

2018 Transparency Report

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises

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Message from the Managing Partner

Our fiscal year 2018 (2017/2018) was one of significant progress in our quality leadership ambition*.

Global, European and Belgian regulatory environments keep raising the bar for audit quality. As leader in the Belgian market we do have an undisputed role and responsibility towards serving the public interest and safeguarding access to capital markets.

To serve on this role, we have re-articulated our ambitions to undisputed quality leadership. This has translated into the launch of a quality program elevating all our people in Audit & Assurance to continuously raising quality and consistency in serving our clients. This goes with an ever-focused attention on substance over and above the form of compliance.

Quality leadership indeed goes far beyond just compliance with regulation and standards. It has lead us to strengthen our internal monitoring systems on audit quality and to keep training our people along with our culture for quality. Additionally, our North West Europe firms' combination and the further globalization of our international network does contribute significantly to our quality leadership ambition.

The European audit reform, as translated into Belgian law did introduce audit firm rotation, extended prohibition on certain non-audit services including cooling-in prohibitions for public interest entities, so as a new public oversight body – *“het College van Toezicht op de Bedrijfsrevisoren” / “le Collège de Supervision des Réviseurs d’entreprises”* (“CTR-CSR”).

We expect to start seeing the impact of rotation as from our next fiscal year, with certain movements in audit mandates. We have the experience of serving on any kind and size of audit across the different industries. With our teams, we are ready to cope with these movements in the audit landscape, and thus take on new mandates.

At the same time, we continue to develop our Assurance services, based on deep skills acquainted by our teams in our multidisciplinary model.

At the beginning of 2018, we did receive our first external inspection conducted by the CTR-CSR. We see this as an important complement of independent oversight to our own monitoring systems.

Finally, over the past year we have engaged into the debate around the new cooling-in rules that became effective early 2017, as a result of the European audit reform. These rules prohibit to be appointed as auditor in case an audit firm did provide certain non-audit services one or two years (depending on the nature of services) prior to being appointed. We encourage to continue the debate, as we strongly believe that such rules imply significant constraints for public interest entities to select their auditor as in practice it limits the choice, and therefore does not serve the public interest.

Joël Brehmen

Managing Partner

Audit & Assurance

Deloitte Bedrijfsrevisoren / Réviseurs d’Entreprises



(1) Throughout this report, the terms “Deloitte, we, us, and our” refer to one or more Deloitte Touche Tohmatsu Limited member firms, its network of member firms, and their related entities. For more information about the Deloitte network, please see p. 3 or www2.deloitte.com/global/en/pages/about-deloitte/articles/about-deloitte.html.

Deloitte Network

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises, a limited liability co-operative company*, is connected to the Deloitte network through Deloitte North West Europe, a member firm of Deloitte Touche Tohmatsu Limited.

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises can also be referred to throughout this report as the "Audit Firm", and Deloitte North West Europe is referred to throughout this report as "Deloitte NWE".

Deloitte North West Europe holds practice rights to provide professional services using the "Deloitte" name which it extends to Deloitte entities within its territory (comprised of Belgium, the Netherlands, the United Kingdom, Switzerland, Denmark, Norway, Finland, Sweden and Iceland), including the Audit Firm.

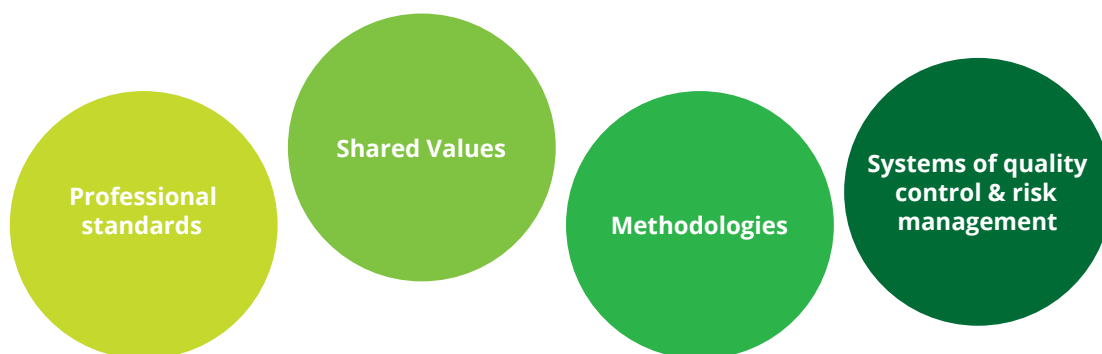
The Audit Firm is authorized to serve as an auditor for clients in Belgium.

