



2022 Transparency Report

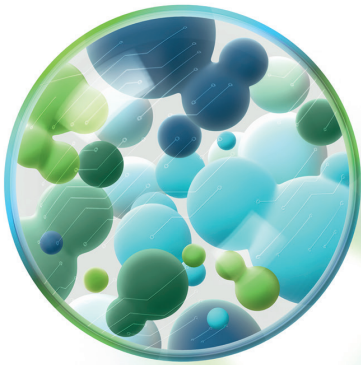
Deloitte Audit

September 2022 amended September 2023



Leadership message¹

John Psaila – Chief Executive Officer, Managing Partner
Christiane Chadoeuf – Audit & Assurance Leader



On behalf of Deloitte Audit, *société à responsabilité limitée*, an approved audit firm in Luxembourg (*cabinet de révision agréé*), we present our 13th annual Audit Transparency Report. This report covers the financial year that ended on 31 May 2022 and was prepared pursuant to Article 13 of the Regulation (EU) N° 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities (the EU Audit Regulation) and in accordance with the Luxembourg Law of 23 July 2016 concerning the audit profession as amended.

In a rapidly changing world marked by uncertainty and complexity, audit and assurance services play a central role in building trust for capital markets, policy makers, regulators and the general public to make informed decisions and look to the future with confidence. At Deloitte, our culture of quality, integrity, and transparency is instrumental to everything we do and is how we match the evolving expectations of these stakeholders.

To stay ahead of change, contribute to a sound financial system and protect the public interest, we are committed to upskilling our talent, reinforcing our diverse and inclusive teams and leveraging leading-edge technology and data to raise the standards of quality and keep pace with emerging economic, business and regulatory conditions.

Reflecting the imperative to transform and build more sustainable economies, Deloitte supports the continued collaboration of all participants in the financial reporting ecosystem, working together to develop and implement common standards to measure, disclose, and ultimately assure ESG information. Relevant and reliable financial and, increasingly, non-financial information is critical to both the capital markets and broader society to enable transformation and positively impact the communities we live in.

As the role and responsibilities of the *Réviseurs d'entreprises* are rapidly evolving, embracing these new requirements will allow them to continue to successfully identify risks, guide their clients through business complexities, and build a stronger and more resilient economy.

Deloitte's brand is defined by the high-quality audits we deliver and by our unwavering commitment to continuous improvement. Our 2022 Audit Transparency Report demonstrates this commitment in every aspect of our work and reaffirms our aim to lay the foundations of the audit of the future.

The current published version of the Transparency Report issued on 28 September 2023 supersedes and replaces the version previously published on 29 September 2022. The current version includes a modification of Appendix C related to the list of public interest entities.

John Psaila
Chief Executive Officer, Managing Partner
Deloitte Luxembourg Group

Christiane Chadoeuf
Audit & Assurance Leader
Deloitte Audit

¹ Throughout this report, the terms "Deloitte, we, us, and our" refer to one or more of Deloitte Touche Tohmatsu Limited, its network of member firms, and their related entities. For more information about the Deloitte network, please see page 5 or www2.deloitte.com/global/en/pages/about-deloitte/articles/about-the-network.html



Deloitte network

Deloitte Audit: legal structure and ownership

Deloitte Audit, *société à responsabilité limitée* is a private limited liability company under Luxembourg laws having its registered office at 20, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 67895. Deloitte Audit is connected to the Deloitte network through DELOITTE TOUCHE TOHMATSU, *société à responsabilité limitée*, abbreviated “DTT”, a company having its registered office at 20, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 60927, a member firm of Deloitte Touche Tohmatsu Limited. Deloitte Audit, *société à responsabilité limitée* is referred to throughout this report as “Deloitte Audit”, and DELOITTE TOUCHE TOHMATSU, *société à responsabilité limitée* is referred to throughout this report as “DTT”.

DTT together with Deloitte GmbH Wirtschaftsprüfungsgesellschaft (Deloitte Germany), Deloitte Audit Wirtschaftsprüfung GMBH (Deloitte Austria), Deloitte Central Europe Holdings Limited (Deloitte Central Europe), Deloitte SAS (Deloitte France), Deloitte Central Services, S.A. (Deloitte Portugal) and Horizon TR Limited Liability Partnership (Deloitte Turkey) is a shareholder in Deloitte DCE GmbH (“DCE”).

The object of DCE is the fostering of collaboration among its shareholders as members of the global Deloitte network. DCE neither provides any professional services nor engages in commercial activities.

DTT holds practice rights to provide professional services using the “Deloitte” name which it extends to Deloitte entities within Luxembourg, including Deloitte Audit. Deloitte Audit is approved to serve as an audit firm for companies in Luxembourg and abroad.

Deloitte Audit is an approved audit firm (*cabinet de révision agréé*) under the supervision of the *Commission de Surveillance du Secteur Financier*. Deloitte Audit is also registered with the Financial Reporting Council as third country auditor in the United Kingdom, with the PCAOB (the Public Company Accounting Oversight Board) and with the JFSA (the Japan Financial Services Authority). The share capital of Deloitte Audit amounts to €360,000. 51,28% of the voting rights and 5% of the share capital of Deloitte Audit is held by approved statutory auditors (*réviseurs d'entreprises agréés*) and 48,72% of the voting rights and 95% of the share capital of Deloitte Audit is held by DTT.

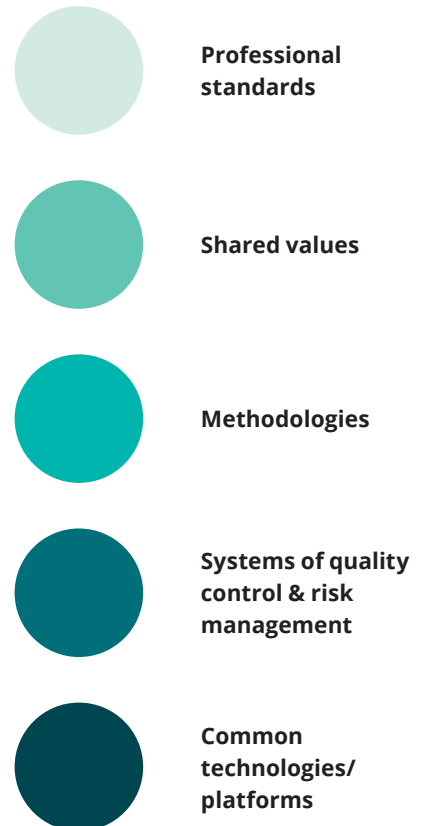
Within Deloitte Audit, Partners are natural persons employed by Deloitte Audit with the grade of Partner (“Partners”) and Managing Directors are natural

persons employed by Deloitte Audit with the grade of Managing Director (“Managing Directors”). Equity Partners of Deloitte Audit are those Partners who are furthermore shareholders of DTT (“Equity Partners”).

Network description

The Deloitte network

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



Deloitte Touche Tohmatsu Limited (DTTL or Deloitte Global)

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

"Deloitte" is the brand under which approximately 345,000 dedicated professionals in independent firms throughout the world collaborate to provide audit and assurance, consulting, financial advisory, risk advisory, tax, and related services to select clients. These firms are members of DTTL.

