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Deloitte LLP Board Terms of Reference

1. Background

1.1. The Board is constituted in accordance with the Deloitte LLP Partnership Agreement, as amended from time to time (the "Partnership Agreement"), and shall exercise its duties, powers and responsibilities as set out in the Partnership Agreement.

1.2. These Terms of Reference should be read in conjunction with the Partnership Agreement. Defined terms used in these Terms of Reference shall have the meanings given to them in the Partnership Agreement unless otherwise stated. In the event of any inconsistency or contradiction, the Partnership Agreement shall prevail.

2. Purpose

The Board will:

2.1. work with the UK Executive Committee to set and approve the long-term (which is regarded as a period of five to 10 years) strategies and objectives of the Firm and the markets in which the Firm will operate;

2.2. oversee the level of risk acceptable in each area of business carried on by the Firm;

2.3. be responsible for the oversight of management of the Firm and for ensuring alignment by the UK Member Firm with its obligations as a DTTL Member Firm (including the DTTL Member Firm Standards);

2.4. be responsible for overseeing the sense of Partnership, stewardship of the Firm and the promotion and protection of Partner interests generally; and

2.5. oversee legal, regulatory, reputational, public interest, quality and risk, and ethics issues.

3. Composition and Membership

3.1. The Board shall comprise:
- 3.1.1. the Chair
- 3.1.2. the CEO
- 3.1.3. nine Board Members elected by the Partners (the "Elected Board Members")
- 3.1.4. at least three Independent Non-Executives ("INEs")

3.2. In accordance with paragraph 6.1, the Chair, the CEO and the Elected Board Members shall be the Voting Board Members.

3.3. Each Voting Board Member shall be entitled to appoint another Voting Board Member as his or her proxy to represent him or her and to vote on his or her behalf at any meeting of the Board at which he or she is not present.

3.4. The quorum for any meeting of the Board shall be:
- 3.4.1. such number of Voting Board Members present in person or by proxy as represents not less than two-thirds of the total number of Voting Board Members; and
- 3.4.2. not less than two INEs.

3.5. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Board.

4. EMEA Board Representatives

4.1. The Chair shall be a member of the EMEA Board and, following consultation with the CEO, shall nominate for the approval of the Board, two Elected Members to also serve as members of the EMEA Board (the "Elected EMEA Board Members"). The Elected EMEA Board Members:

4.1.1. shall, subject to remaining an Elected Board Member, serve on the EMEA Board for such period as the Board may determine; and

4.1.2. may from time to time, subject to being an Elected Board Member at the relevant time, be reappointed for such period as the Board may determine.

5. Powers and responsibilities

The Board shall have such powers and other responsibilities as are given to it under the terms of the Partnership Agreement and shall have, in particular, the responsibilities and powers to discharge them under the headings set out below:

5.1. The business of the Firm

5.1.1. to determine the areas of business of the Firm from time to time;
5.1.2. to consider and, if thought fit, approve the policies and strategies of the Firm in accordance with the Partnership Agreement;
5.1.3. to consider and approve or reject the profit plan, cash flow plan and capital expenditure plan for the Firm prepared annually pursuant to the Partnership Agreement;
5.1.4. to receive reports from the CEO prepared from time to time pursuant to the Partnership Agreement and generally oversee the management of the Firm;
5.1.5. to consider and approve or reject Transactions in accordance with the Partnership Agreement;
5.1.6. to consider and approve or reject proposals from the CEO to borrow money (including, without limitation, any proposal for the Firm to enter into any fixed or floating charge), make investments, give undertakings and enter into contracts (other than contracts for the provision of professional or other services to clients of the Firm) on behalf of the Firm pursuant to the Partnership Agreement;
5.1.7. to receive reports in relation to the Firm's management of significant social, environmental and ethical issues affecting the Firm;
5.1.8. to communicate to the Partners in a timely and effective manner on matters addressed by the Board including its policies, procedures and decisions;
5.1.9. to oversee the regulatory environment of the Firm;
5.1.10. to determine the name and Registered Office from time to time of the Firm;
5.1.11. to consent to changes to the Firm's right to use the International Practice Name in the Territory; and
5.1.12. to determine the rate per Unit of capital contribution payable by Partners to the Firm in accordance with the Partnership Agreement.

