Jean-Marc Mickeler, the Deloitte Global Audit & Assurance Business Leader. His responsibilities include working with the member firms to define and drive the global Audit & Assurance strategy, with a particular focus on:

- Driving key audit and assurance initiatives across the Deloitte network to accomplish quality outcomes.
- Leading transformational initiatives to innovate the way our audit and assurance engagements are executed to meet the evolving needs of our stakeholders.

The company we keep

As part of Deloitte's Audit & Assurance commitment to supporting the capital markets, we are focused on engaging with entities where it serves the public interest and where we have the capabilities to perform quality work objectively 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 global shared values that guide our behaviour to lead the way, serve with integrity, take care of each other, foster inclusion, and collaborate for measurable impact. Our audit and assurance portfolio risk appetite statement serves as the foundation for the company we 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 global 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 recognise 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, recognises emerging issues and societal responsibilities, and is committed to providing transparency to stakeholders in the corporate reporting ecosystem. We endeavour 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 Kenya 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 Kenya 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, laws, and regulations, including those relating to ethics, 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

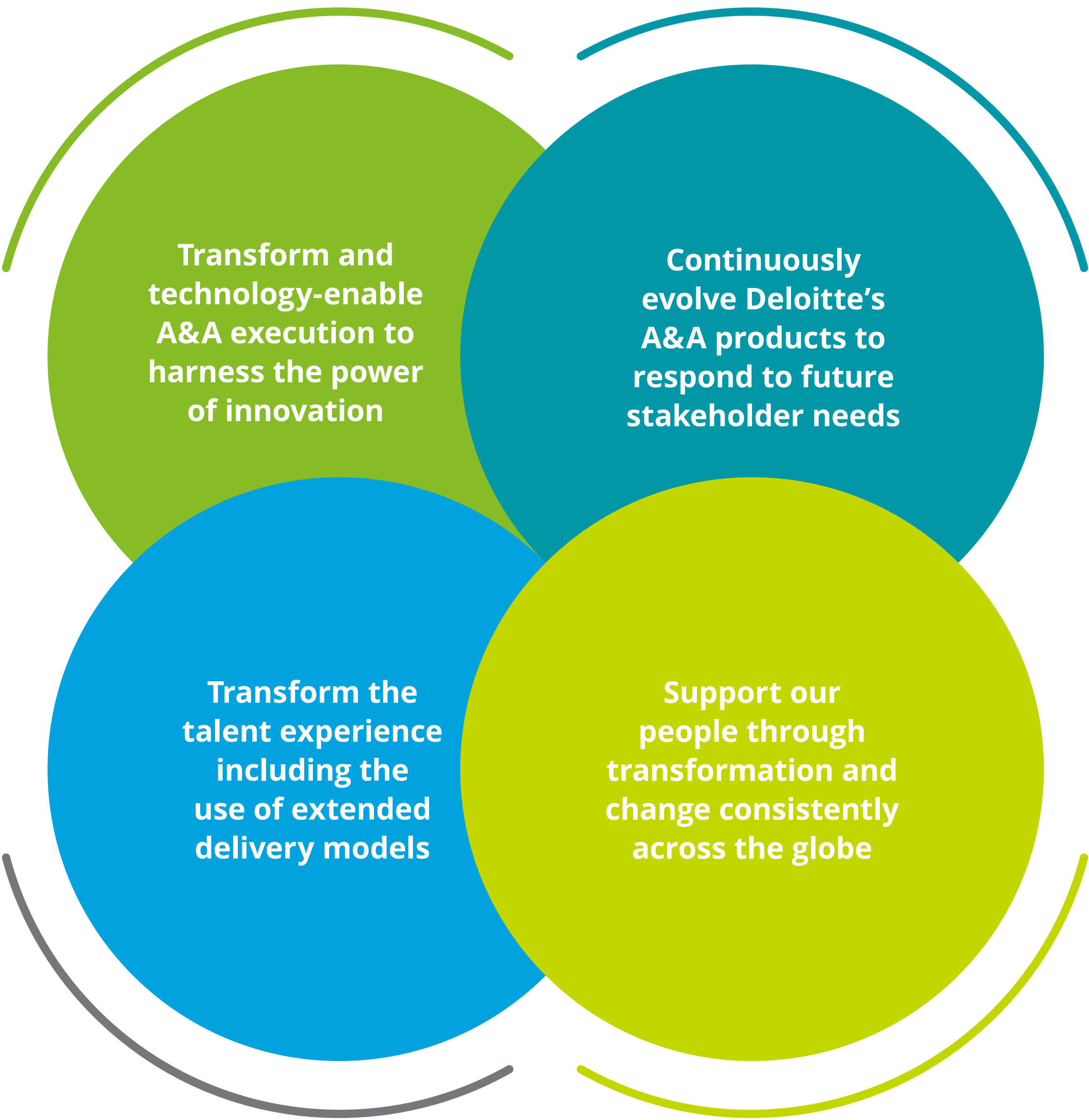
Within the Deloitte member firm structure, Deloitte Kenya is part of the Deloitte Africa member firm. As a locally registered and regulated audit firm in Kenya, we have decision-making authority regarding regulatory matters and professional obligations and maintain ultimate responsibility for the execution of audit and assurance services in accordance with professional standards, local laws, and regulations. Deloitte Kenya is 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 the Deloitte Africa member firm and benefit from additional oversight of quality, risk management, and monitoring activities. This structure fosters shared investment in innovation and resources as well as the sharing of leading practices across geographies, driving standardisation, and consistency across the audit and assurance business and contributing to our collective aspirations of continuous improvement in quality.

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 goes beyond expectations.

What does this look like? A constantly evolving audit and assurance practice, leveraging bright minds, effective processes, and world-class technologies from across our global organisation 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.

The Audit & Assurance transformation and change strategy is focused on the following outcomes:



Delivering excellence through process, people, and technology transformation³

With The Deloitte Way, Deloitte is bringing standardisation, consistency, and efficiency to drive quality into the core of how our engagements 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 services we deliver while also creating a richer talent experience for our people and clients.

