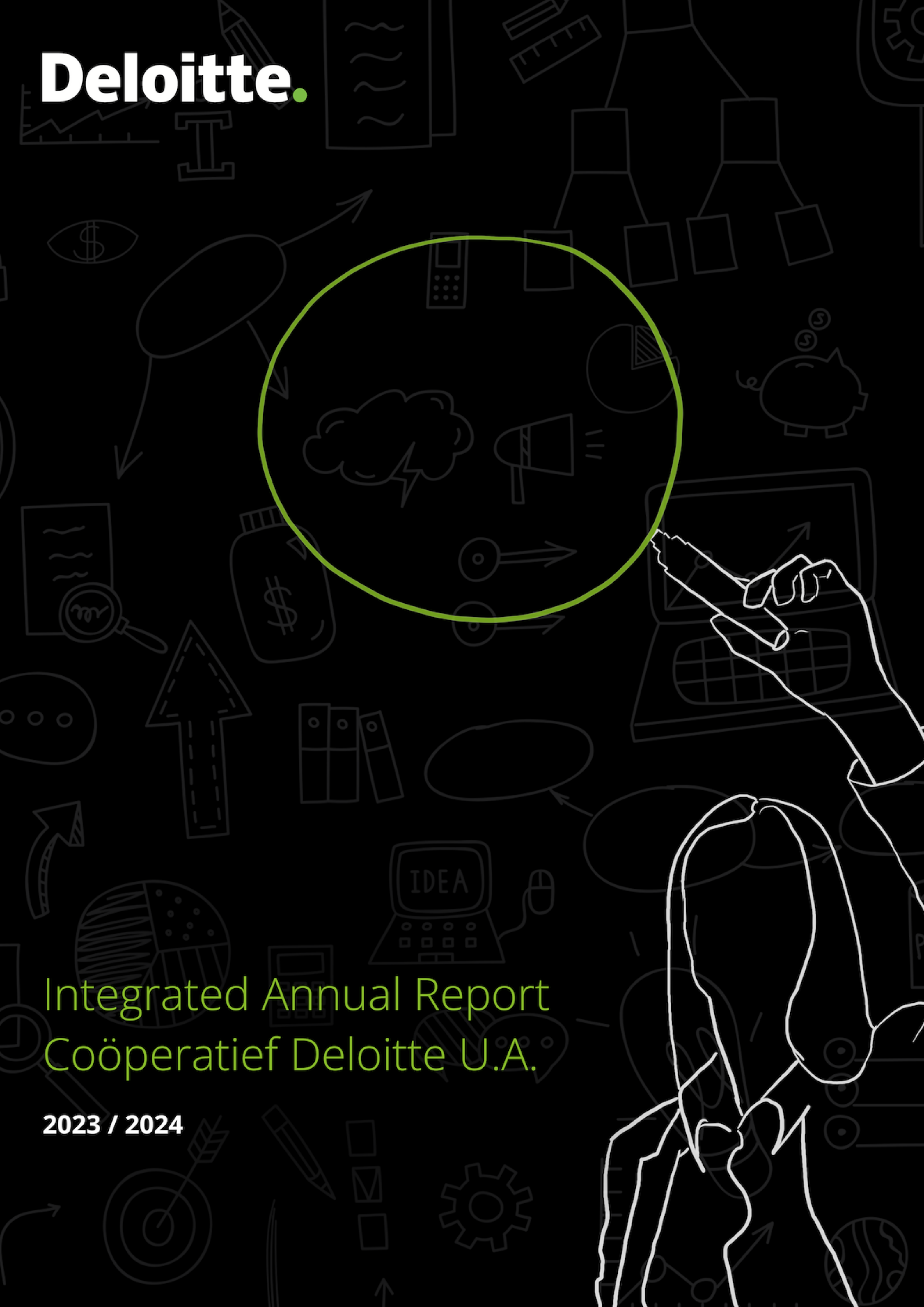

Deloitte.

Integrated Annual Report Coöperatief Deloitte U.A.

2023 / 2024

Key numbers of value creation

Key financial indicators

Revenue	Reporting year	Previous year
	€1,394 m	€1,359 m
Audit & Assurance	326.3	300.6
Tax & Legal	278.5	263.5
Consulting	452.1	466.9
Risk Advisory	206.1	195.4
Financial Advisory	130.7	132.7
Support	0.3	0.4

Results

	Reporting year	Previous year
Operating results	175.3	175.7
Total FTEs	7,780	7,707

Key non-financial indicators

	FY24	FY23
Client satisfaction (engagements)	8.7	8.5
Regulatory quality	97%	100%
Carbon emission reduction (Base FY19)	-47.6%	-43.5%
NPS at C-level among strategic clients	39	75
Employer of choice in relevant ranking	#1	#2
Employer of choice among STEM students	17	15
Female positions in leadership roles*	33%	26%
Female partners as % of total partners	24%	22%

*Female representation in Supervisory Board 40% and in Executive Board 33%

'FY' refers to our Financial Year (from June 1 – May 31)

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About this Report

This is our 9th Integrated Annual Report (IAR). It contains information on the impact we make, how we create value, our strategy and our related performance for the financial year that started on June 1, 2023 and ended on May 31, 2024. It builds on our previous IAR, published on September 22, 2023.