5.2. Resilience and contingency planning

5.2.1. to oversee and promote the long-term sustainability and resilience of the Firm;
5.2.2. to oversee the procedures for ensuring that no material, structural cross-subsidy exists between the Audit and Assurance business and the rest of the Firm; and
5.2.3. to oversee the Firm's contingency and business continuity plans.

5.3. Risk Management

5.3.1. to oversee the principal risks facing the Firm (including cyber risk, as well as those that could threaten the Firm's business model, future performance, solvency or liquidity), the effectiveness of risk management policies, and the system of internal control.

5.4. Succession planning and leadership roles

5.4.1. to be notified of the CEO's selection of executive committee members;

5.4.2. to review the plans for succession in the leadership of the Firm (including the CEO), and its Independent Non-Executives and Audit Non-Executives, and to nominate candidates for each of the offices of Chair and CEO;

5.4.3. to oversee the appointment and removal of the UK CEO; and

5.4.4. to appoint and/or reappoint the Firm's Independent Non-Executives and Audit Non-Executives.

5.5. People and Purpose

5.5.1. to oversee the Firm's people and purpose agenda, including in relation to areas of mobility, succession management, learning and development, talent, leadership development, experience, DE&I, sustainability and social impact.

5.6. Partner matters

5.6.1. to promote and protect the interests of and act on behalf of the Partners generally, and to ensure fairness in respect of the Partners as a whole;

5.6.2. to approve the admission and retirement of Partners pursuant to the Partnership Agreement;

5.6.3. to consider and, if thought fit, approve the annual Profit Sharing Memorandum proposed by the CEO, the number and definition of Equity Groups and the Unit ranges applicable to such Equity Groups, the assignment of Partners to Equity Groups and the suspension of any Partner's Equity Group;

5.6.4. except in relation to the Chair and the CEO, to consider and, if thought fit, approve the allocation of Units or fixed profit shares to Partners pursuant to the Partnership Agreement; and

5.6.5. to determine the allocation of Units or fixed profit shares pursuant to the Partnership Agreement in respect of the Chair and the CEO.

5.7. Internal and external reporting

5.7.1. to approve annual management and financial accounts of the Firm prepared by the CEO in accordance with the Partnership Agreement;

5.7.2. to monitor and review the effectiveness of the internal audit function; and

5.7.3. to oversee the external audit arrangements in respect of the Firm's Statutory Annual Accounts, the integrity of the Firm's financial statements and to approve the annual financial statements in accordance with the Partnership Agreement.

5.8. International

5.8.1. subject to approval by a Resolution of the Partners, to approve the withdrawal of the UK Member Firm from membership of Deloitte EMEA or from membership of DTTL.

6. Decisions

6.1. The Chair, the CEO and the Elected Board Members (the "Voting Board Members") shall each have one vote, subject to the provisions of paragraph 6.4.

6.2. Decisions of the Board on which a vote is called by the Chair shall be made by simple majority of the Voting Board Members who are present (in person or by proxy), except where a two-thirds majority is required by the Partnership Agreement. Subject to paragraph 6.4, the Chair shall have a casting vote in the event of a tie, other than in relation to the nomination of a candidate for appointment as Chair.

Where the votes held by qualifying Partners on the Board are insufficient to ensure compliance with the ICAEW Regulations, such additional number of votes as are required to ensure compliance with the ICAEW Regulations shall be conferred on qualifying Partners on the Board in such a manner as the Board shall determine from time to time.