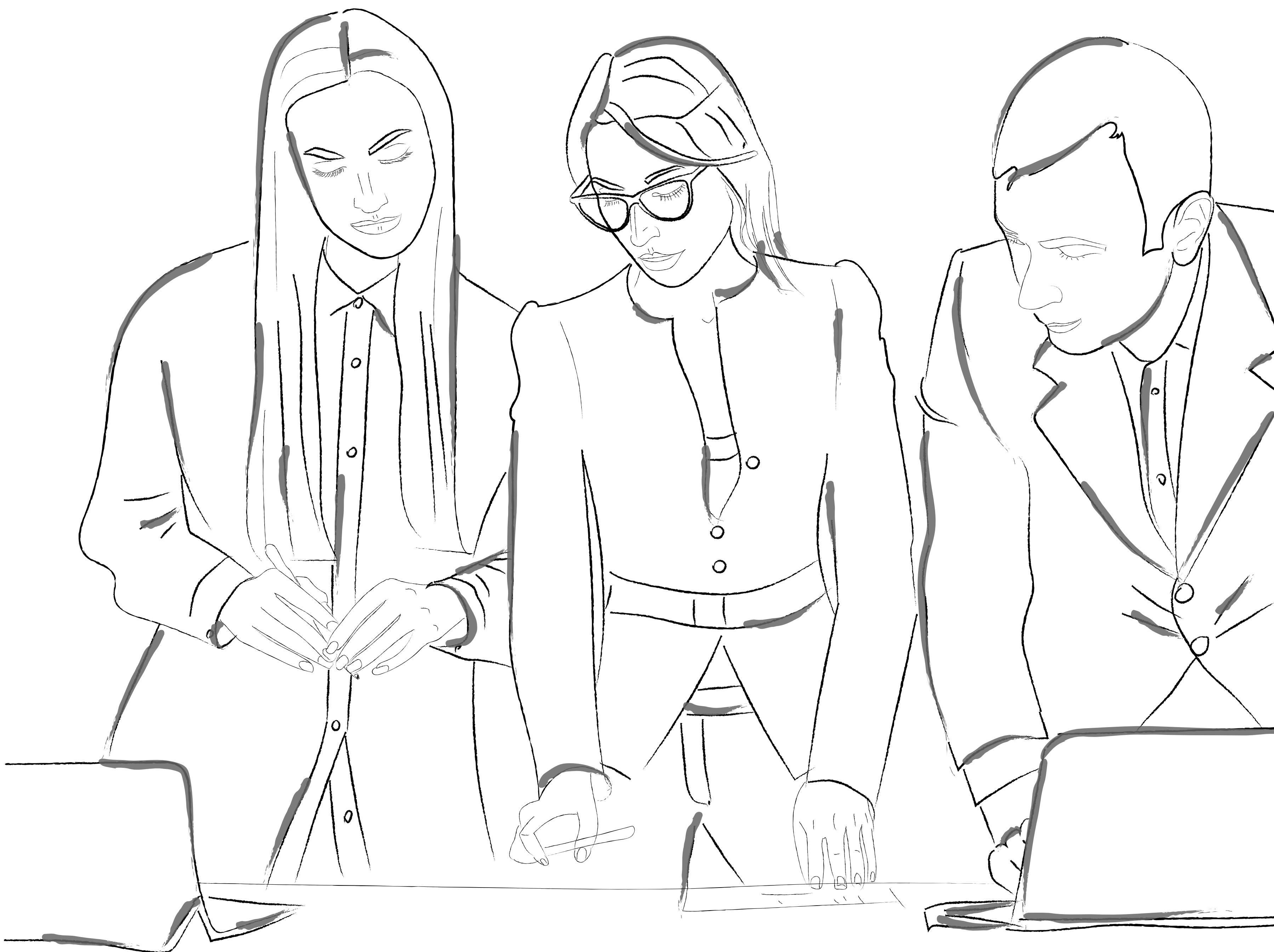
Innovation and technology enablement are an expectation in today’s fast-changing world, and this expectation holds true for the profession as well. Today’s complex business environment requires that the audit and assurance we deliver is dynamic, multidimensional, and insightful. There is a demand for real-time, relevant information, and we are evolving our audit and assurance services as Deloitte clients innovate their businesses and processes. Leveraging evolving technology and data, Deloitte delivers deeper insights to create more consistent and transparent audit and assurance for our stakeholders.

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 global audit platforms, Deloitte Omnia, and Deloitte Levvia, demonstrate our commitment to delivering digital, high-quality engagements of all sizes and levels of complexity. Deloitte Omnia is our cloud-based, end-to-end delivery platform for large and complex engagements, while Deloitte Levvia delivers a streamlined, right-sized digital experience for low risk, less complex entities. Ongoing enhancement and global deployment of both platforms are well underway and will continue as we embed further innovation for a differentiated client and auditor experience.

Deloitte A&A’s GenAI strategy

Deloitte A&A is continuing to invest in artificial intelligence innovation, and we have already made significant progress on transforming the delivery of our work with our innovative technologies, Deloitte Omnia, and Deloitte Levvia. We are focused on ethical and responsible use of GenAI for both clients and our people:

- Within the entities we audit, we are evaluating the impact of AI implementation on financial reporting and other disclosures, as well as the entity’s assessment and response to AI-related risks (including related internal controls). Companies have already begun adopting and incorporating AI into their business processes, and we will be ready to consider any relevant implications to the financial reporting processes.
- We are assessing how we can use Gen AI in our audits and remain focused on harnessing the power of cognitive technologies within our Deloitte Levvia platform. We have solutions in use today already using AI. Going forward, we believe Gen AI will further support our auditors in delivering high quality audits including supporting further risk-sensing, identification of potential issues, and automation of certain processes. Professional scepticism and the skill set that we rely on as auditors today will however continue to be critical to responsible use and evaluation of AI, specifically Gen AI.
- Finally, we are investing heavily in learning and development for Deloitte A&A practitioners and professionals, training them on the impact of Gen AI, its risks, limitations, and expectations about how to use Gen AI effectively on their engagements.



³For 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](#)

Sustainability reporting⁴

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 organisations are building, protecting, and enhancing enterprise value over time, and are specifically demanding enhanced transparency around climate-related and broader environmental, social, and governance (ESG) impacts and the dependencies of an entity’s business model and strategy.

Specifically, Deloitte recognises 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’s audit approach is designed to promote consistent and appropriate consideration of climate related risks and opportunities that enable a deeper understanding of potential impacts of climate change on the financial statements to enable evaluation and well documented conclusions. We continue to emphasise this with our people through learnings, guidance, and other resources.

The evolution from traditional financial reporting to broader corporate reporting is happening at pace, with significant standard-setting activity driving companies to ready themselves for new or enhanced disclosure requirements. The IFRS Sustainability Disclosure Standards published by the International Sustainability Standards Board (ISSB) create a global baseline for sustainability reporting. These standards, IFRS S1 and IFRS S2, emphasise the need for better sustainability-related financial disclosures and will help users of corporate reporting better understand and compare information about entities. Other jurisdictions have passed their own corporate reporting requirements, notably the EU’s Corporate Sustainability Reporting Directive (CSRD), which mandates reporting in accordance with European Sustainability Reporting Standards (ESRS) and has significant extraterritorial reach, and the US SEC’s climate disclosure rule, which requires registrants to disclose climate related risks.

Kenya announced its intent to adopt the standards and are working towards developing an implementation roadmap that guides jurisdiction adoption. Beyond IFRS S1 and S2 adoption, Kenya’s commitment to aligning corporate reporting, particularly in the areas of sustainability and climate-related disclosures, is evidenced by the following:

- In November 2021, the Nairobi Securities Exchange (“NSE”) developed and issued the **Environmental, Social and Governance (ESG) Disclosures Guidance Manual** that aims at improving and standardising ESG information reported by listed entities in Kenya. Companies are encouraged to report publicly on their ESG performance annually; and

- In October 2021, the Central Bank of Kenya (“CBK”) developed a **Guidance in Climate Related Risk Management** for the banking sector. The aim of the Guidance is to sensitize the banking sector on mitigation of climate-related risks and harnessing of opportunities.
- The Code of Corporate Governance Practices for Issuers of Securities, 2015 establishes a minimum set of standards for publicly listed companies. The Code obliges boards of directors to implement formal strategies that are aimed at promoting sustainability.

