

2021 Transparency Report
Deloitte Canada

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A message from leadership

To our clients and stakeholders,

As I reflect on where we were when I wrote to you a year ago, what I can clearly say is that a lot has changed in both the way we work and our world around us in general. It was only one year ago where we were faced with significant uncertainty around economic recovery, we were still trying to understand the impact of the pandemic and having access to a viable vaccine was still an abstract concept. Fast-forward to today where we are figuring out what our workplaces and lives look like in our Next Normal all the way from how and when we commute to work to how we collaborate with our friends and colleagues. Our collective focus is now on how we capitalize on what we have learned over the past year to improve how we deliver high quality audits, how we derive value for our clients and how we continue to offer a world-class talent-experience.



While much has changed, what remains constant is our commitment to audit quality and to our duty to our role as auditor in the capital markets. In fact, the rate of change that we have seen in our environment has emboldened and accelerated our determination to lead the dialogue on audit quality and drive the audit of the future. This is best evidenced in our accelerated deployment of people-enabled technology and data analytics. Innovative software is integrated into every aspect of our audit, as visualization capabilities allow us to tell more powerful stories with data. Our digital methodology and global processes use a consistent risk-based approach and embed analytics at their very core. These tools are designed to empower our people to focus on what matters most: the quality of our audits.

This report sets out the practices and processes that are currently employed by Deloitte LLP, in accordance with the requirements of the European Union's Regulation on specific requirements regarding statutory audits of public-interest entities. We publish this report annually to provide disclosure and transparency on certain information related to the structure, the system of quality controls and governance underlying our audit practice.

I would encourage readers to read this publication in conjunction with our [Audit Quality Report](#) which provides a deeper dive into both our overall culture of audit quality and our focus on advancing how we deliver value through audits to ultimately be considered in a Category of One. Thank you for providing the opportunity to share our story as we continue to enhance audit quality and drive additional value through audit.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anthony Viel'.

Anthony Viel

Managing Partner and Chief Executive Officer

Deloitte LLP

Deloitte Canada: legal structure and ownership

Deloitte LLP is part of the Deloitte network and is a member firm of Deloitte Touche Tohmatsu Limited. Deloitte LLP holds practice rights to provide professional services in Canada using the “Deloitte” name, which it extends to Deloitte entities within its territory. Deloitte LLP is authorized to serve as an auditor for clients in Canada. Deloitte LLP is referred to throughout this report as “Deloitte Canada”.

Deloitte Canada is structured as a limited liability partnership pursuant to the laws of the Province of Ontario and is fully owned by Canadian equity partners. Each partner actively participates in Deloitte Canada’s practice and activities, while an elected Board of Directors and a senior management team provide governance and leadership across the organization.

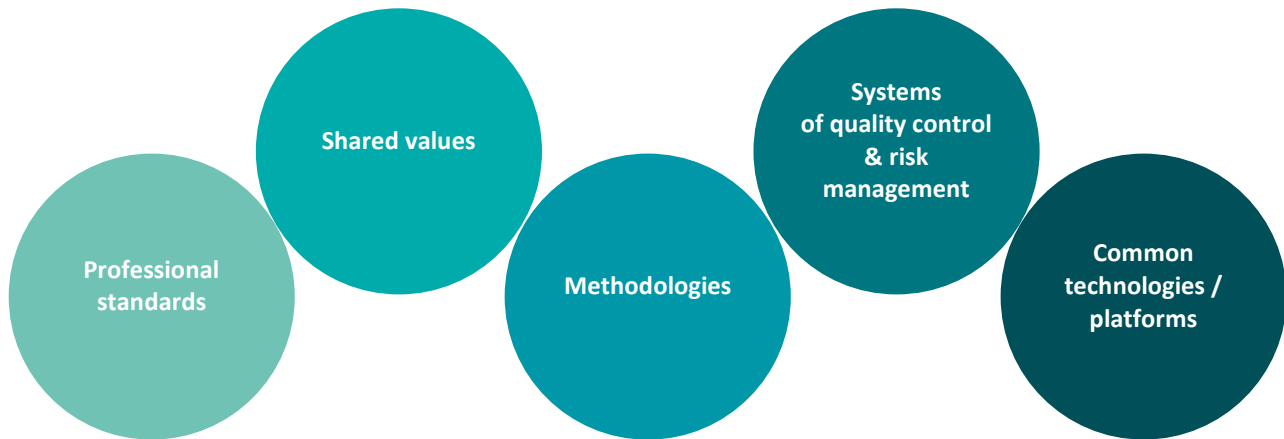
In its entirety, Deloitte Canada is the nation’s largest professional services firm, which provides audit, accounting, tax, consulting, and risk advisory and financial advisory services through over 12,000 professionals in 22 offices.

On April 1, 2015, Deloitte Canada, among others, entered into a Master Agreement with Deloitte Chile that provided for the common management and governance of the firms’ businesses in Canada and Chile, with financial integration effective June 1, 2016 and governance integration completed by June 1, 2018. Under the Master Agreement, the firms have a single Board of Directors, single management team, and the firms are financially integrated between their equity partners. Services in both jurisdictions continue to be carried out in accordance with applicable professional standards.

Network description

The Deloitte network

The Deloitte network 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 Canada: governance – leadership in action

Deloitte Canada is led by an elected Chair and an elected Managing Partner and Chief Executive. The Chair (who is independent of the Managing Partner and Chief Executive) leads the Board of Directors (the Board) in overseeing and governing all aspects of the practices, businesses, and affairs of the firm, in accordance with the firm’s by-laws.