DTTL, these member firms and each of their respective related entities form the Deloitte organization. Each DTTL member firm and/or its related entities provides services in particular geographic areas and is subject to the laws and professional regulations of the particular country or countries in which it operates. Each DTTL member firm is structured in accordance with national laws, regulations, customary practice, and other factors, and may secure the provision of professional services in its respective territories through related entities. Not every DTTL member firm or its related entities

provides all services, and certain services may not be available to attest clients under the rules and regulations of public accounting.

DTTL, and each DTTL member firm and each of its related entities, are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties.

DTTL and each DTTL member firm, and their respective related entities, are liable only for their own acts and omissions, and not those of each other. The Deloitte organization is a global network of independent firms and not a partnership or a single firm. DTTL does not provide services to clients.



Deloitte Audit: governance

Deloitte Audit is part of the Deloitte Luxembourg Group (hereinafter referred to as “the Deloitte Luxembourg Group” or the “Firm”) which refers to the group of operational subsidiaries of DTT.

DTT is exclusively owned by shareholders who are individuals. The Deloitte Luxembourg Group is managed by a Chief Executive Officer elected by the Equity Partners for a term of four years as well

as by an Executive Committee composed of Equity Partners representing the main functions and enabling areas existing within the Deloitte Luxembourg Group.

The following are the members of the Deloitte Luxembourg Group Executive Committee:

Deloitte Luxembourg Group – Executive Committee:

John PSAILA

Chief Executive Officer
Managing Partner

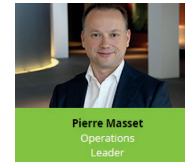


Laurent BERLINER

International Relations Leader

Christiane CHADOEUF

Audit & Assurance Leader

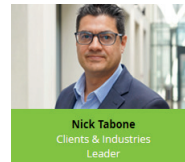


Bernard DAVID

Tax Leader

Vincent GOUVERNEUR

Financial Services Industry Leader



Patrick LAURENT

Advisory & Consulting Leader
and Innovation Leader

Jérôme LECOQ

Reputation & Risk Leader

Pierre MASSET

Operations Leader

Nick TABONE

Clients & Industries Leader

Dany TEILLANT

Quality & Excellence Leader

Stephan TILQUIN

Talent & People Leader

The Deloitte Luxembourg Group provides a range of services, including audit & assurance, tax, financial advisory, risk advisory, and consulting services.

The Deloitte Luxembourg Group also has an oversight body (the Supervisory Board). The Supervisory Board can have a maximum of eight members and is currently composed of six members

elected among and by the Equity Partners. The primary role of the Supervisory Board is to act as the primary policy and oversight body of the Firm. The Supervisory Board also serves as a counterweight to the executive bodies of the Firm (Executive Committee, Chief Executive Officer) in matters of long-term business and financial strategy.

The Firm has a Chair who is elected among and by the Equity Partners for a term not exceeding four years. The Chair is ex-officio a member of the Supervisory Board. The Chair also chairs the general meetings of the Equity Partners and attends the meetings of the Executive Committee upon invitation of the Chief Executive Officer.

The following are the members of the Supervisory Board:

Deloitte Luxembourg Group – Supervisory Board

Basil SOMMERFELD
Chair

Raphael GLOHR
Joachim HEUKMES
Emmanuelle MIETTE

Stéphane TILKIN
Jan VAN DELDEN



Deloitte Audit is governed by a Board of Managers appointed by the shareholders' meeting and composed of approved statutory auditors (*réviseurs d'entreprises agréés*) and supported by the Audit Executive Committee, nominated by the

Audit & Assurance Leader, that consists of Partners representing key streams necessary for the robust functioning of the Audit & Assurance practice; Clients & Industries, Talent & People, Technology and Innovation, Risk and Quality.

The Board of Managers is responsible for the governance and oversight of the Audit & Assurance practice. The Board of Managers prepares the annual accounts of Deloitte Audit.

The following are the members of the Deloitte Audit Board of Managers who were appointed by the shareholders for an indefinite period of time:

Deloitte Audit – Board of Managers

Christiane CHADOEUF

Jérôme LECOQ

Nick TABONE

Christiane CHADOEUF, Audit & Assurance Leader, is appointed by the Managing Partner of the Deloitte Luxembourg Group.

The Board of Managers with the support of the Audit Executive Committee develops and implements the strategy of the Deloitte Audit practice, including the related policies and procedures.

In all of their activities, Deloitte Audit Partners are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements.

Deloitte Audit's strategy is developed in alignment with the overall strategic direction established for the Deloitte network and for the Firm.

Deloitte Audit Partners participate in Deloitte network groups that set and monitor quality standards, and from which a number of audit quality initiatives emanate. They are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements.

Approved audit firm of Deloitte Audit

The approved audit firm auditing Deloitte Audit is BDO Audit, *société anonyme*, with its registered office at 1, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B 147570.



Our purpose and commitment: instilling trust and confidence.

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



What Deloitte Audit & Assurance brings to capital markets

A focus on audit quality

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

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

Deloitte Global leadership

The Deloitte Global Audit & Assurance Executive is led by Jean-Marc Mickeler, the Deloitte Global Audit & Assurance Business Leader, whose responsibilities include developing and driving Deloitte Global Audit & Assurance strategy, with a priority focus on quality:

- Setting the standard for audit quality 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.
- Leading transformational initiatives to innovate the way our audits are executed to meet the evolving needs of our stakeholders.

Entities Deloitte audits

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

Audit engagement acceptance and continuance

Deloitte Audit 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 Luxembourg will only accept or continue with engagements where it:

- Is able to perform the engagement and has the capabilities, including time and resources, to do so.
- Can comply with all relevant professional standards and laws and regulations, including those relating to ethics and independence and conflicts of interest assessments and considerations.
- Considers the client's management team to act with integrity and in alignment with our shared values.

The company we keep is an important aspect of our Audit & Assurance strategy and global shared values that guide our behavior to lead the way, serve with integrity, take care of each other, foster inclusion and collaborate for measurable impact. The question we ask ourselves is: what type of entities do we, as a global network, want to be associated with? In order to answer this question, an audit and assurance risk appetite statement has

been developed to serve as the foundation for the company we want to keep. The risk appetite statement can be used as a tool to promote robust discussion of risk, and as a basis upon which acceptance and continuance decisions can be debated and challenged effectively and credibly. The statement, as shown below sets the tone for the risk culture and aims to drive global consistency in the engagement acceptance and continuance decision making process:

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

Consistent with our commitment to purpose and to act in the public interest, we recognize that taking on a degree of risk is a natural consequence of doing business. In order to deliver high quality audit and assurance services, we proactively identify and manage risk through our quality control 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 professionals, recognizes emerging issues and societal responsibilities, and is committed to providing transparency to stakeholders in the financial reporting ecosystem. We endeavor to have a portfolio that does not include clients that lack integrity, engage in illegal activities, disregard the authenticity of financial accounting and reporting, or are unwilling to establish and maintain sufficient internal controls and related processes."