The majority of the capital and voting rights of Deloitte *Bedrijfsrevisoren / Réviseurs d'Entreprises* are held by individuals, who are members of the Institute of Auditors ("*Instituut van de Bedrijfsrevisoren*" / "*Institut des Réviseurs d'Entreprises*"), and the remaining capital and voting rights are held by individuals and by Deloitte Belgium CVBA. The fixed capital of the audit firm is 18,625 EUR and its variable capital is 2,285,375 EUR.**

Network description

The Deloitte network

The Deloitte network is a globally connected network of member firms and their affiliates operating in more than 150 countries and territories across the world. These separate and independent member firms operate under a common brand.



Deloitte Touche Tohmatsu Limited (DTTL or Deloitte Global)

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

For more information about the Deloitte network, please see:

<https://www2.deloitte.com/be/en/pages/about-deloitte/articles/about-deloitte.html>

* Update – 24 January 2019: Pursuant to the law of 15 April 2018 modifying the Belgian enterprise law ("*Wet houdende hervorming van het ondernemingsrecht*" / "*Loi portant réforme du droit des entreprises*") entered into force on 1 November 2018, the reference to the civil character of a company has ceased to exist, i.e. Deloitte *Bedrijfsrevisoren / Réviseurs d'Entreprises* is now a limited liability co-operative company ("*coöperatieve vennootschap met beperkte aansprakelijkheid*" ("*CVBA*") / "*société coopérative à responsabilité limitée*" ("*SCRL*") and no longer a civil company under the form of a limited liability co-operative company. All references to "civil company under the form of" available in this report have therefore been removed.

** All information provided in this report relates to the situation of Deloitte *Bedrijfsrevisoren / Réviseurs d'Entreprises* on 31 May 2018, except if indicated otherwise.

The Audit Firm*: governance – leadership in action

The Audit Firm operates as a limited liability co-operative company, established under Belgian law, with registered office at Luchthaven Brussel Nationaal 1 J, 1930 Zaventem and registration number 0429.053.863.

The Audit Firm Board of Directors retains competence for establishing the annual accounts of the Audit Firm and the Audit Firm Management Committee is entrusted with the overall management of the Audit Firm, including the governance and oversight of the audit practice.

The Management Committee is assisted by specialized teams, like for example National Office that advises on specific matters and/or implement policies including periodical updates on technical matters such as accounting standards and auditing standards. Other examples are the Practice Protection Group, that assists with client and engagement acceptance and continuance matters, among others, and the Learning Group.

The Board of Directors, as well as the Management Committee created by the General Meeting of the partners, are composed of at least a majority of members of the Institute of Auditors. The Managing Directors of the Audit Firm are automatically members of the Management Committee. The Management Committee members must be members of the Board of Directors of the Audit Firm.

The management bodies and the General Meeting of the partners exercise their responsibilities within the Audit Firm as defined and attributed according to the Articles of Association of the Audit Firm.

The Chairman of the Board of Directors is Michel Denayer.

The following are the members of the Management Committee:

The Audit Firm – Management Committee

Joël Brehmen, Chairman of the Management Committee, also Managing Director

Rik Neckebroeck, also Managing Director

Eric Nys, also Managing Director

Piet Vandendriessche


Geert Verstraeten

The Audit Firm Management Committee develops and implements the strategy for the Audit & Assurance practice, including related policies and procedures. In all of their activities, the Audit Firm partners are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements. The Audit Firm strategy is developed in alignment with the overall strategic direction established for the Deloitte network.

The Audit Firm Audit & Assurance Management Committee and partners participate in Deloitte network groups that set and monitor quality standards, and from which a number of audit quality initiatives emanate.

* This report sets out the practices and processes that are currently employed by Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises, in accordance with the requirements of the European Union's Regulation 537/2014 on specific requirements regarding statutory audit of public-interest entities and in compliance with article 23 of the law of 7 December 2016 organizing the profession and the public oversight of statutory auditors.



A man in a suit and tie is smiling on the left side of the frame. In the background on the right, a woman is partially visible, holding a clipboard and pen. The background is a blurred outdoor setting with trees.