The Managing Partner and Chief Executive is responsible for leading and managing the firm’s operations and has the authority to appoint a senior management team (the Executive) for approval by the Board.

The Deloitte Canada Board of Directors, Managing Partner, Audit & Assurance (A&A), and members of the Audit Executive Team are responsible for the governance and oversight of the A&A practice.

Every two years, half of the Board of Directors (seven seats) is elected for a four-year term. The Board appoints an independent Nominating Committee to administer the Election Process on behalf of the partnership and identify a slate of seven candidates to be elected to the Board. When forming the slate, the Nominating Committee is required to consider the diversity of the Board, including representation from various services and functions, geographies, genders and other diversity characteristics, and the appropriate mix of skills needed to effectively govern our firm. This slate is presented to the Board for approval, after which it is presented to the Equity Partners for ratification. Board members are eligible to serve on the Board for a maximum of eight years.

Specific responsibilities include overseeing the firm’s strategy and the performance of senior management, as well as reviewing and approving action on a variety of governance, operational and administrative matters.

The following are the members of the Deloitte Canada Board of Directors, Executive leadership team and Executive team:

| Deloitte Canada Board of Directors | |
|---|---|
| *Duncan Sinclair, Chair | *Sippy Chhina, Prairies, A&A |
| Anthony Viel, Managing Partner and Chief Executive | *Chris Lee, Prairies, Financial Advisory |
| Judith Bellehumeur, Quebec & National Capital Region, Tax | Beth Dewitt, Ontario, Risk Advisory |
| Roberta Jamieson, Independent Director | Ivor Luk, British Columbia, Financial Advisory |
| Bob Chapman, DTTL (ex officio) | The Hon. David Emerson, Independent Director |
| Fatima Laher, Ontario, Tax | Michael McFaul, Quebec & National Capital Region, Consulting |
| | Paula Gallagher, Atlantic, Consulting |
| | The Hon. Marie-Lucie Morin, Independent Director |
| | Fernando Gaziano Perales, Chile, Risk Advisory |
| | Pascal Occean, Quebec & NCR, Consulting |
| | *Karen Higgins, Ontario, A&A |
| | *Beverley Pao, British Columbia, A&A |
| | *Steve Irvine, Ontario, A&A |
| | Charles Perron, Quebec & National Capital Region, Consulting |
| | Deloitte Canada Executive Leadership Team |
| | Anthony Viel, Managing Partner and Chief Executive |
| | Linda Blair, Managing Partner, Ontario, and Chief Experience Officer |
| | Tim Christmann, Chief Strategy and Innovation Officer |
| | Marc Perron, Chief Client Officer |
| | Van Zorbas, Chief Culture and People Officer |
| | Iseo Pasquali, Chief Business and Financial Officer |
| | Deloitte Canada Executive Team |
| | Philippe Bélair, Managing Partner, Tax and Legal |
| | Susan Bennett, Managing Partner, A&A |
| | Sébastien Blais, Managing Partner, Consulting |
| | Jodi Evans, Managing Partner, British Columbia |
| | Mathew Harris, Managing Partner, Deloitte Private |
| | Brian McKenna, Chief Risk Officer |
| | Geneviève Provost, Managing Partner, Quebec and National Capital Region |
| | Poonam Singh, Managing Partner, Risk Advisory |
| | Ricardo Briggs, Managing Partner, Chile |
| | Alexandra Genest, Chief of Staff of the Chief Executive Officer |
| | Mark Jamrozinski, Managing Partner, Financial Advisory |
| | Sheri Penner, Managing Partner, Atlantic |
| | Sarah Qadeer, Chief Legal Officer |
| | Nicole Torgrimson, Managing Partner, Prairies |
| | <i>*Also members of the Audit Quality Working Group</i> |

Susan Bennett is the Managing Partner, A&A and she was appointed by the Managing Partner and Chief Executive.

The Managing Partner, A&A and senior management develop and implement the strategy for the A&A practice, including related policies and procedures. In all of their activities, Deloitte Canada senior leaders are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements. Deloitte Canada’s strategy is developed in alignment with the overall strategic direction established for the Deloitte network.

The Firm’s Board of Directors is actively involved in the monitoring and oversight of the audit practice and related control environment. In addition to the regular Board meetings, the Board meets on a quarterly basis to discuss and provide oversight responsibilities on matters relating to audit quality.

Additionally, the Audit Quality Working Group (AQWG) of the Board regularly reviews the processes and practices implemented by firm management, the implementation and execution of audit quality activities, and future developments that may impact audit quality.

Deloitte Canada A&A leaders participate in Deloitte network groups that set and monitor quality standards, and from which a number of audit quality initiatives emanate.

Deloitte network group participation

| | |
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| Global Audit & Assurance Management Committee (GAAMC) | GAAMC supports the execution of the Deloitte Global Audit & Assurance strategy. |
| Global Audit & Assurance Executive (GAAE) | The GAAE sets the Global A&A Strategy and executes it through the Member Firms. |
| Global Audit & Assurance Risk Executive (GAARE) | The GAARE sets the Global A&A Risk oversight strategy and executes it through the Member Firms. |