Deloitte is a strong advocate for enhanced sustainability reporting and recognises the important role we play in raising awareness of these new requirements through active stakeholder engagement.

Corporate reporting standards and regulatory requirements are intended to drive better connectivity between financial and non-financial reporting and to help users of corporate disclosures better understand and compare information about entities. To be effective, these standards need to enable corporate reporting that is comparable, based on a global baseline, and supplemented by local considerations where warranted.

Given the comprehensive nature of certain sustainability reporting requirements and the pace at which it has been developed, further guidance and interpretation is needed in the marketplace to support both preparers and users of the information. As these standards are brought into regulation around the world, so too are the associated enforcement, monitoring, governance and controls, assurance, and training mechanisms. It is critical that the entire sustainability reporting ecosystem—including standard-setters, policy makers, and regulators—work together to limit fragmentation in support of consistent, comparable disclosures.

The developments in standard-setting and rulemaking 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. 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 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 continue to support reduced standard and regulatory fragmentation and look forward to greater market confidence as consistency in standards is realised globally.

Assurance

With the heightened focus and scrutiny of ESG reporting also comes the need for confidence over the quality of disclosures in the form of independent assurance. Assurance over sustainability reporting is increasingly becoming mandatory, as demonstrated by the corporate reporting regulations passed in the European Union that require limited assurance with an expectation to move to reasonable assurance in future years.

The growing demand for sustainability assurance highlights the importance of professional standards that enable consistent, high-quality execution globally. Deloitte is supportive of the IAASB’s work to develop a global sustainability assurance standard, ISSA 5000, i.e., as a global baseline for sustainability assurance. Widespread adoption of ISSA 5000 is critical to avoid the undue complexity and cost associated with fragmented assurance standards.

Deloitte is well positioned to deliver high quality assurance on ESG information. As auditors, we uphold the core tenants of integrity, credibility, and objectivity and abide by professional requirements regarding competence, independence, and systems of quality management. Our audit work and related systems are 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 addresses both voluntary ESG reporting and mandatory reporting requirements:

- Developing and enhancing guidance for performing ESG assurance through Deloitte’s global sustainability assurance methodology, which includes supplemental guidance for specific sustainability reporting standards and frameworks.
- Building capacity through global and localised learning focused on ESG.

⁴For more information about Deloitte’s alignment with sustainability reporting, please refer to Deloitte [Global Impact Report](#).

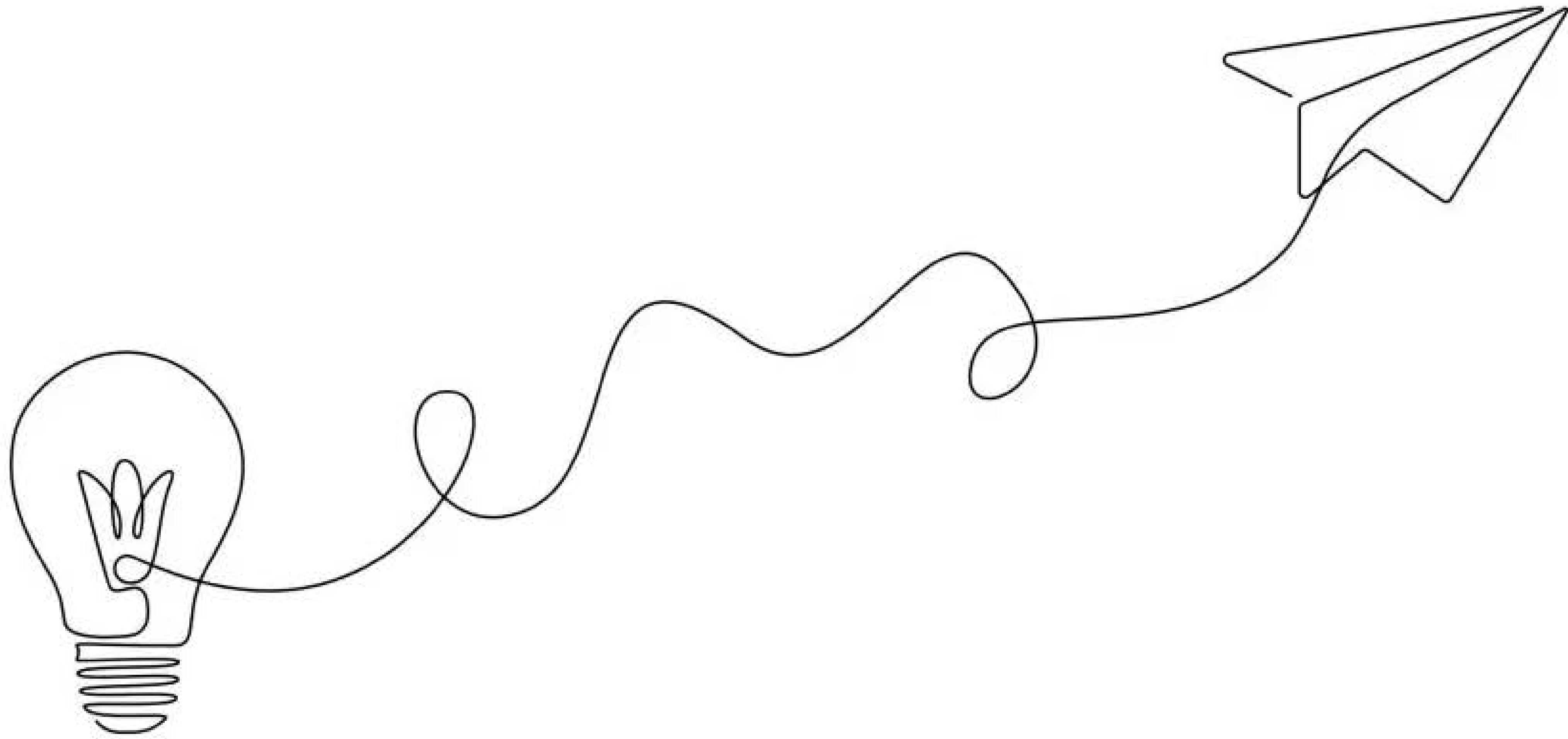
- Developing and starting to deploy technology-enabled solutions, such as a tool to evaluate a company’s sustainability disclosures against common ESG standards.
- Engaging in shaping the capital market infrastructure for sustainability reporting tied to enterprise value through collaboration on climate and ESG standard setting reporting, and assurance initiatives, such as the IFRS Foundation, the International Auditing and Assurance Standards Board (IAASB), and the International Ethics Standards Board for Accountants (IESBA).
- Actively participating in various global platforms such as the World Economic Forum and the 2023 UN Climate Change Conference (COP28).