Our purpose and commitment: audit quality

At the Audit Firm, our purpose is to make an impact that matters. For Audit & Assurance, this means a focus on delivering independent high quality audits and dedication to continuously pursuing opportunities to support auditors' role in the capital markets. This requires us to continuously build capabilities to support the delivery of high quality audits and make leading contributions to shaping the future of the audit profession.

What Deloitte Audit & Assurance brings to capital markets

Audit & Assurance Transformation

Being a relevant profession of the future and a sustainable practice that evolves with the pace of change in technology and society is critical. Driving this goal is the Deloitte Audit & Assurance Transformation initiative, which is currently being developed and deployed across the Deloitte network, including our Audit Firm. Audit & Assurance Transformation is an important shift across the network in the way Deloitte professionals work and includes:

**Deloitte Way:
standardization of audit
processes supported by
global technology suite**

**Real-time audit quality
monitoring**

**Enhanced talent model
which includes learning,
rewards and recognition,
centers of excellence, and
delivery centers**

**Agile deployment of
tools and technologies
to respond to changing
environments**

Deloitte Global leadership

The Global Audit & Assurance Leadership Team is led by Panos Kakoullis, Global Managing Director Audit & Assurance. Global Audit & Assurance responsibilities include:

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

Audit engagement acceptance and continuance

As a part of Transformation efforts, global initiatives are underway to foster a standard approach to audit engagement acceptance across the Deloitte network, resulting in consistent decisions and consideration of risk.

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

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

Learning and development initiatives

Central to the Audit & Assurance Transformation initiative are various enhancements to the Deloitte talent model:

- A single, global Audit Learning Curriculum for auditors (supplemented based on local requirements as needed);
- Specific learning opportunities for traditional auditors (e.g. on big data) and specialists (e.g. audit skills). Mixed composition of traditional auditors and specialists on engagement teams provides complementary skill-sets, but also the need for different learning offerings;
- Enhanced project management, which is viewed as a key capability for the auditor of the future, and as such, is being integrated into talent strategies (e.g. recruitment and learning).

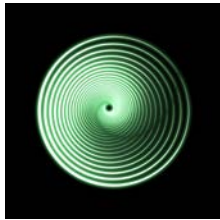
The objective of the Audit Firm professional development program is to help partners and other professionals maintain and enhance their professional competence and ensure consistency of audit execution. To supplement on-the-job development, the Audit Firm provides formal continuing professional development programs in relevant subject areas consistent with the Deloitte Global Audit Curriculum.

The learning plan offers a variety of topics, including technical matters (GAAP, GAAS, professional rules, taxation, company law, labor law, IT systems, internal controls), management and interpersonal skills, business economics and industry specific courses. The continuing education program is comprised of both Deloitte organized learning sessions as well as external learning, organized by the Institute of Auditors and the ICCI (*"Informatiecentrum voor het bedrijfsrevisoraat - Centre d'information du révisorat d'entreprises"*) among others. Next to this, a variety of e-learning sessions are available to deepen certain skills. Certain courses are mandatory and others are optional, such that each auditor or trainee auditor can personalize his or her learning program to the specific needs.

The Audit Firm establishes minimum levels of continuing professional development to be undertaken by partners and other professionals within a specific period of time. These levels include a minimum of 20 hours of structured learning per year and 120 hours of structured learning in every three-year period (i.e., an average of 40 hours per year). To achieve these levels of development, the Audit Firm offers 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).

During the first years with the Audit Firm, training is predominantly comprised of mandatory courses on technical topics, including Deloitte methodologies and processes. For more experienced people, the optional part of the learning plan increases given that individual needs become more diverse. More experienced auditors must update and deepen their technical and industry knowledge. Developing management and interpersonal skills also gain importance for this group. According to their capacities, some individuals are also given the opportunity to follow long term courses, such as management courses organized by reputable schools. In addition, auditors working on audits of SEC registrants or subsidiaries of SEC registrants (Securities and Exchange Commission) are required to be US accredited under firm policies. Specific trainings on the standards of the PCAOB (Public Company Accounting Oversight Board) need to be followed every year to be accredited.