6.3. Decisions of the Board may be taken by written resolution without the need to convene a formal meeting. A written resolution shall be circulated to all voting members of the Board by the Chair or Secretary (or such other person as the Chair may direct) by email or such other means as the Board may from time to time approve. A written resolution shall be passed when the requisite voting majority is reached in accordance with paragraph 6.2 by Voting Board Members having confirmed their agreement in writing (including by email from their recognised email address). Written resolutions passed in accordance with this paragraph shall be as valid and effectual as if they had been passed at a duly convened meeting of the Board and shall be recorded in the minutes of the next subsequent meeting of the Board.

6.4. If a proposal considered by the Board is one where a Board member, either directly or indirectly, has a conflict of interest, that Board member shall not be permitted to take part in any discussion, or vote, or decision-making, on any such proposal.

6.5. The decision of the Chair as regards whether a Board member has a conflict of interest is determinative. If the question of conflict relates to the Chair, the decision of the other Voting Board Members in attendance (acting by a simple majority) is determinative.

7. Board Procedures

7.1. Meetings of the Board shall be held not less than six times a year and more frequently as circumstances may require.

7.2. Save as set out in these Terms of Reference, the Board shall determine its own procedures and, subject to the Partnership Agreement, may delegate any matter within its powers to one or more committees, or to an individual member of the Board, or to another Partner or member of staff of the Firm including Partners.

7.3. Committees may consist of one or more members of the Board and/or other Partners and/or members of staff of the Firm including Partners. The Board may from time to time appoint an Independent Non-Executive to any such committee. The role of such committees is, save where the Board has expressly delegated decision-making power to the committee, to make recommendations to the Board (which shall make decisions after considering those recommendations) regarding matters within their respective terms of reference.

8. General Matters

8.1. The Chair shall appoint a Secretary from time to time. The Secretary shall not also be a member of the Board. Whilst holding the office of Secretary, the Secretary shall be entitled to attend meetings of the Board but shall not be entitled to vote.

8.2. The Secretary will minute the proceedings and decisions of all Board meetings, including recording the names of those present and in attendance, and any conflicts of interest. Draft minutes of meetings will be circulated first to the Chair, and then to all other Board members for review.

8.3. Meetings of the Board shall be called by the Secretary of the Board at the request of the Chair, and may be called at any time. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be sent to each member of the Board at least five calendar days before the date of the meeting or on such shorter notice as may be deemed necessary by the Chair. Supporting papers shall be sent to

Board members at the same time but may be forwarded at shorter notice with the approval of the Chair.

8.4. Subject to paragraph 8.1 above and paragraph 8.4 below, only members of the Board shall have the right to attend meetings of the Board. Other attendees may be invited to attend all or any part of any Board meeting, as and when appropriate and necessary, but shall have no voting rights.

8.5. The UK General Counsel shall be a permanent invitee of the Board, as well as the UK Chief Financial Officer and UK Chief Risk Officer (save where otherwise notified by the Chair). Meetings of the Board may be observed from time to time by the Chair of the EMEA Board (the "EMEA Board Chair"), or another member of the EMEA Board acting as the EMEA Board Chair's delegate. The 'doubly independent' Audit Non-Executive shall have a standing invitation to attend, as an observer, appropriate parts of the meetings of the Board of relevance to their role where such attendance does not compromise their independence.

8.6. In the absence of the Chair, the members present shall appoint a member in attendance as Chair of the meeting.

8.7. The Board shall have access to all relevant people and information to allow it to discharge its duties, and shall give due regard to any relevant legal or regulatory requirements, as well as any guidance or best practice issued by relevant regulatory bodies.

9. Review and evaluation

9.1. The Board Terms of Reference shall be subject to review by the Board at least every 12 months and may be amended by the Board from time to time subject to ensuring that any changes are not incompatible with the requirements of applicable law and regulation, and the relevant provisions of the Partnership Agreement.

9.2. The performance of the Board shall be measured through key performance indicators that shall be reported against in the UK Transparency Report, as appropriate.

9.3. The effectiveness of the Board shall be subject to periodic review using third parties.