Delivering audit excellence through process, people, and technology transformation²

With The Deloitte Way, Deloitte is bringing innovation into the core of how our audits are executed: with automation that improves routine tasks, analytics that yield a deeper and more insightful view into the data, and artificial intelligence that enhances human discovery and problem-solving. As a result, we are improving the quality of the audits we deliver while also creating a richer talent experience for our people and giving clients a streamlined, digital audit experience, that provides more transparency and deeper insight.

Innovation and technology enablement are an expectation in today's fast-changing business environment, and this expectation holds true for the audit profession as well. Today's complex business environment requires that the audit be dynamic, multidimensional, and insightful. There is a demand for real-time, relevant information, and we need to evolve our audits as the entities we audit innovate their businesses and processes. Leveraging evolving technology and data, Deloitte A&A delivers deeper insights to create more consistent, transparent, and valuable audit and assurance for our stakeholders. Deloitte brings bright minds, effective processes, and world-class technologies from across the global organization to deliver an impact beyond expectations.

At Deloitte Audit, auditors are enhancing procedures by making more use of data-driven analytics, as well as cognitive and cloud-based technologies like Artificial Intelligence (AI). This is due, in part, to the increased automation and effectiveness these provide, but also the need for Deloitte Audit to stay abreast of technological advances used by the entities that we audit.

Audit & Assurance – the future, today

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

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

We are leaders in quality and will continually deliver on this commitment by focusing on excellence across people, process, and technology. Each of these core components helps us to deliver our vision for a better future, creating an impact that not only meets expectations but goes beyond them.

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

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

The Deloitte Way: standardization of audit processes supported by our 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 is committed to the continued investment in emerging technologies and diversity of thought that enables the delivery of enhanced quality, insights, and value to our clients and the markets. Deloitte's holistic global audit platforms, EMS, Deloitte Omnia and Deloitte Levvia, demonstrate our commitment to delivering digital, high quality audits of all sizes and levels of complexity. Deloitte Omnia is our cloud-based, end-to-end audit delivery platform for larger audits, including publicly-listed entities, while Deloitte Levvia delivers a streamlined, right-sized digital audit experience for select private entities.

Ongoing development, enhancement, and broader deployment of both platforms will continue over the next several years. Deloitte also has designed an innovative global data and analytics solution, and our integrated suite of enabling innovation technologies are all connected in the cloud.

Locally we use enabling tools such as:

- **Document AI** – Client document interrogation and analysis
- **Deloitte Connect** – Online communication, information sharing, and progress tracking

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

- **Asset Count** – Mobile-enabled inventory counts
- **Digital Confirmation** – Automated management of the audit confirmation process
- **Reveal Analytics** – Sophisticated regression analysis
- **Company Risk Insights** – Comprehensive risk analytics
- **Audit Online** – Interface with delivery centers and support of guided risk assessments
- **Power BI** – visualization tool
- **D.Docs** – report generation platform
- **DNav** – dynamic workflow management tool to enhance efficiency on the audits of investment funds
- **Pricing application** – provides independent valuation of securities portfolio

By growing a dedicated local audit IT team and by including mixed profiles with audit, IT as well as project management skills in our audit teams, we are more and more in a position to carry out projects in all industries and to leverage the skills of our talented people to pursue a threefold objective of quality, value added for our clients and efficiency.

As a complement to the above enabling tools, Deloitte Audit professionals use in-house developed automated solutions aiming at:

- Capturing and augmenting the client data in order to deliver it according to our strategical priorities.
- Assisting the professionals in their management of audit engagements and resources enhancing their monitoring capabilities in terms of compliance, operations, staff scheduling, financial economics and/or workload.

The audit of the future is not only about tools but mainly about our people. We want to foster an innovative culture by engaging auditors within:

- **Labs:** to create, elaborate and prototype solutions to challenge and complement our Audit and Assurance services.
- **Workshops** to find concrete and innovative ideas and develop initial concepts tailored to specific needs.
- **Training offering** to develop skills and methodologies.
- **Creation of synergies** with internal and external stakeholders.
- **Knowledge** building activities.
- **Discussions and debates** to identify new and disruptive ideas.

All these efforts and investments have led to measurable positive results which impact our clients perception as well as the daily activities of our audit professionals.



Auditing in disruptive times

In recent years the world has experienced a period of exceptional challenges and uncertainty, from the societal changes caused by the COVID-19 pandemic to the humanitarian crisis brought on by the war in Ukraine. These momentous shifts have brought unprecedented speed of change to the profession, and throughout this period, Deloitte has prioritized the safety and wellbeing of its people. In times of global complexity and economic uncertainty, the need for high quality audit and assurance services is critical. Now more than ever, investors and stakeholders are looking to auditors to bring trust and objectivity to capital markets.

Despite the unique challenges of the current environment, Deloitte has not wavered in its commitment to ethics, integrity, independence, and transparency—all while serving the public interest. We recognize the importance of upholding our professional responsibilities and our role in instilling trust in the financial reporting ecosystem. We continually reinforce the following principles with A&A professionals:

- Exercise professional skepticism and due professional care
- Critically evaluate the quality of audit evidence obtained and whether it is sufficient and appropriate to address the risk
- Make well-reasoned professional judgments supported by clear documentation
- Foster a culture of consultation
- Stay connected and support one another

In this period of continued uncertainty, all stakeholders of the financial reporting ecosystem (including governments, financial institutions, entity management, those charged with governance, auditors, and investors) must exercise significant

Multidisciplinary model (MDM)

Throughout the Deloitte network, Deloitte’s robust multidisciplinary business model (MDM)—consisting of audit and assurance, advisory, tax, and consulting practices—is an important contributor to the performance of high quality audits.

This unique model purposefully connects Deloitte’s great breadth of professionals and professionals with a profound depth of experience, skills, and specialties to bring stronger insights and high quality services. Auditors increasingly use the work of specialists in a number of areas, including to assist in their evaluation of accounting estimates and fair value measurements. This has been more important than ever as companies’ financial statements were required to reflect the uncertainties presented by COVID-19 and ensuing macroeconomic factors. Further, the scope of corporate reporting is expected to grow rapidly in the near future where financial statements and corporate disclosures will continue to become more complex due to new ESG considerations and other focus areas. In addition, as big data utilization becomes more pervasive in line with other digital advances, the demand for data analysts and IT specialists will grow accordingly. Among the benefits of the MDM are:

- Possibility to develop industry or thematic insights (e.g., climate, governance, corporate strategy, etc.) through multiple lenses, which

enhances auditors’ understanding of business risks relevant to conducting audits.

- Immediate access for the Audit & Assurance practice to specialized resources in other business lines. This promotes audit quality because auditors can leverage the knowledge and experience of advisory professionals who are skilled in subjects beyond audit and assurance.
- A diverse organization helps attract and retain premier talent.
- Availability of intellectual capital within the network to innovate audit processes, technologies, etc.
- Parts of the business grow at different rates during various time periods across markets. Deloitte’s MDM provides a safeguard against market volatility that is important to long-term viability of the network and makes significant investments in audit quality and innovation possible, even in times of financial pressures on the audit business.