| | |
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| Global Audit Learning Advisory Board | This board recommends the direction for the global audit learning and approves the global learning curriculum for technical audit and accounting learning. |
| Global Audit Oversight Committee (GAOC) | The GAOC provides oversight of audit quality monitoring and continuous improvement at the global level and across Deloitte network firms. |
| Global Audit Quality Executive | The Global Audit Quality Executive defines and drives key audit quality initiatives across the Deloitte Network. |
| Global Audit Quality Monitoring and Measurement Program | The program includes audit quality monitoring and measurement activities to drive continuous improvement across the Deloitte network. |
| Global IFRS Leadership Team (GILT) | GILT is supported by nine International Financial Reporting Standards (IFRS) Centers of Excellence to provide audit professionals with swift and consistent responses to IFRS technical queries. |
| Audit Technical Advisory Board (ATAB) and related working groups | ATAB determines global audit methodology and policies. |
| Internal Controls Steering Committee | This committee provides strategic direction to the global audit practice related to internal controls for International Standards on Auditing (ISA). |
| International Standard of Quality Management (ISQM) Task Force | The Task Force’s objective is to create global implementation resources and tools to be applied across the network for the implementation of ISQM1, including leading the effort to explore a Governance, Risk and Compliance (GRC) technology solution. The Task Force will also collaborate with process owners or key stakeholders to drive the resolution of certain network-wide gaps and identify and share global best practices. |

Our purpose and commitment: instilling trust and confidence

At Deloitte Canada, our purpose is to make an impact that matters. For A&A, this means a focus on delivering independent high quality audits and dedication to the support of the auditor's role in the capital markets. This requires us to continuously build capabilities to support the delivery of high-quality audits and make leading contributions to shaping the future of the audit profession.



What Deloitte A&A brings to capital markets

Deloitte Global leadership

The Deloitte Global A&A Leadership Team is led by Jean-Marc Mickeler, Deloitte Global A&A Business Leader whose responsibilities include:

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

Audit engagement acceptance and continuance

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

The Global A&A Acceptance Consultation process (“GAAC”) is designed to foster leading practices and promote consistency across the network on audit client and engagement acceptance decisions. Member firms, including Deloitte Canada, consult with Global on client and engagement acceptance for relevant audit clients.

In addition, Deloitte Canada has detailed policies and procedures in place for accepting prospective clients and engagements and assessing engagement risk. These policies and procedures are designed with the objective that Deloitte Canada only accepts engagements where it:

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

Deloitte Canada’s risk assessment procedures identify related risks and provide a basis for tailoring the audit

approach to address engagement specific risks. Prior to accepting a client and/or engagement, the firm undertakes a risk assessment to determine whether the risk associated with accepting the engagement is “normal,” “greater than normal,” or “much greater than normal.” On most engagements the engagement risk assessment process requires the firm to obtain the approval of the recommending partner and the concurrence of at least one other partner before the firm may accept the client and the engagement. In addition, the decision to accept the appointment must be approved by the firm’s risk leaders when the engagement risk is assessed as “much greater than normal.”

Engagement risk assessments are an ongoing process and begin during the engagement acceptance/ continuation process and continue throughout the engagement. Risk assessment tools and programs are included in the audit approach and documentation to facilitate a comprehensive risk assessment when planning the audit after the engagement is accepted.

We re-evaluate engagements that continue for more than one year annually, based on the factors discussed above, to determine whether the firm should continue the engagement. In addition, whenever an entity undergoes a significant change (e.g., change in ownership or management, financial condition, or nature of the entity’s business), we re-evaluate the engagement and whether it should be continued. On most engagements, decisions to continue must also be concurred by at least one other partner.

Audit & Assurance Transformation

Being a leading profession of the future and a sustainable practice that evolves with the pace of change in technology and society is critical. Driving this goal is the Deloitte A&A Transformation initiative, which is currently being developed and deployed across the Deloitte network, including Deloitte Canada.

A&A Transformation is an important shift across the network in the way Deloitte professionals work and includes:

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| 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 |

Audit innovation¹

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, clients get an experience that is less burdensome, with more transparency and deeper insight.

Innovation and technology enablement are expectations in today's fast-changing business environment, and these expectations hold true for the audit profession as well. Today's complex business environment requires that the audit be dynamic, multidimensional, and insightful. There is a demand for real-time, relevant information, and clients expect audits to evolve as they innovate their businesses and processes. Deloitte Canada 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 Canada to stay ahead of technological advances used by the entities that we audit.

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 has introduced Deloitte Omnia, our next-generation cloud-based audit delivery platform, as well as Deloitte Levvia, a tailored solution to support our very small audits. Further development, enhancement, and broad deployment of both solutions will continue over the next several years. Deloitte also has a global analytics platform, as well as an integrated suite of enabling innovation tools connected in the cloud. Examples of innovations tools include:

- Argus – Client document interrogation and analysis
- Deloitte Connect – Online communication, information sharing, and progress tracking
- Disclosure Analytics - analyzes and curates a large quantity of financial information to enable comprehensive and data-driven risk assessments of client disclosures and regulator comment letters
- Icount – Mobile-enabled inventory counts
- Iconfirm – Automated management of the audit confirmation process
- Reveal – Sophisticated regression analysis

- Scribe – Streamlines the preparation and review of standard audit deliverables
- Audit Online – Interface with delivery centers and support of guided risk assessments

Our professionals are equipped to harness the power of data analytics to support our risk assessments and to reduce the manually intensive efforts historically required on some of the more data-intensive procedures. This allows us to be more efficient and effective, as well as gaining deeper insights.

¹ For more information about Deloitte audit innovation, please refer to the Deloitte [Global Impact Report](#).