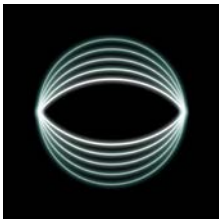
Deloitte **COGNIA**



How we equip our people

As our audit practitioners work with their clients, they are able to draw upon Deloitte Cognia, a single collaborative global repository of innovative auditing tools and leading practices. This platform enables us to continually drive consistency, high quality, and impact throughout the audit.

Deloitte **ILLUMIA**



How we analyze data

Our ability to drive innovation into all we do is demonstrated by our analytics platform. With Deloitte Illumia, we are able to see deep into the conduct and operations of our clients' business.

This powerful analytical lens both enhances the quality and accuracy of our audit, and brings more valuable insights.

Deloitte **MAGNIA**



How we deliver our audits

At Deloitte, quality comes through in the results we create, and at every point along the way. This commitment is supported by the tools we use, such as Deloitte Magnia, our advanced global audit delivery platform. Supporting our methodology, Magnia allows us to deliver a comprehensive, focused and streamlined audit across the globe. All of which means that you benefit from greater quality and better outcomes in all we do.

Audit innovation*

Innovation is an expectation in today's fast-changing business environment, and this expectation holds true for the audit profession as well. Today's complex business environment requires that the audit be dynamic, multidimensional, and insightful. There is a demand for real-time, relevant information, and clients expect audits to evolve as they innovate their businesses and processes.

While traditional procedures still have a place in auditing, the Audit Firm auditors are enhancing procedures by making more use of technology-based analytics, Artificial Intelligence (AI), cognitive & cloud-based technologies, etc. This is due in part to the increased automation and effectiveness such data analytics and other tools may provide, but also the need for the Audit Firm to stay in front of technological advances used by the entities that we audit.

Innovation is an integral part of the entire audit delivery process, which is supported through Deloitte's three leading platforms: Cognia, Illumia, and Magnia.

Deloitte University*

Our culture and activities of professionals globally are supported by continuing to invest in Deloitte Universities (DU). These are state-of-the-art learning and development centers focused on Deloitte culture, and rooted in the principles of connectedness and leadership in a highly inclusive learning environment.

Deloitte. University

Partner remuneration

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

In accordance with global policies, the Audit Firm'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, expertise, integrity, professionalism, entrepreneurship, independence and compliance.

* For more information about Deloitte audit innovation or Deloitte University, please refer to our Global Impact report: <https://www2.deloitte.com/content/campaigns/global/global-report/index.html>





The high quality audits we deliver

The experience of a high-quality audit, delivered well, will provide the audit committees, investors, and other stakeholders of the companies with (but not limited to):

- An audit report that is appropriate to the circumstances;
- Innovation in how we do the audit;
- More insights about their company than they had at the outset of the process.

External and internal audit quality monitoring

Audit Quality Monitoring & Measurement

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

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

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

The AQMM program is focused on driving:

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

The Audit Firm maintains policies and procedures to promote an internal culture based on the recognition that quality is the number one priority. The Audit Firm focuses on professional excellence as the foundation for achieving audit quality on a consistent basis.

The system of quality control of the Audit Firm is comprehensive and has the overall objective of providing reasonable assurance that our professionals and personnel comply with applicable professional standards and member firm's standards of quality, and that the reports issued by the member firm are appropriate in the circumstances.

Our quality control policies and procedures encompass the following 6 elements:

- Leadership responsibilities for quality within the member firm (tone at the top);
- Relevant ethical requirements, including independence;
- Acceptance and continuance of clients relationships and specific engagements;
- Human resources (talent);
- Engagement performance;
- Monitoring.

Our system of quality control has been designed and tailored to operate effectively within the structure, size, and complexity of our firm. The foundation of our system of quality control are the issued policies, procedures, manuals, and guidance for partners and other professionals and employees of the firm to ensure that our practice is conducted in accordance with professional and regulatory standards and rules and legal requirements. This foundation is supported by an organizational structure at national management level that provides leadership, supervision, and monitoring over the services we perform and various other aspects of our system of quality control.

In addition, the member firm's multiple functions (i.e. audit, advisory, tax, consulting... see below the multidisciplinary model), have an effect on the organizational structure as well. In addition to the member firm board of directors, policies, procedures, processes and systems for the independence element of the system of quality control exist across all functions in recognition that services performed by another function or actions by employees of another function can affect the determination of independence of our audit services. As a result, our policies and procedures, including applicable systems, associated with maintaining auditor independence, are significant and extensive.