Deloitte acknowledges, however, the possibility and perception of conflicts of interest, and therefore has robust independence policies and systems in place 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 what professional standards or laws or regulations require.

judgment. This includes an awareness of the heightened risk of fraud, the presence of new or different risk factors, and potential changes in internal control environments. Although the existing accounting frameworks have provisions

for uncertainties, financial statement users and regulators should continue to expect a higher degree of market and economic volatility in the near term.

Deloitte welcomes the public statements and guidance issued by regulators that recognize the current uncertainties and emphasize the importance of high quality, forward-looking corporate disclosures. There is benefit to the public for greater transparency from various financial reporting ecosystem stakeholders raising awareness about these issues. This includes providing more clarity on the responsibilities of management, audit committees, companies, auditors, regulators, and other stakeholders.

The professional standards, Deloitte policies and guidance, strong consultation and specialist networks, and steadfast diligence continue to be the basis for Deloitte's execution of high quality audits. Deloitte's global technology and infrastructure have allowed for an agile and rapid response to the various disruptions to the workplace, including the shift to

virtual working. Deloitte Global continues to provide firms with globally relevant and locally adaptable audit resources and guidance. These responses have allowed us to continue to reinforce the execution of the Deloitte audit approach throughout this historically challenging period.

The transformation of audit delivery in an increasingly dynamic work environment has led Deloitte to respond to the rapidly changing needs and requirements of the talent landscape. This includes challenging historical working methods and supporting its people in a hybrid working environment.

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



Environmental, social, and governance (ESG) reporting³

The foundations of business are changing rapidly, long-term resiliency and the ability to create enduring value is directly linked to alignment with the values and expectations of society. Market participants and broader stakeholders are calling for greater insight into how an organization is going to build, protect, and enhance enterprise value over time, and are specifically demanding enhanced transparency around ESG impacts and the dependencies of a company's business model and strategy.

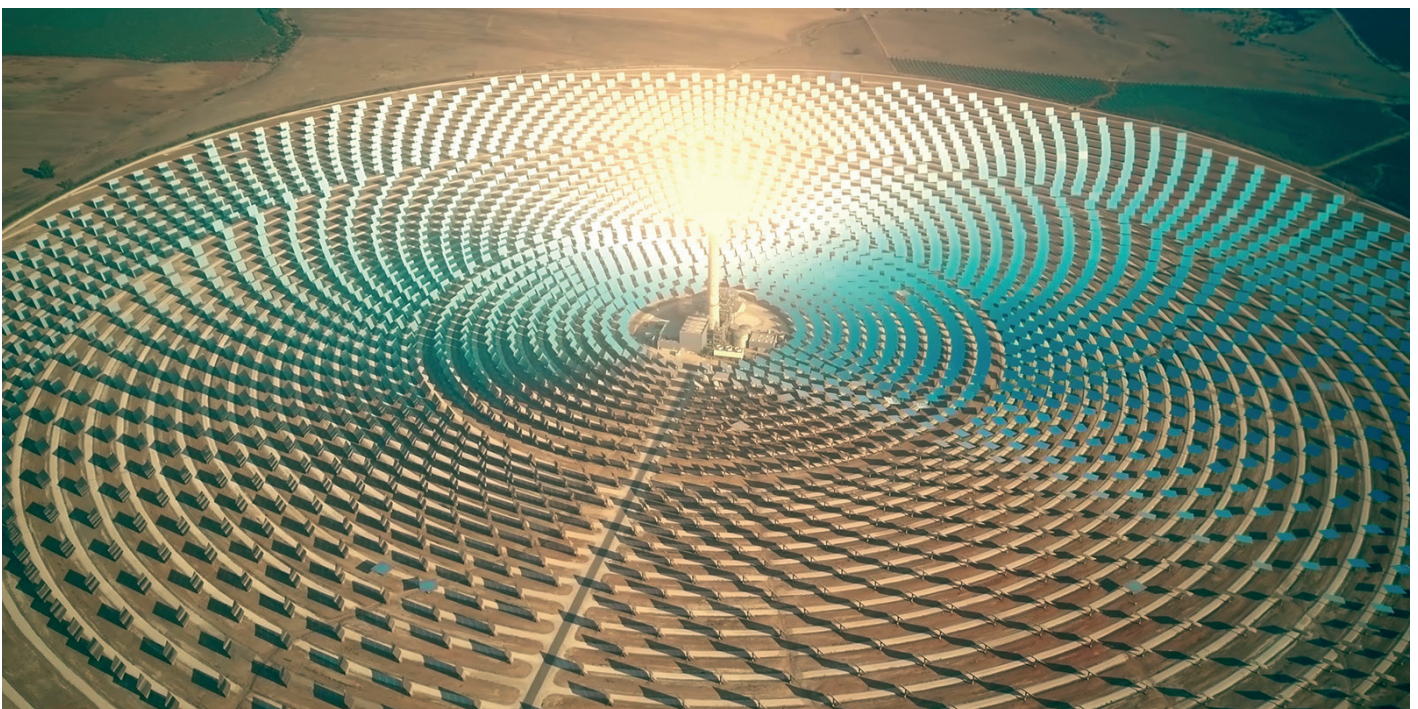
There is a growing interest for companies to integrate climate-related and other ESG considerations into internal control policies and procedures, enhancing the maturity of systems, processes, and governance over climate-related and other ESG information. Those charged with governance (e.g.,

Audit Committees, Boards) are moving toward incorporating ESG considerations in their oversight responsibilities of an organization's management, its reporting readiness, and implementation of processes and controls to collect data.

In response to growing demand, the reporting landscape is quickly changing to meet the needs of stakeholders, with proposed standard setting through the International Sustainability Standards Board and rulemaking around the world. The developments in standard-setting and rulemaking are intended not only to create transparency and consistency in global baseline reporting, but also to make clear that information in financial reporting and information contained in sustainability reporting together are essential inputs to inform a stakeholders' view of an entity's value.

In Luxembourg disclosures on sustainability have increased with the amendments brought by Taxonomy Regulation to the Non-Financial Reporting Directive requiring to report taxonomy eligible and non-eligible activities; in relation to Financial Market Participants sustainability disclosures started with the introduction of Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy regulation requesting transparency about ESG considerations on the promotion of environmental or social characteristics and of sustainable investments of their products and portfolio of investments.

These disclosure requirements will increase in 2023 when large and listed entities will have to disclose taxonomy aligned activities; financial market participants, with the application of SFDR technical standards, will need to further



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

detail sustainability related information applying specific format and will have to provide the principal adverse sustainability impacts statement.

With the increased focus and scrutiny of this information also comes the increased need for confidence over the quality of the information being disclosed, which may be achieved through assurance over ESG information. Deloitte believes that there is a benefit to ESG assurance being provided by an audit firm. Objectivity, credibility, and integrity are qualities valued most in assurance providers. These are in addition to independence, professional skepticism, commitment to quality, and appropriate training that are equally critical.

Below are specific actions that Deloitte is undertaking to support execution of high quality audits that give appropriate consideration to climate-related risks and opportunities:

- Educating Deloitte professionals on the sustainability topic and climate change, and the impact on audit entities through the deployment of materials such as a climate learning curriculum, dedicated training session, a framework and related guidance to consider sustainability-related matters as part of the audit.
- Engaging in the global debate by being proactive in supporting global sustainability standards, through facilitating the five sustainability reporting standard-setting bodies and contributing to the IFRS Foundation's climate disclosure work and actively participating in various global platforms such as the World Economic Forum and the 2021 United Nations Climate Change Conference (COP 26). Similarly actively participating to the similar debates animated at local level to translate global standard to local ecosystem.