Environmental, social, and governance (ESG) reporting²

Financial reporting today

To better assess the resiliency of corporate strategies to climate-related and other ESG matters (referred to as “ESG matters” throughout), there is a demand for reliable and comparable information on the potential impacts and integration of these matters. Also anticipated are increased expectations and more explicit requirements when it comes to disclosures of ESG matters. These matters will have implications on a company’s financial accounting and reporting:

- *Accounting Standards* – Standard-setters (e.g. International Accounting Standards Board – IASB and Financial Accounting Standards Board - FASB) have clearly indicated that impacts of ESG matters must be considered by the company and assessed in the context of existing accounting guidance. Although existing accounting standards do not explicitly refer to ESG matters, these existing standards require the company to consider changes in business and operating environments that may have effects on the financial statements. This is particularly the case in areas of accounting that require judgement and estimation. This existing requirement creates a clear intersection of ESG matters with financial accounting standards of the company, whether through direct impact (e.g. new assets or liabilities being recognized) or indirect impact (e.g. ESG matters as inputs to an accounting analysis).
- *Auditing Standards and the Impact on the Financial Statement Audit* – Likewise, audit standard-setters such as the International Auditing and Assurance Standards Board (IAASB), have communicated their expectations on how ESG matters can and should be factored into existing requirements. For example, these standards require auditors to identify and assess the risks of material misstatement in the financial statements of the companies they audit, and design and perform audit procedures responsive to those risks, with ESG matters of the company being a new area of risk.

Deloitte is increasing awareness of the potential impacts of ESG matters on financial reporting of the firm through guidance, tools, templates, learning, and leading practices.

Corporate reporting of the future

In addition, market participants and broader stakeholders are calling for greater insight into corporate performance, specifically demanding enhanced transparency around ESG impacts and dependencies of a company’s business model and strategy. Over time, many standard setters and other organizations have developed frameworks or standards for reporting metrics and ESG information for use by companies. However, currently there is no global enforcement mechanism for consistent adherence or adoption by companies. Deloitte supports efforts to make publicly disclosed ESG information by companies consistent, comparable and reliable, and as such we support the International Financial Reporting Standards Foundation’s (IFRSF) proposal to establish a Sustainability Standards Board (ISSB) (that, alongside the IASB and under the governance and oversight of the IFRSF, would provide a set of global standards).

There are growing expectations for companies to establish appropriate governance structures over ESG matters. Those charged with governance (e.g., Audit Committees, Boards) are moving toward incorporating ESG considerations in their oversight responsibilities of companies’ management.

The accelerating expectations extend beyond governance and require integration of ESG matters into the core of a business, requiring companies to consider:

- Collection of incremental and new data;
- Integration into systems of internal control, including enhancing the maturity of systems and processes;
- Appropriate oversight on the part of management, and the company’s overall “readiness”.

Assurance provides a greater confidence in ESG information. Deloitte believes that there is a benefit of 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. All of these are covered under the typical infrastructure of audit firms and will be further reinforced with the adoption of ISQM 1, which becomes effective in December 2022.

Deloitte supports the continued collaboration of all participants in the financial reporting ecosystem, working together to develop and implement common standards

² For more information about Deloitte’s alignment with ESG, please refer to Deloitte [Global Impact Report](#).

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.



Coronavirus disease 2019 (COVID-19)

Deloitte Canada's highest priority is the safety and well-being of its professionals. In this changing global environment as the impacts of COVID-19 continue to unfold, Deloitte remains committed to delivering high quality audits.

Entity management is faced with significant uncertainty in making judgments to project future operating results and cash flows, going concern, and developing valuation analysis, etc. The financial reporting process of companies likely requires careful analysis and further considerations of impact from management and auditors given the current environment.

All stakeholders of the financial reporting ecosystem must exercise significant judgment in this unprecedented and uncertain environment—governments, when projecting the length of closures; bankers, when deciding if a loan can be repaid in full; management, when evaluating if a company can continue operating as a going concern and audit committees providing oversight of management; auditors, when assessing these judgments; and investors, when analyzing the available financial information in light of these unprecedented uncertainties.

Although the existing accounting frameworks have provisions for uncertainties, it is important for financial statement users and regulators to expect a higher degree of market and economic volatility in the near future.

Deloitte Canada welcomes the public statements and guidance issued by regulators that recognize the current uncertainties. Importantly, some regulators have conveyed and acknowledged good faith attempts by companies to provide market participants with appropriately framed forward-looking information. 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 respective responsibilities of management, audit committees, companies, auditors, regulators, and other stakeholders.

Deloitte's overarching strategic objectives are principles-based and remain unchanged (e.g., investments in quality, people, and technology), however, some related processes have been modified or prioritized to factor in unanticipated changes due to the pandemic. Deloitte firms were required to implement monitoring and consultation processes to maintain high standards of

quality and reinforce key areas of focus impacted by the implications of COVID-19.

Deloitte Canada has been focused on setting the necessary tone for the historically challenging period that followed. From an audit risk perspective, the fluid economic and health environments globally continue to put pressure on the risk of fraud, asset impairments, and going concern in certain industries. Operational challenges in some industries can manifest into financial reporting challenges, while other industries may be benefiting from the current environment.

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 allowed for an agile and rapid response to the various impacts of the COVID-19 pandemic. Deloitte prepared for various contingencies in order to support changing needs and to support professionals during periods when they have been required to work remotely. Deloitte Global has launched and continues to maintain the Deloitte Global A&A Technical Delivery Resource Center – a central digital location for all Deloitte professionals to access globally relevant and locally adaptable COVID-19-related audit resources and guidance. These responses have allowed us to continue to reinforce execution of the Deloitte audit approach throughout the pandemic.

Deloitte has also led global initiatives to understand the implications of working virtually for professionals, to provide them with support to enhance team collaboration and to consider new ways of working in a remote environment. Despite the virtual working environment, learning was successfully delivered to Deloitte professionals through virtual programs and we are using this experience to drive continuous enhancement.