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 Agreement⁵, Deloitte is committed to [WorldClimate](#), a strategy to drive responsible climate choices within the Deloitte network and beyond.

Refer to the upcoming issuance of the 2024 Deloitte Global Impact Report for the complete report on this important initiative.



⁵The [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.

Multidisciplinary model (MDM)

Deloitte’s MDM brings the breadth and depth of services across Deloitte’s businesses, connecting many different disciplines to provide expertise and broad perspective. The MDM is a core strength of Deloitte and will remain the foundation of our strategy. Our current strategy and business model have a positive impact on quality.

Specifically, the scope of corporate reporting is expanding and transforming considerably every day with the emerging voluntary and mandatory disclosure requirements around ESG, cyber, AI, data privacy, and more. Deloitte prides itself on having a deep bench of independent specialists who can be deployed around the world on audit and assurance engagements to provide subject matter expertise and new, insightful perspectives.

Other 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 audit and assurance services.
- The breadth of the MDM creates richer career paths and mobility for our people making the business attractive to candidates who may not want to limit their career options to providing audit and assurance services only.
- The global 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, cross-border services.

Deloitte leadership recognises 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.

While we are always evaluating ways to improve Deloitte’s ability to deliver on our public interest mandate, we remain confident that Deloitte’s MDM and our shared purpose and values make us well-positioned to navigate future challenges while continuing to lead with quality.

We recently embarked on a thoughtful process to modernise and simplify Deloitte’s storefront and go-to market strategy. Regarding Audit & Assurance, we are confident this modernised storefront will further enhance the quality of the engagements we deliver, align core skillsets and capabilities, and provide vibrant career paths for our people.

Shaping the future of the profession

The provision of relevant and reliable financial and, increasingly, non-financial information is critical to both the capital markets and broader society. Policy makers, regulators, investors, company directors, audit committees, and auditors all have an important role so that users of corporate information have a clear and robust picture of uncertainties and risks in a company's business model to help support their informed decision-making.

Uncertainty and complexity are set to remain a central theme over the coming years, driven by heightened global challenges and the rapid advancement of technology.

In today's 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 high degree of market and economic volatility in the near term.

Deloitte has consistently welcomed public statements and guidance issued by regulators that recognise uncertainties and emphasise 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 Kenya'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:

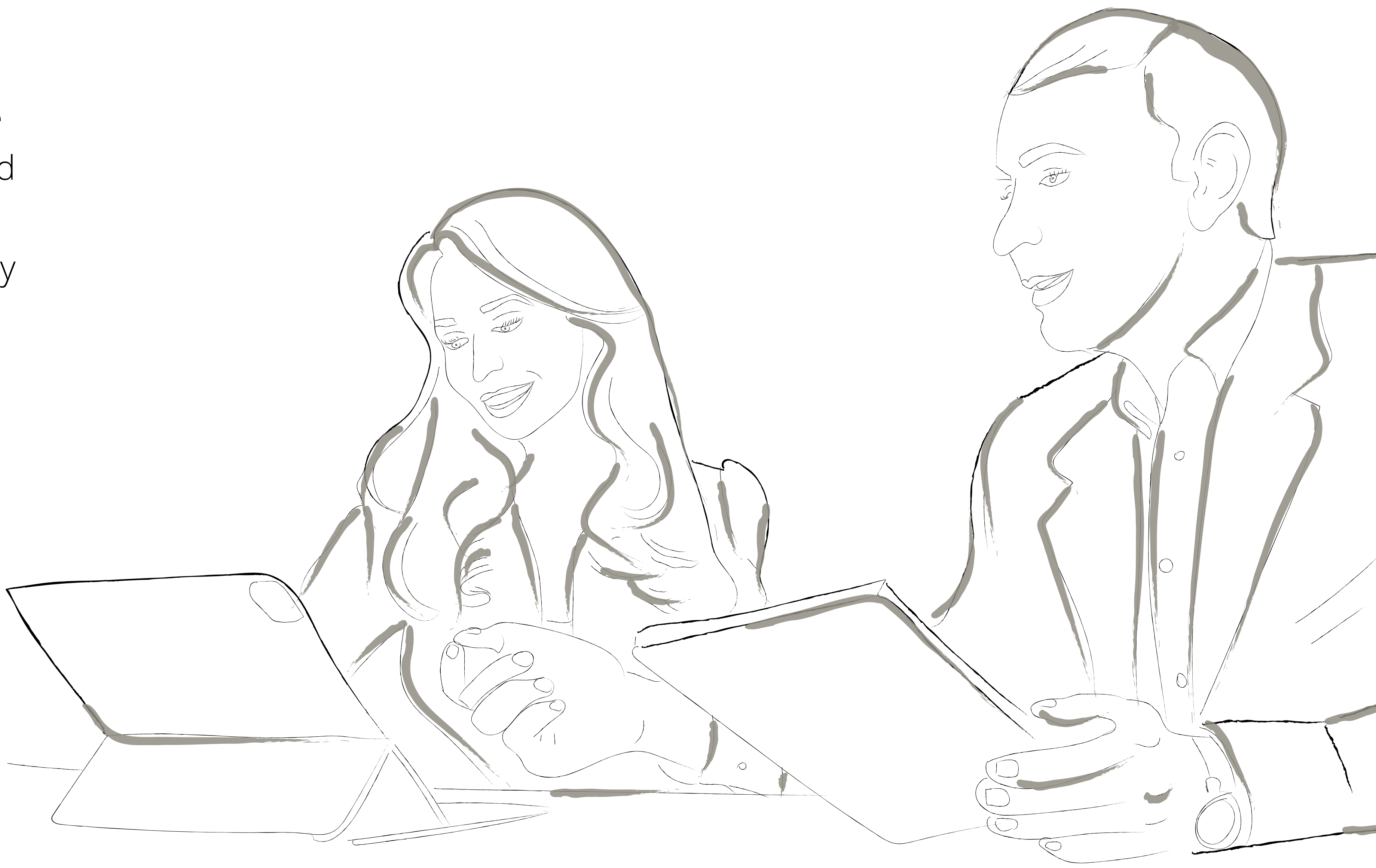
- Exercise professional scepticism and due professional care.
- Critically evaluate the quality of audit evidence obtained and determine whether it is sufficient and appropriate to address relevant risks.
- Make well-reasoned professional judgments supported by clear documentation.
- Foster a culture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

Deloitte is committed to establishing a meaningful vision for the future of the profession which addresses the shifting needs of society.

We are continually innovating to improve our effectiveness through technology, data, and ways of working. In parallel, the role of audit and assurance in the

corporate reporting ecosystem, its responsibility to act in the public interest, and its evolving contribution to societal value remains at the forefront of our work in this area. Through proactive engagement with a range of stakeholders, we seek to understand today's rapidly developing issues faced by society (e.g., ESG, cyber, AI, data privacy, etc.) and the role that audit and assurance can play in responding and driving change for the better.