- Recruiting experts on the sustainability reporting domain to support the needs of clients.

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

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

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Professional development and performance management.



Deloitte's culture of excellence and the design of learning programs place people at the forefront. Deloitte professionals are technically proficient with high levels of ethics, integrity, professional skepticism, and objectivity, 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 professionals, and furthering their careers by creating a life-long learning environment—advancing audit education, skillsets, and flexible career options that appeal to auditors of today and tomorrow.

Deloitte professionals bring diverse backgrounds, knowledge, and skillsets that enhance capabilities as an organization in delivering the highest quality audits. Deloitte is united in the commitment to our ALL /IN program dedicated to improving diversity, equity, inclusion, and innovation.

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

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

Learning and development initiatives

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

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

- At the core, Deloitte has a single, 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 professionals are required to complete at least 20 hours of continuing professional education (CPE) each year and at least 120 hours every three years, through structured, formal learning programs, such as internal or external courses, seminars, or e learning covering all areas of the competency model (e.g., shared

competencies, function-specific technical competencies, and competencies in areas of specialization).

- All client service professionals have clearly defined role expectations and global Talent Standards which outline the capabilities that are required of professionals at each level.

Deloitte has also established specific learning opportunities for specialists working on audit engagements to support their knowledge and understanding of the audit process. In addition, our assurance learning offering is being expanded to respond to emerging business needs.

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

Certain courses are mandatory (as established by Deloitte Global Audit & Assurance Curriculum) and others are optional (local industry trainings, leadership skills, etc). Through a learning monitoring system, each professional follows the status of his/her learning and takes the responsibility to ensure own continuing professional development. In addition to this possibility to individually follow the learning plan, the Audit Learning Team monitors the completion of mandatory trainings via the central learning platform.

Our statutory auditors, approved statutory auditors and professional trainees follow the trainings as required by the

CSSF according to the Law of July 23rd, 2016 on the audit profession and the CSSF Regulation n°16-10 organizing the continuing education of approved statutory auditors as further explained by the CSSF Circular 19/717.

Statement on policy followed by Deloitte Audit concerning the continuing education of the statutory auditors

Deloitte Audit believes that the organization described above is appropriate in order to provide reasonable assurance that sufficient training is given to professional staff in audit, accounting and industry specific topics to continuously increase their capabilities, expertise and competence.

Deloitte. University

Deloitte University

Deloitte actively cultivates the collective knowledge and skills of Deloitte people globally through continued investment in Deloitte Universities (DU). These are state-of-the-art learning and development centers focused on Deloitte culture and founded in the principles of connectedness and leadership in a highly inclusive and hybrid learning environment⁴

⁴For more information about Deloitte Universities, please refer to [Deloitte Global Impact Report](#).



Audit & Assurance (A&A) Leadership appointments

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

Partner remuneration

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

In accordance with global policies, Deloitte Audit's Partners and Managing Directors are evaluated on a yearly basis, and depending on the outcome of the evaluation, the remuneration of partners may increase or decrease. The compensation practices of Deloitte Audit are designed to comply with applicable independence requirements; to emphasize the shared values of quality, integrity, and technical excellence; and to assess the characteristics and skills outlined in our human resources competency model.

- For Equity Partners, the system is an earnings allocation process. Typically, each Equity Partner is allocated interests in the Deloitte Luxembourg Group, known as units, under recommended guidelines related to their level, role and responsibilities in the Deloitte Luxembourg Group and overall performance appraisal, which is linked to a goal-setting process. At the end of the financial year, units are valued based on the performance of the Deloitte Luxembourg Group. The earnings of Equity Partners are determined by their number of units at the applicable unit value.
- Salaried Partners' and Managing Directors' remuneration comprises a fixed salary and a variable performance related component determined upon overall performance appraisal geared to a goal-setting process and taking into account their roles and responsibilities, and the performance of the Firm.

To ensure that Partners and Managing Directors of Deloitte Audit focus on their primary responsibility to provide audit services of the highest quality, the policies of Deloitte Audit, which are consistent with the applicable regulations in Luxembourg, forbid them from receiving compensation, bonuses, or other direct financial incentives for selling products or services, other than audits, reviews, or assurance-related services, to the clients they serve. Moreover, in determining the remuneration of Deloitte Audit Partners and Managing Directors, due consideration is given in their performance evaluations to the results of practice reviews and external inspections of their engagements.

Attraction and retention

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

Despite the challenges, Deloitte has again received the award for the World's most attractive professional services employer from Universum in 2021.



Deloitte Luxembourg Group was awarded the label *Entreprise Socialement Responsable* (socially responsible company) – ESR 2020-2023.



Stratégie RSE • Gouvernance • Social • Environnement

Social Impact

Making an Impact Every Day

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



Deloitte's priority focus on audit quality.

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



Leadership commitment and tone at the top

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

System of quality control

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

Regulators and standard setters in Luxembourg and globally are also focused on driving further improvements in firms' systems of quality control. In December 2020, the IAASB released its new, revised suite of quality management standards, including International Standard on Quality Management 1 ("ISQM 1"). Systems of quality management in compliance with ISQM 1 are required to be designed and implemented by 15 December 2022, and an evaluation of the system of quality management will be required to be performed within one year following that date.

The effective implementation of ISQM 1 is a key element of Deloitte's global audit quality strategy. Deloitte's ISQM 1 implementation activities are well progressed, building on the multi-year investments and commitment already

delivered to go beyond the requirements of the existing professional standards. Deloitte Audit continues to work with leaders across the firm, as well as the broader network, to further enhance our proactive approach to managing the quality of engagements performed—identifying and addressing risks to audit quality and driving continued advancements in quality control processes that will serve 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, these standard setting activities provide the opportunity to challenge ourselves—examining those areas where we can further support and transform the system of quality control. Audit quality is always front and center, and robust audit quality monitoring and measurement processes play an integral role in our ability to continually improve.

Independence, objectivity, and professional skepticism

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

Audit approach

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

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

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

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

The resources applied by Deloitte professionals in the performance of their audits include the proprietary tools, guidance, materials, and practice aids used in conducting audits, which are available to all our professionals in the Deloitte Global Technical Library, an extensive online library, and in our audit execution platforms. Deloitte regularly issues accounting and auditing guidance to our professionals and communicates developments that should be factored into audit risk assessments and responses in order to maintain and drive quality audit execution.

Consultation

Quality and risk management considerations are integral to Deloitte’s audit business. That is why Deloitte views consultation as an essential,

collaborative process—one that helps determine the most appropriate answers to complex questions. Deloitte has identified circumstances where consultation outside of the engagement team is required in order to demonstrate an appropriate level of professional judgment and challenge. 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 team, or others in the organization with specialized knowledge.