The transformation of audit execution in an increasingly dynamic work environment has led Deloitte Canada to respond to the rapidly changing needs and requirements of the talent landscape. As Deloitte is organizing the return to the workplace in several countries, it is challenging its historical working methods and considering 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 clients and professionals.

Multidisciplinary model (MDM)

MDM is an important contributor to high-quality audits. Auditors increasingly use the work of specialists in a number of areas, such as assisting 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. Financial statements may continue to grow in complexity due to new ESG considerations and other focus areas. Further, 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 insights through multiple lenses, which enhances auditors' understanding of business risks relevant to conducting audits.
- Immediate access for the audit 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's response to COVID-19 demonstrates both resiliency in putting audit quality and the public interest first which is further supported by the significant benefits of the MDM. Each non-audit Deloitte business has a shared and vested interest in supporting audit quality initiatives and Deloitte's strategy to deliver high-quality, globally consistent service to clients.



Professional development and performance management

Deloitte culture 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, and are continuously enhancing their skillset and experience.

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 future auditors.

Deloitte professionals bring diverse backgrounds, knowledge, and skillsets that enhance capabilities as an organization in delivering the highest quality audits.

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 consistency to our audits.

Deloitte is driving a sustainable audit and assurance business that recognizes and rewards its people and 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 analytics within a guided workflow to execute the end-to-end audit cycle. 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 become more important—enhanced skills to analyze data effectively, project management, critical thinking, communication, enhanced professional judgment, and the application of accounting and auditing principles to work more effectively.

Not only does Deloitte deliver value in more areas, but 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 for auditors, targeting learners by level, using a dynamic blend of live instructor-led and digital on-demand courses. In addition, on-the-job activities is an important contributor to continuous learning.
- All auditors are required to complete at least 20 hours of continuing professional development (CPD) each year and at least 120 hours every three years, 50% of which must be completed 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. Our global Talent Standards outline the capabilities that are required of practitioners at each level.

Deloitte Canada has adopted the DTTL Global A&A Learning Curriculum for International Standards on Auditing (“ISA”) for all practitioners and the DTTL Global Center of Excellence (GCoE) Enhanced Learning Curriculum for PCAOB engagements for practitioners serving public company entities. The combined curriculum is designed to cultivate the skills and instil the behaviour and mindset necessary for our professionals to execute high-quality audits under the PCAOB standards and ISAs.

Deloitte has also established specific learning opportunities for specialists working on audit engagements to support their knowledge and understanding of the audit process. Enhanced project management, a key capability for executing audit engagements, has been included in annual development programs which provide a blend of technical and soft skill learning development. The objective of the Deloitte Canada professional development program is to help partners and practitioners maintain and enhance their professional competence and ensure consistency of audit execution.

Completion of the audit technical learning curriculum and specialist curriculum is monitored to ensure all mandatory learning is completed by published deadlines. The names of incomplete practitioners are shared with leaders and engagement teams to ensure the impact of any missed learning on the assessed qualification of engagement team members is considered, and oversight and supervision of the work of those team members is adjusted as necessary.

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 is in progress to 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 Canada's partners are evaluated on a yearly basis, and depending on the outcome of the evaluation, the remuneration of partners may increase or decrease.

All income partners are compensated based on a fixed annual salary plus an annual variable payment amount that is determined based on their performance. All equity partners are compensated out of Deloitte Canada's distributable profits. The profits available for distribution are based on the results of the firm as a whole. Partner compensation and earnings allocation are managed through the firm's Leadership Development and Reward (LDR) process.

The LDR process requires that, at the start of the fiscal year, partners set goals based on the expectations for their level, role and the firm's strategic objectives. Goals are to be set in areas such as quality, practice management and client service, leadership and eminence, personal development and talent management. Each partner's goals are subject to review and input by the firm's senior leadership. At the end of the fiscal year, partners undergo a process that reviews their success in achieving their goals.

The LDR Committee of the Executive establishes the recommended compensation or earnings allocation for all partners except those on the Executive. This committee considers the perspectives of our businesses, regions, industries and talent teams. There is also thoughtful consideration of the quality performance of each partner as established through a comprehensive quality assessment process done under the direction of the Managing Partner, Regulatory, Quality, Risk and Reputation. For audit partners, this quality assessment includes a consideration of a partner's performance as assessed through all monitoring and inspection processes.

To ensure that audit partners focus on their primary responsibility of providing audit services of the highest quality, Deloitte policies, consistent with Canadian regulations, forbid audit partners from receiving compensation, bonuses or other direct financial incentives for selling products or services to their audit clients other than audit, review or assurance-related services.

The LDR Committee's recommendations are approved by the Managing Partner and Chief Executive, who also recommends earnings allocation for the members of the Executive. The deliberations of the LDR Committee and the Managing Partner and Chief Executive are attended and overseen by members of the Culture and People Committee of the Board (the "Culture and People Committee").

The Culture and People Committee is also responsible for reviewing performance and recommending earnings allocation for the Chair and the Managing Partner and Chief Executive Officer. The recommendations for income partner compensation and earnings allocation for equity partners are then presented by the Culture and People Committee to the Board of Directors for final approval.

In addition to Management's LDR Committee, there is a Special Committee for the review of Board members' performance ratings, which includes our three Independent Directors, our Chair, our Managing Partner and Chief Executive, our Chief Culture and People Officer, and Managing Partner, Partner and Alumni Experience. They met again this year to complete the Board members' LDR assessment. The Special Committee reviewed Management's assessment and then considered contributions made by members of the Board which are beyond the work evident to their management reviewers. The results of the process were consistent with our principles of fairness and equity to all partners.