We strive to engage with these parties, both formally and informally, to share, offer, and debate ideas that foster our collective ambition to ensure the ongoing and growing relevance of audit and assurance to the capital markets.



Professional development and performance management

Deloitte's culture of excellence and the design of learning programmes place people at the forefront. Deloitte practitioners are technically proficient with high levels of ethics, integrity, professional scepticism, 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 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 organisation in delivering the highest quality. We support and empower our people to achieve their full potential by valuing and demonstrating diversity, equity, inclusion, and wellbeing.

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

Learning and development initiatives

Deloitte's transformed approach to delivery is changing the experience for practitioners. 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 curriculum to build the refreshed skillsets and proficiency required by level:

- At the core, Deloitte has a single, global 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 development (CPD) each year on an outcomes basis to ensure compliance with regulatory requirements. The mandatory learning curriculum is delivered to practitioners as follows:

- In person learning. These courses are developed globally and supplemented with local content based on the current needs of the practice.
- E-learning curriculum. This is global content on new emerging issues, as well as reinforcement of current principles.
- Audit Quality Webcasts which are attended by all partners and senior practitioners across the member firm. These webcasts allow for topical information and learning to be shared on a frequent and timeous basis, including common practice review and external review findings, and new and emerging issues.
- Consequence management is enforced when learning is not completed timeously.
- The firm has also established specific learning opportunities for specialists working on audit engagements to support their knowledge and understanding of the audit process. All specialists are required to complete these courses before working on an audit engagement.

Talent development

All client service practitioners have clearly defined role expectations and global 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 engagements to support their knowledge and understanding. In addition, our assurance learning offering is being expanded to respond to emerging business needs.

The objective of the Deloitte Kenya professional development programme is to help partners and practitioners maintain and enhance their professional competence and ensure consistency of execution. To supplement on-the-job development, Deloitte Kenya provides formal continuing professional development programmes in relevant subject areas consistent with the Deloitte Global Audit & Assurance Curriculum.

In addition, several professional development courses are available to all practitioners that are designed to develop key professional skills such as difficult conversations, negotiation, “art of empathy” and how to be a good coach.

In addition, each practitioner that is registered with the Institute of Certified Public Accountants of Kenya (ICPAK) is required to complete at least 120 CPD hours every three years to remain in good standing.

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.

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

Remuneration

Execution of high-quality is expected from all practitioners and is embedded across the Deloitte network. This is recognised through reward and recognition programme and is built into performance standards at every level, against which practitioners’ overall evaluations are measured.

In accordance with global policies, Deloitte Kenya’s partners are evaluated on an annual basis, and depending on the outcome of the evaluation, the remuneration of partners may increase or decrease. The evaluation includes consideration of quality; based on regulatory and internal quality review outcomes; independence; and compliance with all relevant regulatory- and internal policy requirements.

Attraction and retention

The current environment for talent is extremely competitive and attraction and retention of our people is a strategic priority for Deloitte. 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.

Deloitte Kenya facilitates mobility opportunities (both remote and in-person) for purposes of talent exposure and development.

We continuously look at enriching talent experience through cross functional work opportunities, rewarding high performance and implementation of mentorship programmes.

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](#).



Deloitte's priority focus on quality



“We recognise the critical role we play in serving the public interest by strengthening trust and transparency in the capital markets. We are proud of our culture, underpinned by our commitment to integrity and ethical behaviour, and continue to prioritise audit quality and making an impact that matters to our people, our clients and our stakeholders in all the markets we serve.”

Fatima Abba, Africa Audit & Assurance Quality & Risk Leader

Deloitte's commitment to quality is central to everything we do. We consistently deliver on this commitment by instilling a culture of quality, integrity, and excellence across the network, establishing business and financial priorities, and developing effective processes, tools, and technologies applied in the execution of engagements. Deloitte's brand is defined by the high-quality audit and assurance services delivered and by the unwavering commitment to continuous improvement of our systems of quality management. Keeping 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, integrity, and excellence begins with a strong tone from the top—from senior leadership through to the leaders in all our offices and audit and assurance engagements. This commitment is demonstrated through the direct involvement of leaders in initiatives emphasising that quality and professional behavior is the highest priority for audit and assurance practitioners at all levels and consistent messaging that reinforces the importance placed on executing high-quality engagements. Deloitte sets high ethical standards for the conduct of all its professionals and embeds integrity expectations into the Deloitte Global Principles of Business Conduct.

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 SQM is crucial for the consistent performance of high-quality 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 Kenya and globally are also focused on the effectiveness and continued improvements in firms' SQMs. The firm complies with ISQM 1 which requires annual evaluation of the SQM.

ISQM 1 introduces 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.
- The monitoring and remediation process.

The effective implementation of ISQM 1 has been and remains a key element of Deloitte's global audit and assurance quality strategy.

As part of the implementation of ISQM 1, quality objectives, quality risks and responses were formalised 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.

The firm 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 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, the firm's efforts relating to ISQM 1 and our SQM provide us the opportunity to continually challenge ourselves—examining those areas where we can further enhance and transform our SQM. Quality is always front and centre, and robust quality monitoring processes play an integral role in our ability to continually improve.

ISQM 1 requires an annual evaluation of the SQM. The firm performed its annual evaluation of its SQM as of 31 May 2024.

Conclusion on the effectiveness of the SQM

The firm is responsible for designing, implementing, and operating a 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 fulfil 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.

The firm conducted its evaluation in accordance with the ISQM 1.

The firm concluded that the SQM provides the firm with reasonable assurance that objectives of the SQM are being achieved as of 31 May 2024.

Reasonable assurance is obtained when the SQM 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.

Independence, objectivity, and professional scepticism

The execution of high-quality audit and assurance engagements requires independence, objectivity, and professional scepticism. 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 scepticism throughout the conduct of our work. This approach is reflected in Deloitte policies, methods, procedures, and learning, and is reinforced through quality management and accountability measures.

Audit & Assurance approach

Deloitte’s approach to performing a high-quality engagement involves the use of audit and standards-based assurance methodologies, common across the Deloitte network, supplemented by tools for use by our practitioners to plan, perform, supervise, review, document, conclude, and communicate the results of each engagement. Deloitte’s approach is underpinned by professional standards, as well as the 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 methodologies are also 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 engagements.

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

The resources applied by Deloitte practitioners in the performance of their work include the proprietary tools, guidance, materials, and practice aids used in conducting engagements, which are available to all our practitioners in the Deloitte Research Portal, an extensive online library, and in our audit execution platforms EMS and Deloitte Levvia. These resources drive greater standardisation and consistency across Deloitte firms. Deloitte regularly issues guidance to our practitioners and communicates developments that should be factored into audit risk assessments and responses in order to maintain and drive quality execution.

Consultation

Quality and risk management considerations are integral to Deloitte’s audit and assurance business and to the performance of 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 judgement and the exercise of professional scepticism. 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 Audit Quality & Risk team, or others in the organisation with specialised knowledge.