Deloitte Conditions for Success (DCS)

Deloitte’s commitment to audit quality is reflected in the DCS, five fundamental operating principles critical to the execution of high quality audits and effective risk management. Global DCS benchmarks provide firms with a baseline for measuring progress and driving improvements in these key areas and are monitored on an annual basis.

“Deloitte is proud of its role supporting the capital markets, protecting investors and the public trust.” We focus on delivering independent high quality audits and instilling confidence and trust in the capital markets through our reports. 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.





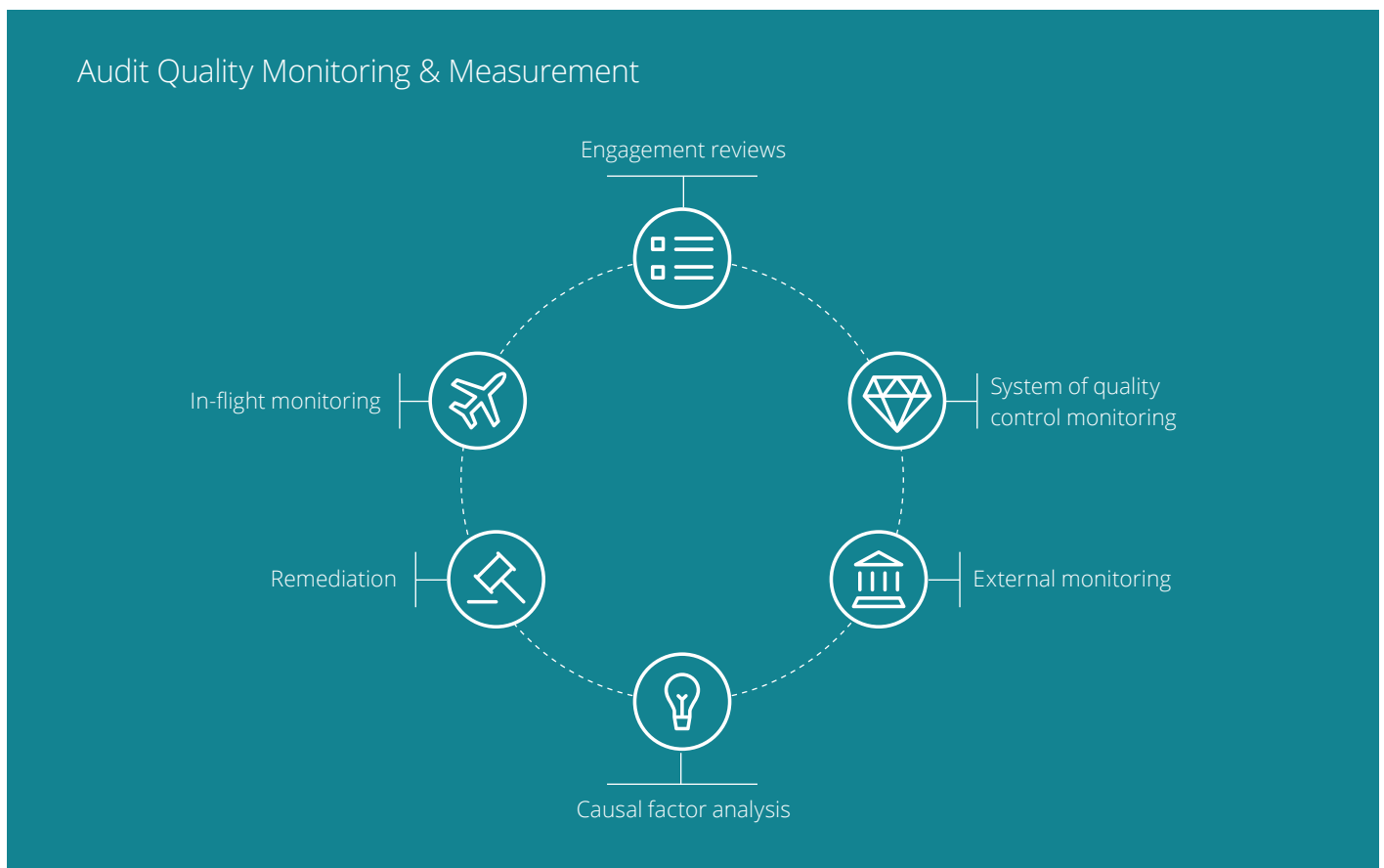
External and internal audit quality monitoring

Audit Quality Monitoring & Measurement

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

The objective of the Deloitte Global Audit Quality Monitoring & Measurement (AQMM) program is to communicate relevant, reliable, and timely information to leadership in order to enable swift

responsive remedial actions and continuous improvement in Deloitte's system of quality control. This includes the identification of deficiencies and good practices in the system of quality control and the assessment of the effectiveness of remedial actions in driving improvements in audit quality.



In-flight monitoring

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

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

Engagement reviews

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

- Risk-based engagement selection and consideration of all major industries served by Deloitte Audit.
- Mandatory moderation panel to drive consistency in findings and engagement ratings.
- External partners and deputies, independent of Deloitte Audit, who provide oversight over the firm’s practice review programs to drive global consistency.

- Identifying appropriate resources (from within Deloitte Audit as well as from other Deloitte geographies) with the right experience and industry knowledge, including establishing central review teams.

System of quality control (SQC) review

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

Audit Quality Indicators (AQIs), including the Deloitte Conditions for Success (DCS), are used in conjunction with other metrics to further assist Deloitte Audit in developing and monitoring audit quality action plans and reporting on the progress in its audit quality journey.

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

External inspections

In addition to Deloitte Audit’s own monitoring of audit quality, we are subject to external reviews by the *Commission de*

Surveillance du Secteur Financier (“CSSF”) for statutory audit engagements and by the *Institut des Réviseurs d’Entreprises* (“IRE”) for contractual audit engagements and other assurance engagements not under direct CSSF supervision.

Internal monitoring	External monitoring
Last internal inspection process started in January 2022 and covers the year 2021.	CSSF is currently in the process of conducting its annual inspection that started in April 2022 and covers the year 2021. IRE completed its inspection in June 2022 covering the period 1 July 2020 - 30 June 2021.

Causal factor analysis and remediation

Continuous improvement is essential to Deloitte’s culture of quality and excellence.

Understanding why audit deficiencies occur is critical to the design of effective actions to remediate findings. When deficiencies are identified, whether through internal or external monitoring activities, actions are taken to identify gaps and appropriate remediation activities. Remediation is imperative to drive continuous improvement in audit quality and avoid future similar findings. An audit quality plan is prepared by Deloitte Audit and provides for effective implementation and monitoring of key audit quality priorities.






Statement on the effectiveness of the functioning of the internal system of quality control⁵

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

⁵ Effective 15 December 2022, ISQM 1 will require an evaluation, at least annually, of the firm’s system of quality management, specifically whether the system provides Deloitte Audit with reasonable assurance that the objectives of the system of quality management are being achieved.

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 firms, as needed, with their annual SQC review and gives insights into global areas of focus. On a three-year cycle, Deloitte Global Independence provides **independence subject matter expertise that is leveraged during the firms' annual SQC review** as part of Audit Quality Monitoring & Measurement. In-depth follow-up reviews are conducted as needed.
-  Provides firms with **on-going independence expertise** through consultation—enabling continuous enhancements to global policies, procedural expectations, tools, and practice support activities.
-  Delivers **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.
-  Promotes **independence awareness** across the Deloitte network through active engagement with independence and business leadership groups, periodic communications and alerts, and development of guidance, learning and instructions.