Deloitte's priority focus on audit quality

Deloitte's is committed to audit quality, from instilling a culture of quality and excellence across the network, to business and financial priorities, and the processes, tools and technologies applied in the execution of audits. Making sure audit quality keeps pace with emerging economic, business, and regulatory conditions, as well as technological advances is key to the continual enhancement of Deloitte's role as auditor in the financial ecosystem. Our 2020 Audit Quality Report, outlines that our high standard for audit quality is unwavering.



Leadership commitment and tone at the top

Deloitte Canada's culture of quality begins with strong tone from the top, starting with the Board of Directors and senior leadership through to the leaders in all our offices and audit engagements. Deloitte Canada's focus on audit quality is shown through the direct involvement of all leaders and consistent messaging that reinforces the importance placed on audit quality.

Independence, objectivity, and professional skepticism

The execution of high quality audits requires independence, objectivity, and professional skepticism. This means creating a culture of quality where doing the right thing is of paramount importance, including the ability for our professionals to "raise their hand" for support in all matters impacting audit quality. As evaluators, Deloitte Canada consistently reinforces the important role of who must maintain a mindset of professional skepticism throughout the conduct of our work. This approach to the audit is reflected in many aspects of Deloitte policies, methods, procedures, and learning, and is reinforced through quality control and accountability measures.

Audit approach

Deloitte Canada'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.

This audit methodology is dynamic. 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 Canada audits.

Deloitte Canada 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 Canada 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. Deloitte regularly issues accounting and auditing guidance to our professionals and communicates developments that may affect audit quality.

Additionally, our apprenticeship model creates and fosters an environment where coaching and mentoring on the job occurs every day with the express objective of contributing to audit quality.

Consultation

Quality and risk management considerations are integral to Deloitte Canada's audit business. This why consultations are viewed as an essential, collaborative process—one that helps determine the most appropriate answers to complex questions. In Canada, we have invested significantly in advancing a culture where consultations have become second nature. Deloitte consultation policies require that conclusions are documented, understood, and implemented. In addition to formal consultations, whenever engagement partners and teams need additional information or perspectives, they are encouraged to seek assistance from those within the organization with specialized knowledge. Supported by the intellectual capital of our Canadian and global network, our engagement teams are equipped to make informed decisions in the field, allowing us to execute a high-quality audit and extract valuable insights for our clients.

System of quality control

An effective system of quality control is important 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 Canada's quality control processes.

Regulators and standard setters in Canada and globally are also considering 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").

Deloitte's ISQM 1 implementation activities are well underway, working with leaders across Deloitte Canada, 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.

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 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.

External and internal audit quality monitoring

Audit Quality Monitoring & Measurement

A continued focus on audit quality is of key importance. A Deloitte audit is consistently executed and of high quality, wherever in the world it is performed.

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

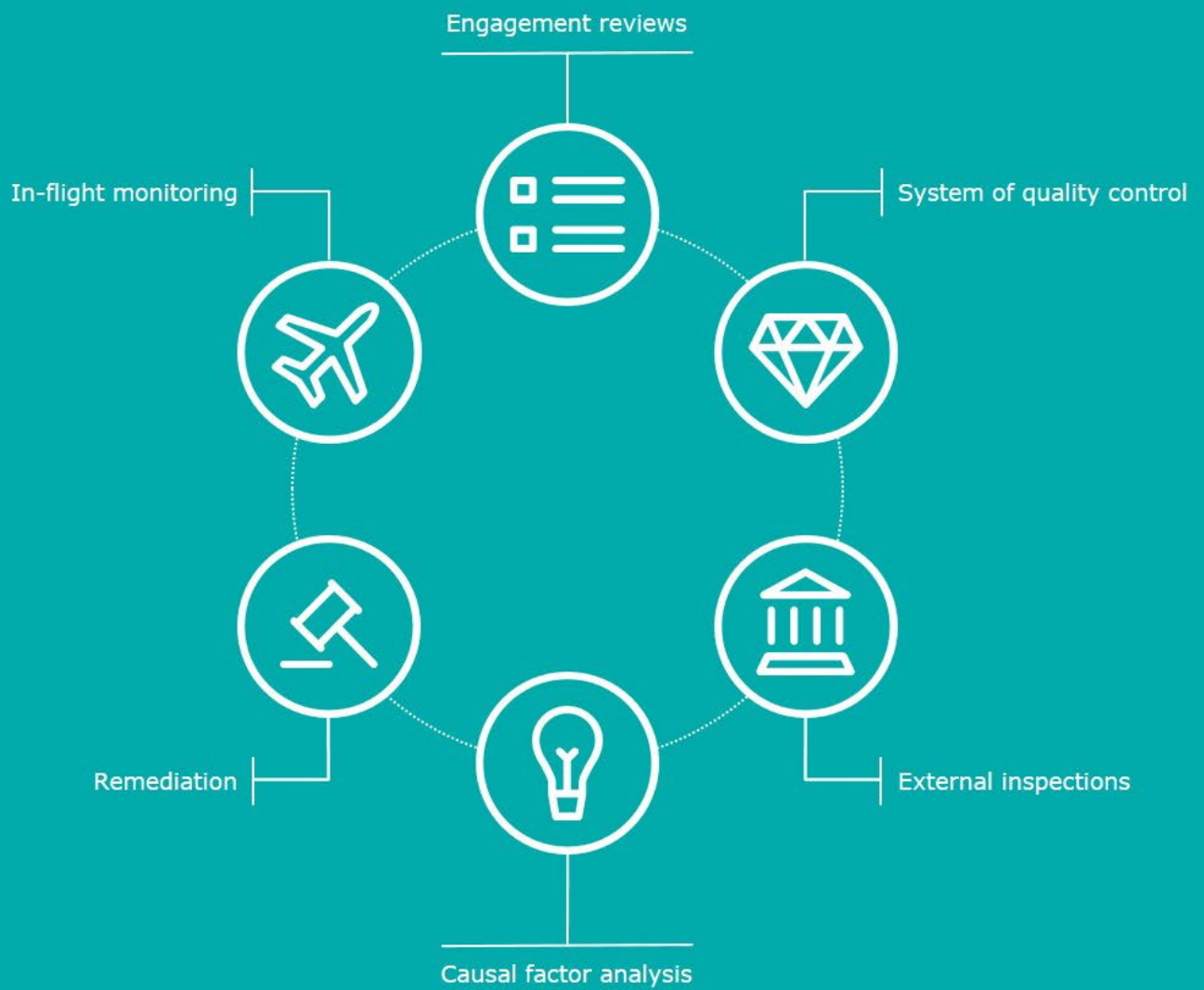
- Transform the way audit quality is monitored and measured and audit deficiencies are resolved; and
- Enhance the internal system of quality control which all Deloitte network firms follow