External and internal quality monitoring

External and internal quality monitoring

Monitoring of quality

A continued focus on quality is of paramount importance to the Deloitte brand. It is critical that a Deloitte engagement 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 SQM 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 SQM and the assessment of the effectiveness of remedial actions in driving improvements in audit quality.

SQM monitoring

SQM monitoring is an integral part of the firm’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.

Key components of SQM monitoring include:

- Risk-based approach to selecting business processes, quality risks and responses to monitor.
- Mandatory moderation panel to drive consistency in evaluating findings and deficiencies.
- Quality Management Observers and deputies, independent of the firm, who drive global consistency by providing input and sharing best practices for monitoring programmes.
- Identifying appropriate resources (from within Deloitte the firm as well as from other Deloitte geographies or Deloitte Global) with the right experience.

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

The firm has the following AQI initiatives and reporting mechanisms:

- Monthly AQI reporting on our priority portfolio, comprising listed clients and large PIEs, across Kenya which includes an assessment of various quality metrics.
- Monthly forum where results of the AQI reporting is discussed with the relevant Partners and if needed remediation plans are discussed and tracked in the next forum.
- Quarterly AQI reporting to Deloitte global.
- Quarterly AQI reporting to the Audit Quality Board, EXCO & the Africa Board.
- Annual AQI reporting to Deloitte global.

Monitoring of in-process engagements

Continuous quality monitoring by the firm involves the proactive identification of 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 the firm’s audit and assurance quality leader(s) to continuously monitor quality and take immediate action.
- A programme of subject matter specific “health checks” to assist the firm audit and assurance 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 engagement teams with respect to adherence to the 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 the firm while considering all selecting all signing partners or partner equivalents on a cyclical basis.

- Mandatory moderation panel to drive consistency in findings and engagement ratings.
- Quality Management Observers and deputies, independent of the firm, who drive global consistency by providing input and sharing best practices for monitoring programmes.
- Identifying appropriate resources (from within the firm as well as from other Deloitte geographies or Deloitte Global) with the right experience and industry knowledge.

External inspections⁷

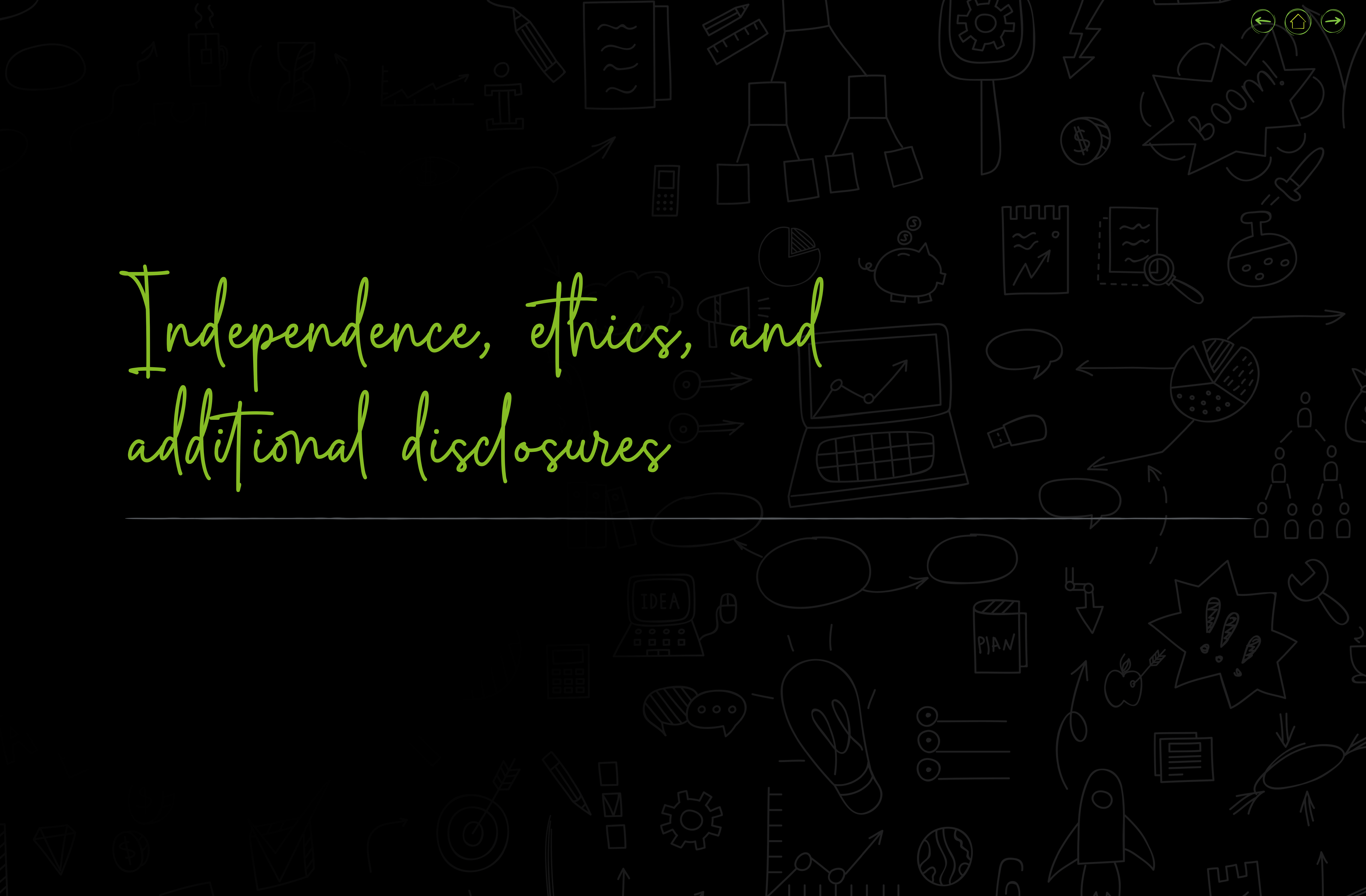
In addition to the firm’s own monitoring of quality, we are subject to external monitoring by the Institute of Certified Public Accountants of Kenya (ICPAK). The firm was last subject to inspection in 2010 and received a satisfactory outcome on the system of quality control in place at the time.

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 quality and avoid future similar findings. An audit quality plan is prepared by the firm and provides for effective implementation and monitoring of key audit quality priorities.

⁷EU transparency reporting requirement: an indication of when the last quality assurance review referred to in Article 26 was carried out.

Independence, ethics, and additional disclosures



Independence, ethics, and additional disclosures

Deloitte Global 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 network services that a firm uses in the design, implementation, and operation of their system of quality management, including:

Technical resources: Global 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.

Intellectual resources: Independence policy, e-learning, confirmation templates, monitoring instructions and other tools, templates, and guidance.

Human resources: Technical independence expertise, as required, which also informs potential enhancements to intellectual resources.



Participates In various elements of a firm’s **system of quality management** monitoring and remediation process, as determined to be appropriate.