Independence

The Firm has policies and procedures designed to address compliance with applicable professional standards, laws and regulations that relate to independence. These policies and procedures are based on the Deloitte Global Independence policy, and are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte Global policies. Deloitte Audit leadership reinforces the importance of compliance with independence and related quality control standards, thereby setting the appropriate tone at the top and instilling its importance into the professional values and culture of Deloitte Audit. 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 Director of Independence is responsible for overseeing independence matters within Deloitte Audit, including the design, implementation, operation, monitoring, and maintenance of the system of quality control related to independence. As part of the firm's system of quality control, Deloitte Audit has:

- implemented responses (policies, procedures, and controls) to quality risks it has identified for its key independence areas;
- Performed appropriate monitoring activities over its key independence areas; and
- Has appropriate independence governance in place.

The Firm's key independence areas include:

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

- Disciplinary measures for failures to adhere to applicable independence requirements

An internal review of independence compliance with the above key independence areas was conducted during the year and the report was issued on 27 July 2022.

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 professionals

Deloitte Audit has monitoring procedures in place to ensure compliance with mandatory rotation/tendering of audit firms, mandatory rotation of Key Audit Partners (KAP) and mandatory rotation of managerial personnel as follows:

A. For rotation of key audit partners IESBA:

IESBA: No Key Audit Partner shall serve an audit client which is a Public Interest Entity (DPM-PIE) for more than seven consecutive years. Up to five further years must elapse before resuming an engagement audit Partner role for the same client and three years for Engagement Quality Control Reviewer (EQCR) and other KAP role. Key Audit Partner rotation shall also be considered for non-PIE clients where certain criteria are met, such as those which are designated as (Much) Greater than Normal Risk.

SEC: In the case of an audit client which is an SEC Registrant (Issuer), the maximum number of consecutive years shall be five. In the case of a significant subsidiary of an SEC Registrant (Issuer), (as advised by the LCSP), the maximum number of consecutive years shall be seven. No exceptions may be tolerated to this rule. The cooling-off period remains two years.

EU-PIE: In the case of an audit client which is an EU Public Interest Entity, as defined in that legislation, the maximum number of consecutive years served by a Key Audit Partner shall be seven, with a cooling-off period of three years. The legislation does not provide for any exceptions to this rule. In the case of all other audit clients, a reasonable effort shall be made to comply with the principles set out above and, in particular, minimize the number and duration of cases where key audit partners serve a client for more than seven consecutive years.

B. Routine Monitoring – Rotation Panel

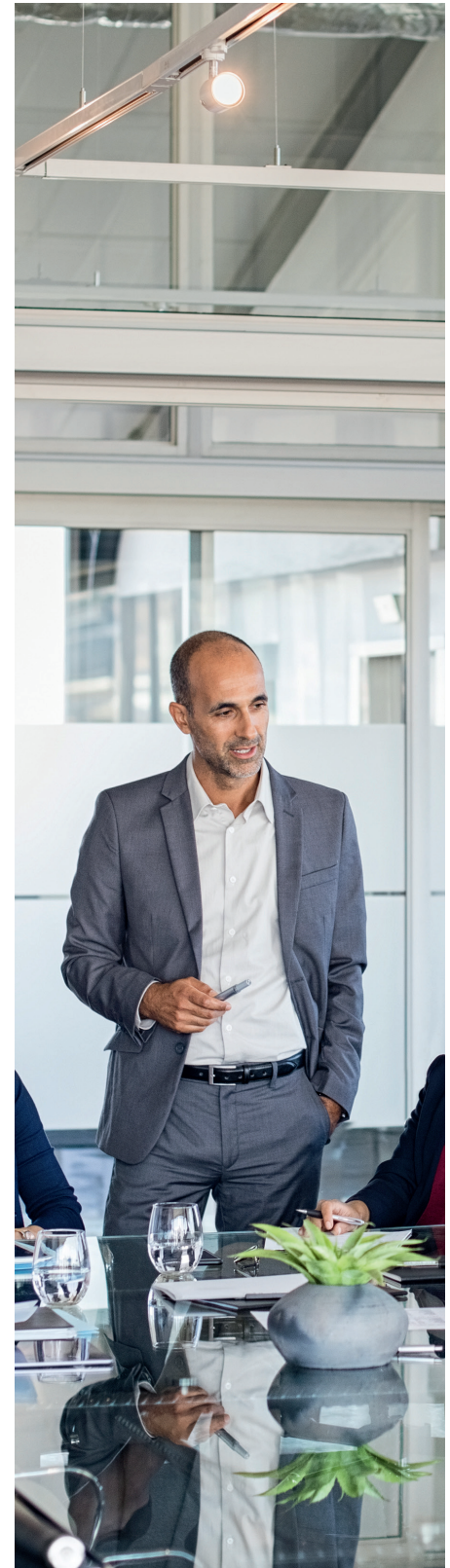
As appropriate, the Rotation Panel reviews those client situations where the issue of Key Audit Partner rotation requires attention.

C. For Rotation of managerial personnel (IESBA)

The wide variety in the composition of audit teams and the authority placed in the person of the key audit partners is such that a mechanical approach to mitigating familiarity risk at manager level is not appropriate. Instead, the Director of Independence is working with the audit risk function to establish and maintain a Watch-List of audit engagements where a Manager, Senior Manager or Director has served for ten years continuously or more.

D. Appropriate gradual rotation mechanism

for the most senior personnel on audits of EU-PIEs Reference is made to Article 17(7) of Regulation (EU) 537/2014.



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 program include global policies, a program of training and communications, and established reporting channels supported by defined incident management protocols. For continuous improvement, regular program assessments and reviews are conducted, and feedback is collected from Deloitte 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, who 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 Luxembourg Group maintains policies and procedures that build on the global policies and are designed to provide reasonable assurance that its people comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by Deloitte Luxembourg Group are in accordance with 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) as approved by the *Commission de Surveillance du Secteur Financier*.

Deloitte Luxembourg Group reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes, and measurement systems for all people. Learning includes targeted content for onboarding, manager promotion, independent contractors, and refresher programs every two years. Recent global training topics have included a focus on the importance of owning up to one’s mistakes, navigating personal relationships in the workplace, and demonstrating respect, integrity and professionalism on social media. E-learning include 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 Luxembourg Group conducts ethics reviews for senior leaders and requires all partners, other professionals, 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.