The AQMM program is focused on driving:

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



Audit Quality Monitoring & Measurement



In-flight monitoring

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

- A program of “in-flight” review coaches using specific subject matter experts to assist in assessing audit progress and identifying potential challenges on engagements in process.
- Deployment and monitoring of a series of core diagnostics, including identifying situations where audit teams require support in amending their initial audit plan to accommodate changes in circumstances, enabling engagement partners and teams, as well as Deloitte Canada audit quality leaders to continuously monitor audit quality and take action.
- A program of subject matter specific “health checks” to assist Deloitte Canada audit quality leaders in assessing progress and identifying potential challenges on in-flight engagements.
- 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 include:

- Risk-based engagement selection and consideration of all major industries served by Deloitte Canada.
- Mandatory moderation panel to drive consistency in findings and engagement ratings.
- External partners and deputies who oversee practice reviews to drive global consistency.
- Identifying appropriate resources (from within Deloitte Canada 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 controls and performing procedures for testing the operating effectiveness of the SQC, including execution of a comprehensive SQC review program. Deloitte is also preparing for the future by focusing on readiness activities for monitoring related to implementation of ISQM 1. 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), used in conjunction with other metrics, further assist Deloitte Canada in developing and monitoring audit quality action plans and reporting on the progress in its audit quality journey. AQIs are integrated with ongoing AQMM activities.

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

Analysis and remediation

Focusing on continuous improvement is essential to driving enhancements in audit quality. Continuous enhancement in audit quality includes understanding deficiencies and designing effective remediation. An Audit Quality Plan is annually prepared by Deloitte Canada and provides for effective implementation and monitoring of key audit quality priorities.

External inspections

Deloitte Canada is registered with the Canadian Public Accountability Board (CPAB) to perform audits of Canadian public companies and with the U.S. Public Company Accounting Oversight Board (PCAOB) to perform audits of U.S. public companies. Our audit partners and professional staff members are also subject to the requirements of their applicable provincial professional bodies.

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

Deloitte Canada 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 reviews to enhance our system of quality control.

Independence, ethics, and additional disclosures

Deloitte Global Independence



Sets **independence policies and procedures** based upon the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and the independence standards of the US Securities and Exchange Commission and the Public Company Accounting Oversight Board. Performs full reviews of independence quality controls on a three-year cycle; provides an annual focused review program to be performed by member firms as part of their Audit Practice Review for the off-cycle years; and performs in-depth follow-up reviews as needed.



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



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



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

Deloitte Canada Independence

Deloitte Canada has policies and procedures designed to address compliance with applicable professional standards that relate to independence. These policies and procedures are based on the Deloitte Global Independence policy, and are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte Global policies. Deloitte Canada 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 Canada. 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 the member firm, including the design, implementation, operation, monitoring, and maintenance of the system of quality control related to independence.

The key elements of the system of quality control that Deloitte Canada implemented in accordance with global independence policies include the following:

- Engagement acceptance and monitoring.
- Monitoring length of association of partners and professionals with audited entities.
- Business relationship assessments and monitoring
- Use of independence business process tools, including the Deloitte Entity Search and Compliance (DESC) system, Service Request Management (SRM) System and the Global Independence Monitoring System (GIMS).
- An Inspection & Testing program, annual and special purpose independence confirmations, and consultation procedures to monitor individuals' compliance with independence requirements.
- Procedures to identify and analyze non-compliance with independence requirements and apply related disciplinary measures and actions.
- Independence-related learning and communications.



DESC

Deloitte Entity Search and Compliance

Global, searchable database containing specific entity information relevant in determining personal and professional independence restrictions. DESC also includes features to request and document approvals related to providing services to an entity.



GIMS

Global Independence Monitoring System

Application that contains financial relationship data with relevant independence compliance indicators that supports partners and managerial personnel with the monitoring of their financial holdings for compliance.



SRM

Service Request Management System

SRM facilitates the required preapproval process by providing a standard Service Request workflow, which captures the engagement information needed to assess permissibility and documents the outcome of the review. SRM is fully integrated with DESC so that relevant entity and reviewer information is automatically incorporated into the workflow.