Promotes **independence awareness** across the Deloitte network through active engagement with independence and business leadership groups and periodic communications and alerts.

Deloitte Kenya Independence

Deloitte Kenya 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 Global Independence policies, and which are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte Global policies. Deloitte Kenya’s 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 Kenya. Strategies and procedures to communicate the importance of independence to partners, other practitioners, 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 Deloitte Kenya, 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 Kenya 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.
- 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.




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

When individuals are involved in audit engagements over extended periods of time, familiarity- and self-interest threats may arise. In order to address these threats Deloitte Africa has implemented a policy on long association of partners and professional staff on audit engagements. The policy is based on local regulatory requirements, read with the International Code of Ethics for Professional Accountants (IESBA Code).

The Central Bank of Kenya mandates a five-year rotation policy for key team members involved in the audit of banks and microfinance banks. The lead audit partner, or the audit partner responsible for reviewing the audit and the audit manager, should not perform audit services for an institution for more than five consecutive financial years. They may resume the role only after a lapse of three years from the last audit engagement with the institution.

The Insurance Regulatory Authority (IRA) also mandates rotation of team members involved in the audit of insurance and reinsurance companies. Audit partners and managers are not permitted to perform audit services for an insurer for more than three consecutive financial years. Audit staff other than the audit manager are permitted to support the audit manager and the audit partner on the audit of specific insurer for a period of not more than three consecutive years, thereafter at least 50% of the audit staff working on an audit of a specific insurer shall be required to be replaced.

Ethics

All Deloitte people 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 people 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 programme include global policies, a programme of training and communications, and established reporting channels supported by defined incident management protocols. For continuous improvement, regular programme assessments and reviews are conducted, and feedback is collected from Deloitte people 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, all of whom are experienced partners with direct access to the member firm’s CEO and governing body. Deloitte Global and member firm ethics leaders work together to continually monitor risk and to reinforce compliance with the Global Code.

Deloitte Africa maintains policies and procedures that build on global

policies and are designed to enable its people to comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by the firm are in accordance with the local professional institute requirements. The firm 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 local professional institute requirements are more restrictive than the Deloitte Global policies and procedures, the firm follows the requirements of the local professional institute.

The [Africa Code of Professional Conduct](#) outlines the commitment we make and the standards we adhere to as Deloitte professionals. We take any breach of these commitments and standards seriously, and any breach may result in sanctions determined in accordance with the Deloitte Africa disciplinary framework.

Deloitte Africa reinforces its commitment to ethics and integrity through communication tools, learning programmes, 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 programmes every two years. Recent training topics have included a focus on the importance of owning up to one’s mistakes, being an active bystander, navigating personal relationships in the workplace, demonstrating respect, integrity, and professionalism on social media, and ethical learning, 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 Global Code. In addition, Deloitte Africa 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 member firm’s Code of Conduct and understand that it is their responsibility to comply with it.

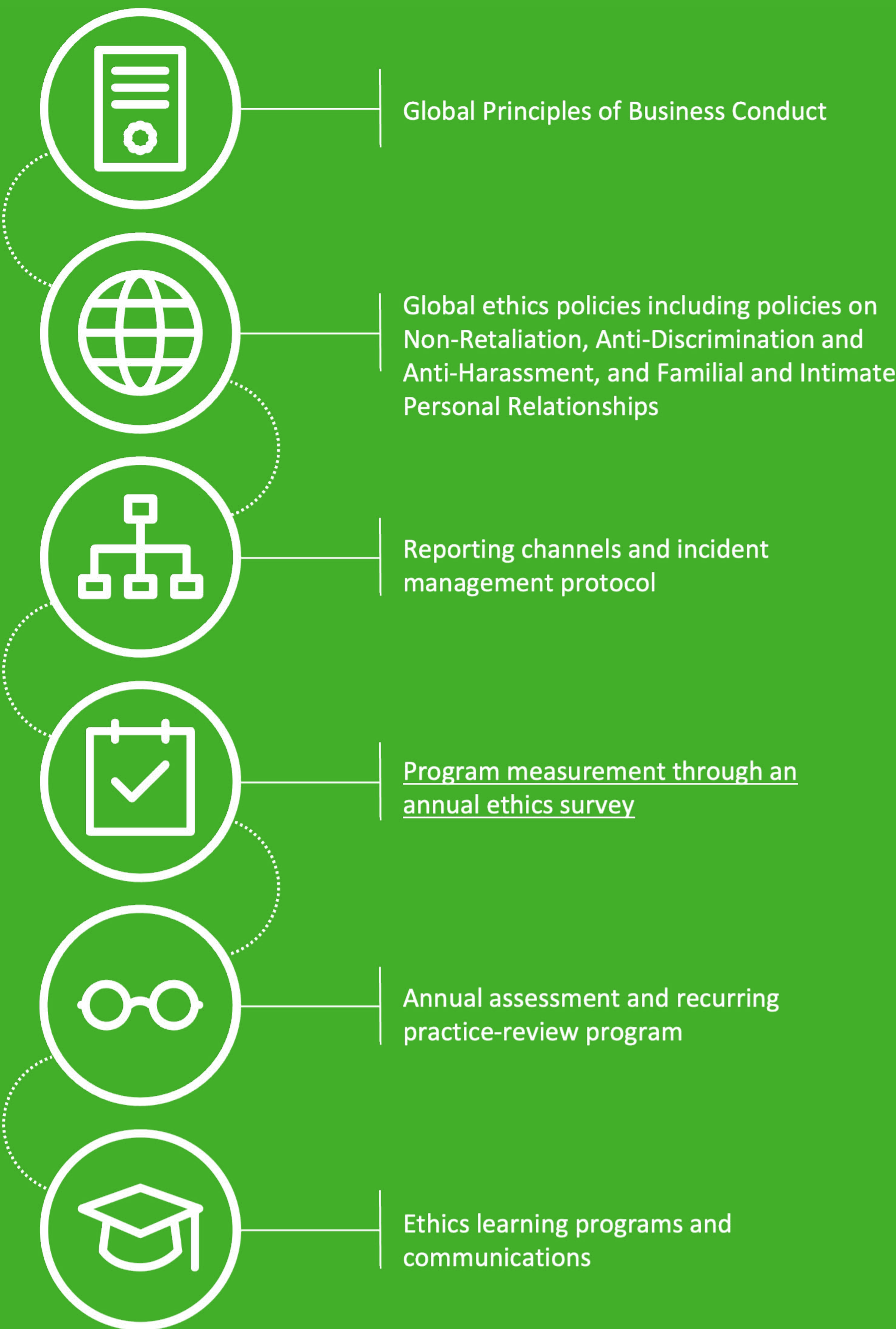
A dedicated Chief Ethics Officer is appointed to drive our ethics strategy and programme.