Deloitte Global Ethics

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 345,000 people, giving a strong, principled foundation. The foundations of the network's ethics program is comprised of the following elements:

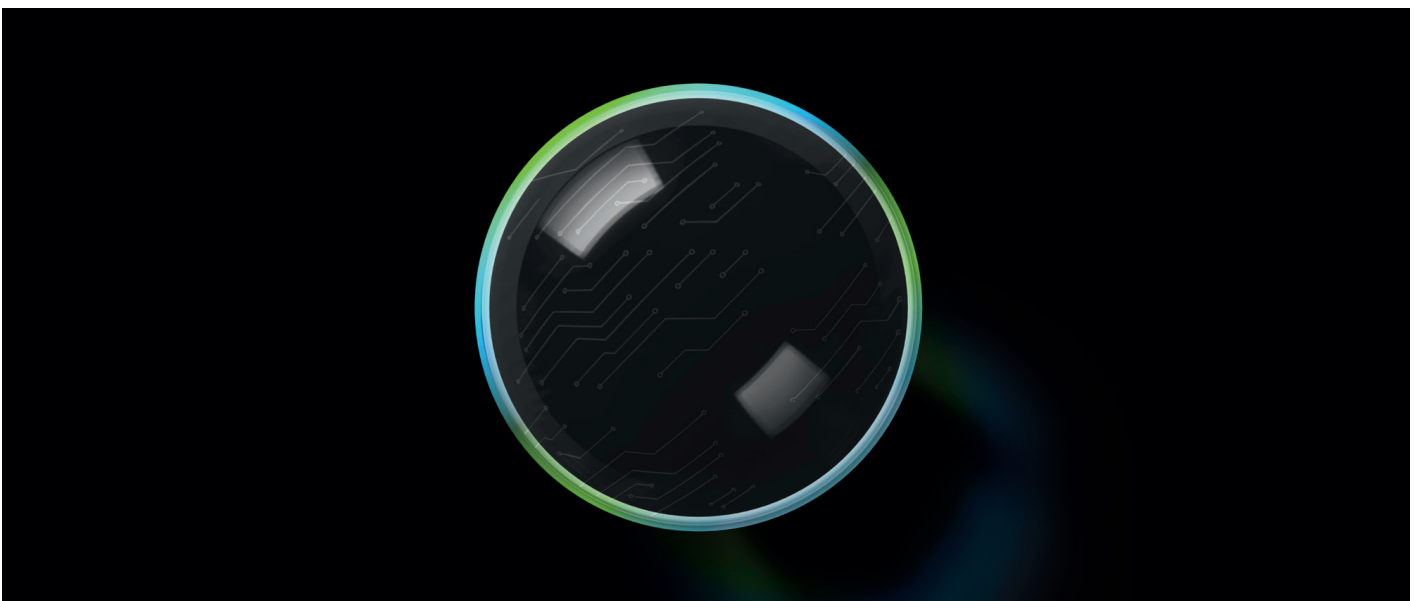


Shaping the future of the audit profession.

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 committee chairs, and auditors all have an important role so that users of corporate information have a clear and complete 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.

Deloitte is committed to establishing a meaningful vision for the future of the profession which addresses the shifting needs of society. We are proactively engaging with a range of stakeholders to bring innovation into the audit of today—as well as the audit of tomorrow—to support the audit, corporate governance and reporting regime in continuing to serve their purpose to enable confidence and trust.



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.
Denmark	Deloitte Statsautoriseret Revisionspartnerselskab
Estonia	AS Deloitte Audit Eesti
Finland	Deloitte Oy
France	Deloitte & Associés
	Deloitte Marque & Gendrot
	Deloitte Audit Holding
	BEAS
	Cisane
	Constantin Associés
	D. Associations
	DB Consultant
	ECA Audit
	Opus 3.14 Audit et Conseil
	Pierre-Henri Scacchi et Associés
	Revi Conseil

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
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
Portugal	Deloitte & Associados, SROC S.A.
Romania	Deloitte Audit SRL
Slovakia	Deloitte Audit s.r.o.
Slovenia	Deloitte Revizija d.o.o.
Spain	Deloitte, S.L.
Sweden	Deloitte AB

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: **€ 2.1 billion⁶**

⁶Amount 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 2022, 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 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 2021 to 31 May 2022.

Appendix B | Financial information

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

The breakdown of the Deloitte Audit's net turnover for the year ended on 31 May 2022:

Net turnover	(in million EUR)
Statutory audit (PIEs or PIE subsidiaries)	19
Statutory audit (non-PIEs or non-PIE subsidiaries)	56
Non-audit services (audited entities)	15
Non-audit services (other entities) ⁷	37
Total	127

⁷ Non audit services to other entities included contractual audits

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 in the Financial Year 2022:

Name	Name
abc SME Lease Germany SA	Codeis Securities SA
Allspring (Lux) Worldwide Fund	DANSKE BANK INTERNATIONAL S.A.
Andbank Luxembourg	DEMERGON FUNDS
ArcelorMittal	Diversified European Credit S.A.
ArcelorMittal Life & Health Re	Euroclear Investments
B&S Group S.A.	EUROFINS SCIENTIFIC SE
Banque Havilland S.A.	European Depository Bank SA
BEMO EUROPE BANQUE PRIVEE	Exane Solutions (Luxembourg) S.A.
BGL BNP Paribas	Eyquem Fund
BlueRe m.a.	Foyer Assurances S.A.
BNP Paribas Fortis Funding	Foyer Santé S.A.
BNP Paribas S.B. Ré	Foyer Vie S.A.
BPER Bank Luxembourg SA	Foyer-Arag S.A.
BRIGHT CAP	GreenStars BNP Paribas
Cardif Lux Vie	Industrial and Commercial Bank of China (Europe) S.A.
CARRARO FINANCE S.A.	International Shipowners Reinsurance Company S.A.
Cartesian Residential Mortgages 2 S.A.	IsDB Trust Services No.2 SARL
Cartesian Residential Mortgages 3 S.A.	John Deere Bank S.A.
Cartesian Residential Mortgages 4 S.A.	John Deere Cash Management
Cartesian Residential Mortgages 5 S.A.	Keytrade Bank Luxembourg S.A.
Cartesian Residential Mortgages 6 S.A.	Kernel Holding S.A.
Cartesian Residential Mortgages Blue S.A.	LCM Partners CO III SLP
China Merchants Bank (Europe) S.A.	Le Sphinx Assurances Luxembourg S.A.
CNA Insurance Company (Europe) S.A.	

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 in the Financial Year 2022:

Name
Lyxor Index Fund
Monceau Euro Risk, Société Anonyme de Réassurance
Nuclear Industry Reinsurance Association
Ossiam Lux
RAIFFEISEN VIE S.A.
ROOF AT S.A.
Scottish Widows Europe
SI UCITS ETF
Société Générale Financing and Distribution, en abrégé « SGFD »
Société Générale Ré S.A.
SOGELIFE S.A.
SPANDILUX S.A.
SPARINVEST SICAV
Stadhold Reinsurances (Luxembourg) S.A.
SURASSUR
TECHNICAL REINSURANCE COMPANY 2
The Britannia Steam Ship Insurance Association Europe
THE GENESIS EMERGING MARKETS INVESTMENT COMPANY
The OneLife Company S.A.
The Shipowners' Mutual Protection and Indemnity Association (Luxembourg)
The West of England Ship Owners Mutual Insurance Association (Luxembourg)
ThomasLloyd SICAV
UC Axiom Global CoCo Bonds UCITS ETF
Unicredit International Bank (Luxembourg) S.A.
Universal Credit S.A.
Versito International S.A.
VITIS LIFE S.A.
WEALINS





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