Long association requirements of audit partners and professionals

Partner rotation occurs on both a required and voluntary basis to address possible institutional familiarity threats. We maintain a rotation database that records the years that each partner spends on a reporting issuer audit engagement. For SEC registrants, Lead Audit Engagement Partners (LAEPs) and Engagement Quality Control Reviewers (EQCRs) are rotated every five years and these partners can only return to the same audit engagement after a five-year “cooling off” period. For Canadian reporting issuers, the LAEPs and EQCRs rotate every seven years and can only return to the same audit engagement after a five-year cooling off period. Other audit partners are also considered for rotation.

Ethics

All Deloitte professionals 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 professionals 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 professionals 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 reinforce compliance with the Global Code.

Deloitte Canada maintains policies and procedures that build on the global policies and are designed to provide reasonable assurance that its professionals comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by Deloitte Canada are in accordance with applicable professional requirements of the CPA Provincial Institutes. Deloitte Canada also complies with Deloitte Global policies and procedures, which align with the requirements and guidance set out in the international Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, a standard-setting body of the International Federation of Accountants (IFAC). When provincial institute’s requirements are more restrictive than the Deloitte Global policies and procedures, Deloitte Canada follows the applicable provincial rules.

Deloitte Canada reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes, and measurement systems. In addition, Deloitte Canada 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 Canada monitors the effectiveness of its ethics and communications program through an annual survey. Plans are designed and implemented to address any opportunities to strengthen the ethics programs resulting from the survey process.



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

Management teams, audit committees, investors, regulators, and standard setters all play critical roles in shaping the environment in which audits are performed. We strive to engage with these parties, both formally and informally, to share, offer and debate ideas with the objective of ensuring the relevance and evolution of audit and assurance in the capital markets. The drive to bring innovation to the audit reflects Deloitte's commitment to enhance the audit of today as well as establish a long-term vision for the future of audit.



Appendices

Appendix A | EU EEA audit firms

Disclosure in accordance with Article 13.2 (b)(ii)-(iv) of the EU Audit Regulation³

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 ⁴ | Name of audit firms carrying out statutory audits in each member state ⁵ |
|----------------------------------|---|
| Austria | Deloitte Audit Wirtschaftsprüfungs GmbH |
| | Deloitte Burgenland 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 |
| | Audalian Commissaire |
| | BEAS |
| | Cisane |
| | Constantin Associés |
| | DB Consultant |
| | ECA Audit |
| | Jacques Serra et Associés |
| | Laurens Michel Audit |
| Opus 3.14 Audit et Conseil | |

³ EU Regulation 537/2014 on specific requirements regarding statutory audit of public-interest entities

⁴ EU transparency reporting requirement: 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.

⁵ EU transparency reporting requirement: the name of each audit firm that is a member of the network.

| EU/EEA member state ⁴ | Name of audit firms carrying out statutory audits in each member state ⁵ |
|----------------------------------|---|
| | Pierre-Henri Scacchi et Associés |
| | Revi Conseil |
| 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 |
| United Kingdom ⁶ | Deloitte LLP |
| | Deloitte Limited |
| | Deloitte N.I. Limited |

Disclosure in accordance with Article 13.2 (b)(iv) of the EU Audit Regulation⁷

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

⁶ On 31 January 2020, the United Kingdom was no longer part of the European Union. However, pursuant to an agreement between the United Kingdom and EU, the United Kingdom remained part of the EU customs union and single market and continued to apply EU law through the end of the transition period (i.e., 31 December 2020). The disclosure of total turnover from the statutory audit of financial statements includes turnover from the United Kingdom firms for the period from 1 June 2020 to 31 December 2020.

⁷ EU transparency reporting requirement: 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.

⁸ Amount represents an estimate determined based upon best efforts to collect this data. Certain Deloitte audit firms registered to perform statutory audits in respective member states provide statutory audit services as well as other audit, assurance, and non-audit services. While Deloitte endeavored to collect specific statutory audit turnover for each EU/EEA Deloitte audit firm, in certain cases turnover from other services has been included. The turnover amounts included herein are as of 31 May 2021, 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 2020 to 31 May 2021.

Appendix B | Financial information⁹

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

The breakdown of the Deloitte LLP's financial year 2021 turnover ¹⁰:

| Turnover ¹¹ | Canadian Dollars (in millions) |
|--|--------------------------------|
| Revenues from the audits of financial statements of non-EU companies with transferable securities admitted to trading on regulated markets in the EU ¹² | 9,90 |
| Revenues from permitted non-audit services of non-EU companies with transferable securities admitted to trading on regulated markets in the EU | 1,15 |
| All Revenues of Deloitte LLP ¹⁰ | 2,778 |

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

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

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

2(k)(i). Revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity;

2(k)(ii). Revenues from the statutory audit of annual and consolidated financial statements of other entities;

2(k)(iii). Revenues from permitted non-audit services to entities that are audited by the audit firm; and

2(k)(iv). Revenues from non-audit services to other entities.

¹² Revenues from audit and non-audit services represent aggregate amounts related to the entities listed in Appendix C based on the most recent audited fiscal year of each entity.

Appendix C | Third Country Audits

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

Audits of financial statements of non-EU companies with transferable securities admitted to trading on regulated markets in the EU by Deloitte LLP: in the Financial Year 2021:

| Name | FYE |
|---|-------------------|
| Calgary & Edmonton Railway Company | 31 December, 2020 |
| Canadian Pacific Railway Company | 31 December, 2020 |
| National Bank of Canada | 31 October, 2020 |
| St. Lawrence and Ottawa Railway Company | 31 December, 2020 |
| Wheaton Precious Metals Corp. | 31 December, 2020 |
| Yamana Gold Inc. | 31 December, 2020 |



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