Multidisciplinary model

Audit is the foundation of the Deloitte brand. In addition to Audit & Assurance, Deloitte in Belgium has Consulting, Financial Advisory, Risk Advisory, Tax & Legal and Accountancy practices.

The diversity of six different businesses under one umbrella (multidisciplinary model, taking into account the legislation applicable to the regulated activities) is one of the key differentiators of high-quality audits.

Among the benefits of the multidisciplinary model for audit:

- It is possible to develop industry insights through multiple lenses, which enhances auditors' understanding of business risks relevant to conducting audits.
- The audit practice has immediate access to specialized resources and expertise in other business lines. It promotes audit quality because auditors can tap the expertise of advisory professionals who are skilled in subjects that often are not native to auditors.
- A diverse organization helps attract and retain premier talent.
- Intellectual capital is available within the network to innovate audit processes, technologies, etc.

Negative quality events have the potential to impact the Deloitte brand as a whole significantly. As such, each non-audit Deloitte business has a shared and vested interest in supporting audit quality initiatives.

Audit Quality Monitoring & Measurement





In-flight monitoring

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

- Deployment and monitoring of a series of core Diagnostics, enabling engagement partners and teams, as well as the Audit Firm audit quality leaders, to continuously monitor audit quality and take immediate action;
- A program of subject matter specific “health checks”, to assist the Audit Firm audit quality leaders in assessing progress and identifying potential issues on in-flight engagements;
- An integrated approach to monitoring and measuring execution of the audit methodology enhancements.



Engagement reviews

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

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



System of quality control (SQC)

SQC includes numerous elements, such as documenting key areas of the SQC processes and controls, and performing procedures for testing the operating effectiveness of the SQC, including execution of a comprehensive SQC review program. Used in conjunction with other metrics, Audit Quality Indicators (AQIs) further assist the Audit Firm in developing and monitoring audit quality action plans and reporting on the progress in its audit quality journey. AQIs are integrated with ongoing AQMM activities.

In addition, proper timing and sequencing of audit activities, including timely reviews of work performed

and the resolution of matters identified, are closely associated with high quality audits. Audit Quality Milestones are intended to drive consistency of engagement teams in project management, timing of when work is done, and necessary focus on engagement staffing, including sufficiency and expertise of assigned resources.



Causal factor analysis and remediation

Focusing on continuous improvement is essential to driving improvements in audit quality. Understanding why audit deficiencies occur in a causal factor analysis is essential to the design of effective actions to remediate findings. Further, actions are taken when audit deficiencies in the performance of an audit engagement are identified. An Audit Quality Plan is prepared by the Audit Firm and provides for effective implementation and monitoring of key audit quality priorities.



External inspections


In addition to the Audit Firm own monitoring of audit quality, we are subject to external reviews by the Belgian Audit Oversight body (“*College van Toezicht op de Bedrijfsrevisoren*” / “*Collège de Supervision des Réviseurs d’entreprises*”, “CTR-CSR”). A first inspection by CTR-CSR was started-up in December 2017. Next to the review of the systems of quality control, with a focus on engagement quality control review (EQCR) and monitoring activities (including practice reviews), a number of public interest entities (PIE) and non-PIE engagements (financial year 2016) have also been reviewed. The final inspection report is expected later this year*.

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

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

* Update – 24 January 2019: The final inspection report has recently been issued by the CTR-CSR.





The organizational capabilities we build

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

In addition, operational discipline, effective management of our business, and the development of a singular approach to doing audits provide the foundation for our commitment to bring consistency to our audits.

We are driving a sustainable audit and assurance business that compensates its people fairly and funds ongoing investment in our business.

Independence, ethics, and additional disclosures

Deloitte Global Independence



Sets independence policies and procedures based upon the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and the independence standards of the US Securities and Exchange Commission and the Public Company Accounting Oversight Board. Performs full reviews of independence quality controls on a three-year cycle; annual focused reviews for the off-cycle years; and in-depth follow-up reviews as needed.



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



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



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

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises - Independence

The Audit Firm has policies and procedures designed to address compliance with applicable professional standards that relate to independence. These policies and procedures are based on the Deloitte Global Independence policy, and are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte Global policies.

The Audit Firm leadership reinforces the importance of compliance with independence and related quality control standards, thereby setting the appropriate tone at the top and instilling its importance into the professional values and culture of the Audit Firm. Strategies and procedures to communicate the importance of independence to partners, other professionals and support staff have been adopted, emphasizing each individual's responsibility to understand and meet the independence requirements.