We strongly believe that the tone at the top is critical to our ethics culture and as such leadership demonstrates ethical leadership not only in word, but also in the decisions and actions. As part of the drive to ensure an ethics culture, our Chief Ethics Officer regularly facilitates conversations with all partners, directors, and professional staff on topical issues. A functioning network of Ethics Champions across the Firm assists in driving our ethics messaging throughout all service lines and all regions across the continent. Our annual ethics survey confirmed that 96% of respondents believe that Deloitte is an ethical workplace.

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 460,000 people, giving a strong, principled foundation. The foundations of the network’s ethics programme are comprised of the following elements:



Appendices

Appendix A | EU EEA audit firms

Disclosure in accordance with Article 13.2 (b)(ii)-(iv) of the EU Audit Regulation

EU/EEA member state (Article 13.2 (b)(iii) EU Audit Regulation: the countries in which each audit firm that is a member of the network is qualified as a statutory auditor or has its registered office, central administration, or principal place of business)

Name of audit firms carrying out statutory audits in each member state (Article 13.2 (b)(ii) EU Audit Regulation: the name of each audit firm that is a member of the network)

EU/EEA member state	Name of audit firms carrying out statutory audits in each member state
Austria	Deloitte Audit Wirtschaftsprüfungs GmbH
	Deloitte Niederösterreich Wirtschaftsprüfungs GmbH
	Deloitte Oberösterreich Wirtschaftsprüfungs GmbH
	Deloitte Salzburg Wirtschaftsprüfungs GmbH
	Deloitte Tirol Wirtschaftsprüfungs GmbH
	Deloitte Wirtschaftsprüfung Styria GmbH
Belgium	Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises BV/SRL
Bulgaria	Deloitte Audit OOD
Croatia	Deloitte d.o.o. za usluge revizije
Cyprus	Deloitte Limited
Czech Republic	Deloitte Audit s.r.o.
	Deloitte Assurance s.r.o.
Denmark	Deloitte Statsautoriseret Revisionspartnerselskab
Estonia	AS Deloitte Audit Eesti
Finland	Deloitte Oy
France	Deloitte & Associés
	Deloitte Marque & Gendrot
	Deloitte Audit Holding
	BEAS
	Constantin Associés
	Pierre-Henri Scacchi et Associés
	Revi Conseil
Germany	Deloitte GmbH Wirtschaftsprüfungsgesellschaft
	Deutsche Baurevision GmbH Wirtschaftsprüfungsgesellschaft
	SüdTreu Süddeutsche Treuhand GmbH Wirtschaftsprüfungsgesellschaft

Disclosure in accordance with Article 13.2 (b)(iv) of the EU Audit Regulation

The total turnover achieved by the audit firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements: €1.9 billion⁸

⁸Amount represents an estimate determined based upon best efforts to collect this data. Certain Deloitte audit firms registered to perform statutory audits in respective member states provide statutory audit services as well as other audit, assurance, and non-audit services. While Deloitte endeavoured to collect specific statutory audit turnover for each EU/EEA Deloitte audit firm, in certain cases turnover from other services has been included. The turnover amounts included herein are as of 31 May 2024, except for a limited number of instances where a Deloitte audit firm has different financial year-end or has not finalised its reporting for such period. In these cases, turnover amounts are for the relevant financial year or preceding financial year. Where currency other than the Euro is used in the member state, the amount in Euros was translated using an average exchange rate in effect for the period 1 June 2023 to 31 May 2024.

EU/EEA member state	Name of audit firms carrying out statutory audits in each member state
Greece	Deloitte Certified Public Accountants S.A.
Hungary	Deloitte Könyvvizsgáló és Tanácsadó Kft.
Iceland	Deloitte ehf.
Ireland	Deloitte Ireland LLP
Italy	Deloitte & Touche S.p.A.
Latvia	Deloitte Audits Latvia SIA
Liechtenstein	Deloitte (Liechtenstein) AG
Lithuania	Deloitte Lietuva UAB
Luxembourg	Deloitte Audit
Malta	Deloitte Audit Limited
Netherlands	Deloitte Accountants B.V.
Norway	Deloitte AS
Poland	Deloitte Audyt spółka z ograniczoną odpowiedzialnością spółka komandytowa
	Deloitte Audyt spółka z ograniczoną odpowiedzialnością
	Deloitte Assurance spółka z ograniczoną odpowiedzialnością
Portugal	Deloitte & Associados, SROC S.A.
Romania	Deloitte Audit SRL
Slovakia	Deloitte Audit s.r.o.
Slovenia	Deloitte Revizija d.o.o.
Spain	Deloitte Auditores, S.L.
Sweden	Deloitte AB

Appendix B | Financial information⁹

Disclosure in accordance with Article 13.2 (k)(i)-(iv) of the EU Audit Regulation

The breakdown of the Deloitte Kenya’s 2024 turnover¹⁰:

Turnover ¹¹	[USD’000]
Statutory audit (PIEs or PIE subsidiaries)	1,897
Statutory audit (non-PIEs or non-PIE subsidiaries)	8,037
Non-audit services (audited PIEs or PIE subsidiaries)	938
Non-audit services (audited non-PIEs or non-PIE subsidiaries)	3,037
Non-audit services (other entities)	17,112
Total	31,021

⁹Non-EU (third-country) auditors may choose to present financial information in this or other alternative formats (click here for illustrative example).

¹⁰“Turnover” for some member firms may mean revenues, net sales, etc.

¹¹EU transparency reporting requirement: information about the total turnover of the audit firm, divided into the following categories:

- 2(k)(i). Revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity;
- 2(k)(ii). Revenues from the statutory audit of annual and consolidated financial statements of other entities;
- 2(k)(iii). Revenues from permitted non-audit services to entities that are audited by the audit firm; and
- 2(k)(iv). Revenues from non-audit services to other entities.



Appendix C | Public interest entities

Disclosure in accordance with Article 13.2 (f) of the EU Audit Regulation

Public interest entities audited for statutory purposes by Deloitte Kenya during the year ended 31 May 2024:

Name ¹²	FYE
APA Insurance Limited	31 December
APA Life Assurance Limited	31 December
Car & General (Kenya) PLC	30 September
Central Bank of Kenya	30 June
Central Bank of Somalia	31 December
Dahabshil Bank International	31 December
Eastern And Southern African Trade and Development Bank (TDB)	31 December
Guaranty Trust Bank (Kenya) Ltd	31 December
International Bank of Somalia	31 December
Kakuzi PLC	31 December
Kenya Electricity Generating Company PLC	30 June
Kenya Reinsurance Corporation Limited	31 December
Kingdom Bank Limited	31 December
Madison General Insurance Kenya Limited	31 December
Madison Life Assurance Kenya Limited	31 December
Nairobi Securities Exchange PLC	31 December
NCBA Bank Kenya PLC	31 December
NCBA Group PLC	31 December
Paramount Bank Limited	31 December
Prime Bank Limited	31 December
SBM Bank (Kenya) Limited	31 December
WPP Scangroup PLC	31 December

¹²EU transparency reporting requirement: list of public interest entities for which the audit firm carried out statutory audits during the preceding financial year.



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