The key elements of the system of quality control that the Audit Firm implemented in accordance with global policies include the following:

- Engagement acceptance and monitoring;
- Monitoring of rotation requirements;
- Business relationship assessments and monitoring;
- Use of independence business process tools, including the Deloitte Entity Search and Compliance (DESC) system, the Global Independence Monitoring System (GIMS), annual independence confirmations, and consultation procedures, to monitor compliance with independence requirements;
- Procedures to identify and analyze non-compliance with independence requirements and apply related disciplinary measures and actions;
- Independence-related learning and communications;
- Assignment of responsibility for independence systems and controls;
- An internal review of independence compliance was conducted in July 2018 by independence specialists from Deloitte Global. The report will presumably be issued in October 2018*.

* Update – 24 January 2019: The final report has been issued in October 2018 as expected.

DESC

Deloitte Entity Search and Compliance

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

GIMS

Global Independence Monitoring System

Application that contains financial relationship data with relevant independence compliance indicators.

Rotation of key audit partners and professionals

We have established practices for the assignment of audit partners to engagements, including consideration of partner rotation requirements. The national Audit & Assurance Business Leader is accountable for the assignment of engagement/signing partners to the engagements, wherever the audit risk leader keeps an overview of all partner rotation requirements. An annual workload analysis and monitoring of partners serving in clients and EQCR (engagement quality control review) roles is done by audit leadership, partially based upon input received from the annual portfolio reviews.

For PCAOB (US Public Company Accounting Oversight Board) audits, in accordance with our policies, partners or persons serving in an equivalent position should not serve for more than five years in the position of lead audit engagement partner or EQCR, or in another partner role for more than seven years.

For Belgian public interest entities (including their significant Belgian or foreign subsidiaries), partners should not serve as the audit firm's permanent representative for more than six years. In addition, the auditor has to establish an appropriate gradual rotation mechanism with regard to the most senior personnel involved in the statutory audit, including at least the persons who are registered as "*bedrijfsrevisor*" / "*réviseur d'entreprises*" (statutory auditor registered in Belgium). For all other engagements, there are no rotation requirements.

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises - Ethics

The Audit Firm maintains policies and procedures that are designed to provide reasonable assurance that its professionals comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by the Audit Firm are in accordance with the legal provisions applicable in Belgium (such as the law of 7 December 2016 organizing the profession and the public oversight of statutory auditors, the Companies Code and the related implementing decrees) and the standards issued in Belgium.

The Audit Firm also complies with Deloitte Global policies and procedures, which align with the requirements and guidance set out in the Code of Ethics for Professional Accountants (the "Code") 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 Global policies and procedures, the Audit Firm follows the applicable national requirements.

The Audit Firm has appointed an Ethics Officer who is an experienced senior director with direct access to the CEO and the member firm's governing body. In addition, the Audit Firm has developed and implemented its own code of conduct, which incorporates the Deloitte Global Principles of Business Conduct and describes critical professional behavior that reflects local customs, regulations, and legal requirements.

The Audit Firm provides communication channels through which partners, professionals and support staff can consult on and report ethical issues and situations. The Audit Firm reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes, and measurement systems. In addition, the Audit Firm requires all partners, professionals and support staff to confirm annually that they read and comprehend the code of conduct, and understand that it is their responsibility to comply with it.

Deloitte Global Ethics and Integrity Imperative

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

Deloitte's Global Principles of Business Conduct ("Global Code") outlines Deloitte's ethical commitments as a network and expectations for Deloitte's approximately 264,000 people, giving a strong, principled foundation. The Deloitte Integrity Imperative amplifies the Global Code across the network by empowering leaders to set a strong tone from the top; encouraging people to speak up when they witness anything that runs counter to the Global Code; and helping Deloitte act quickly and appropriately in the face of misconduct.

The Deloitte Global Ethics team and member firm ethics officers work closely with senior Deloitte leaders to build and enhance the foundations of the network's ethics program, which is comprised of the following elements:

Elements of the Deloitte Ethics Program







Shaping the future of the audit profession

Management teams, audit committees, investors, regulators, and standard setters all play critical roles in shaping the environment in which audits are performed. We strive to engage with these parties, both formally and informally, to share, offer and debate ideas with the objective of ensuring the relevance of Audit and Assurance to the capital markets.

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	Centro-Audit Wirtschaftsprüfungsgesellschaft mbH Deloitte Audit Wirtschaftsprüfungs GmbH Deloitte Burgenland Wirtschaftsprüfungs GmbH Deloitte Niederösterreich Wirtschaftsprüfungs GmbH Deloitte Oberösterreich Wirtschaftsprüfungs GmbH Deloitte Salzburg Wirtschaftsprüfungs GmbH Deloitte Schwarz & Schmid Wirtschaftsprüfungs GmbH Deloitte Tax Wirtschaftsprüfungs GmbH Deloitte Tirol Wirtschaftsprüfungs GmbH Deloitte Wirtschaftsprüfung Styria GmbH F.X. Priester GesmbH Kapferer Frei und Partner Wirtschaftsprüfungs- und Steuerberatungs GmbH MPD Wirtschaftsprüfungs-GmbH & Co KG
Belgium	Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises
Bulgaria	Deloitte Audit OOD
Croatia	Deloitte d.o.o.
Cyprus	Deloitte Limited
Czech Republic	Deloitte Audit s.r.o.
Denmark	Deloitte Statsautoriseret Revisionspartnerselskab
Estonia	Deloitte Audit Eesti AS
Finland	Deloitte Oy
France	Deloitte & Associés Deloitte Marque & Gendrot Deloitte Marque Gendrot Anne-Marie Torres Commissaires aux comptes Audalian Commissaire Audit Aquitaine Commissariat aux comptes SARL BEAS Cabinet FPM Cisane COGES

* Erratum – 26 February 2019: The list of audit firms carrying out statutory audits in each Member State has been corrected.]

EU/EEA Member State	Name of audit firms carrying out statutory audits in each Member State
France	Constantin Associés
	Constantin Entreprises
	Consultants Auditeurs Associés
	Davec SAS
	Durand & Associés
	ECA Audit
	Fiduciaire Expertise Commissariat et Développement
	IE IDF HAC (Holding Audit Consulting)
	In Extenso
	In Extenso Alsace Participations
	In Extenso Audit
	In Extenso Bretagne
	In Extenso Centre Est
	In Extenso Centre Ouest
	In Extenso Charente
	In Extenso Dordogne
	In Extenso Eure
	In Extenso IDF Audit
	In Extenso IDF EX&Com Audit
	In Extenso IDF Harl Lefort et Associés
	In Extenso Ile de France
	In Extenso Mont Blanc
	In Extenso Nord Audit
	In Extenso Nord de France
	In Extenso Orne
	In Extenso Picardie Ile de France
	In Extenso Provence
	In Extenso Rhône Alpes
	In Extenso Rhône Alpes Distribution
	In Extenso SECAG
	In Extenso Strasbourg Nord SA
	Jacques Serra et Associés
	Laurens Michel Audit
	MFG Audit
	Opus 3.14 Audit et Conseil
	Pierre-Henri Scacchi et Associés
	Revi Conseil
	SEREF
	Serge Kubryk
	Société d'expertise comptable d'Organisation et de Gestion
	Sterenn

EU/EEA Member State	Name of audit firms carrying out statutory audits in each Member State
Germany	Deloitte GmbH Wirtschaftsprüfungsgesellschaft
	Deutsche Baurevision GmbH Wirtschaftsprüfungsgesellschaft
	SüdTreu Süddeutsche Treuhand GmbH Wirtschaftsprüfungsgesellschaft
Gibraltar	Deloitte Limited
Greece	Deloitte Certified Public Accountants SA
Hungary	Deloitte Auditing and Consulting Ltd.
Iceland	Deloitte ehf.
Ireland	Deloitte
Italy	Deloitte & Touche S.p.A.
Latvia	Deloitte Audits Latvia SIA
Lithuania	Deloitte Lietuva, UAB
Luxembourg	Deloitte Audit
Malta	Deloitte Audit Limited
Netherlands	Deloitte Accountants B.V.
Norway	Deloitte AS
Poland	Deloitte Polska spółka z ograniczoną odpowiedzialnością Sp. k.
Portugal	Deloitte & Associados, SROC S.A.
Romania	Deloitte Audit S.R.L.
Slovakia	Deloitte Audit s.r.o.
Slovenia	Deloitte Revizija d.o.o.
Spain	Deloitte, S.L.
Sweden	Deloitte AB
United Kingdom	Deloitte LLP
	Deloitte NI Limited

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: € 1,967 million* .

* Amount 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 endeavored 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 2017, except for a limited number of instances where a Deloitte audit firm has different financial year-end or has not finalized its reporting for such period. In these cases, turnover amounts are for the relevant financial year or preceding financial year. Where currency other than Euros is used in the Member State, the amount in Euros was translated using an average exchange rate in effect for the period 1 June 2016 to 31 May 2017.

Appendix B

Financial information

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

The breakdown of the Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises's 2018 turnover* :

Turnover	EUR
Statutory audit (PIEs or PIE subsidiaries)	30,277,446
Statutory audit (non-PIEs or non-PIE subsidiaries)	26,636,877
Non-audit services (audited PIEs or PIE subsidiaries)	7,834,254
Non-audit services (audited non-PIEs or non-PIE subsidiaries or other entities)	22,735,638
Total billing	87,484,215
WIP variances and others	8,073,475
Total turnover	95,557,690

* Update – 24 January 2019: The above-mentioned financial information has been updated in accordance with the information approved by the General Meeting of the partners of Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises held on 19 November 2018.

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 Bedrijfsrevisoren / Réviseurs d'Entreprises in the Financial Year 2017:

Name	FYE
AB InBev	31-Dec-17
Ablynx	31-Dec-17
Alliance Développement Capital SIIC	31-Dec-17
Argenta Assuranties / Assurances / Versicherungs	31-Dec-17
Argenta Spaarbank	31-Dec-17
Ascencio	30-Sep-17*
Association Mutuelle Médicale d'Assurances (AMMA Assurances)	31-Dec-17
Aviabel (Compagnie Belge d'Assurances Aviation)	31-Dec-17
Bekaert	31-Dec-17
Belfius Assurances / Verzekeringen	31-Dec-17
Belfius Bank	31-Dec-17
Beobank	31-Dec-17
Biocartis Group	31-Dec-17
Bone Therapeutics	31-Dec-17
Campine	31-Dec-17
Codic International	30-Apr-18
Cofinimmo	31-Dec-17
Compagnie d'Entreprises CFE	31-Dec-17
Compagnie du Bois Sauvage	31-Dec-17
Connect Group	31-Dec-17
Corona	31-Dec-17
Crescent (previously Option)	31-Dec-17
Dexia	31-Dec-17
European Liability Insurance (ELINI)	31-Dec-17
European Mutual Association For Nuclear Insurance (EMANI)	31-Dec-17
Exmar	31-Dec-17
Fluxys Belgium	31-Dec-17
Galapagos	31-Dec-17
Garantiefonds Reizen / Fonds de Garantie Voyages	31-Dec-17
Ghelamco Invest	31-Dec-17
Greenyard	31-Mar-18

* Erratum 25 October 2018: The last audited financial year-end of Ascencio is 30 September 2017, and not 31 December 2017.

Name	FYE
Groupe Bruxelles Lambert (GBL)	31-Dec-17
Hospitaal Plus VMOB	31-Dec-17
Immo Moury Sicafi	31-Mar-18
Immobel	31-Dec-17
Intervest Offices & Warehouses	31-Dec-17
MOB Verzekeringen CM-Vlaanderen	31-Dec-17
North Europe Life Belgium (NELB)	31-Dec-17
Nyrstar	31-Dec-17
PCB	31-Mar-18
Picanol	31-Dec-17
Private Insurer	31-Dec-17
Protect	31-Dec-17
Proximus	31-Dec-17
RealDolmen	31-Mar-18
Recticel	31-Dec-17
Roularta Media Group	31-Dec-17
Shizuoka Bank (Europe)	31-Mar-18
Sioen Industries	31-Dec-17
Sipef	31-Dec-17
Société Générale Private Banking	31-Dec-17
Sofina	31-Dec-17
Solvac	31-Dec-17
Solvay	31-Dec-17
Ter Beke	31-Dec-17
TEXAF	31-Dec-17
Vandemoortele	31-Dec-17
VGP	31-Dec-17
Warehouses De Pauw	31-Dec-17
Xerius Onderlinge Verzekeringsvereniging / Association d'Assurances Mutuelle	31-Dec-17



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