In line with our ambition to be the undisputed leader in professional services, we have based this report on the European Sustainability Reporting Standards (ESRS) as mandated by the EU Corporate Sustainability Reporting Directive (CSRD). For the sake of transparency, we have included an ESRS reference table in Annex 3.

The management summary, that comprises the sections Executive Board highlights, lessons learned and outlook, Our Purpose and Strategy, About Deloitte, Report of the Supervisory Board, and Risk Management, zooms in on our strategy, our (business) performance and value creation. The detailed financial performance can be found in the financial statements in Annex 1. In the Sustainability statement in Annex 2, we detail our approach towards, and progress on, the sustainability matters that we deem material to our business and the value chain. The Management summary and the Sustainability statement jointly serve as the Management report as prescribed by the Dutch Civil Code ('BW')

We believe in an open and transparent dialogue and relationship with our stakeholders. By sharing this Report, we want to inform you as to how we create stakeholder value through the execution of our strategy and fulfilment of our purpose – to make an impact that matters. As always, we appreciate and welcome your feedback: it enables us to further improve our impact and related reporting in the years ahead. Please send your comments, questions or observations to NLBrandandCommunications@deloitte.nl .

Highlights from the Executive Board

Executive Board highlights, lessons learned and outlook

2023/2024 has been marked by continued geopolitical tensions, economic volatility, rapid digital transformation and an evolving ESG and regulatory agenda. This uncertainty has reshaped our clients' investment decisions, leading to a tougher consultative market. Against this more challenging backdrop, we have pursued an ambitious strategic agenda. By investing in the opportunities around Generative AI and by fundamentally transforming the way we deliver our services to better support our clients, we hope to reshape the way we do our business over the next three years. We have started to integrate parts of our businesses across Europe and prepared the adoption of a global common storefront to organise our capabilities and go-to-market. Furthermore, the ongoing investigation into oanswer sharing continued throughout the year. Altogether, this has been a transformative year during which we have seen exceptional commitment and collaboration from our people and partners alike.

Five years ago, we set out to become more purpose-led, sustainable and inclusive. To become the market leader in the Netherlands, involved in the most impactful transformations and providing trustworthy audits, and a place for talent to develop. This year, we have expanded on this and sharpened our strategy for the upcoming years. Our direction has not changed, our ambition is simply bolder. We want to truly differentiate ourselves in the value we deliver to our clients, to be in a 'category of one'. It's why we are focused on leveraging our local strength while maximising our international potential and drive transformations using advanced technology and alliances. We aim to offer integrated propositions as our clients' trusted long-term partner and innovate how we deliver value. This closely aligns with our Global and North South Europe (NSE) strategy, which focuses on greater integration to increase the impact of our services, drives quality outcomes, and improves our efficiency.

What will contribute to executing our strategic agenda is the global adoption of a common storefront, modernising and simplifying how we organise our capabilities and go to market. We are aligning our capabilities into four business units: 'Audit & Assurance', 'Tax & Legal', 'Strategy, Risk & Transactions Advisory' and 'Technology & Transformation'. It will enable us to deliver more seamless integrated solutions to our clients across our offerings and geographies, to better support them in tackling the most complex challenges. It also emphasises the strength and resilience of our multidisciplinary model.

Embedded in our purpose-driven strategy is the conviction that we can make the largest societal impact through the work we do for our clients, both in audit and advisory. An example of this is the work we do with our Ministry of Defence and NATO to support them in preparing for a new reality. The threat landscape is fundamentally different compared to a few years ago, making it necessary for our national defence organisation to scale up to protect our values, equal rights and freedom. As part of the Dutch society, we feel both the obligation as well as the ambition to contribute to increasing the resilience of the Netherlands. We are doing so by working on optimising the digital and operational readiness of our defence force.

We also maximise our societal impact by orchestrating change through collaboration within our 'Future of' themes, focused on specific societal challenges and the underlying drivers that create a more sustainable society. One of our 'Future of' themes is Energy, and this past year we launched the Energy Transition Monitor, which provides a comprehensive view on the current progress of the energy transition in the Netherlands. We have noted an increased focus on ESG and CSRD regulations as a prominent part of the agenda, both for our clients in audit and in advisory. Over the past year, our work has focused on providing reliable and transparent measurements, insights and reporting. We also support regulators to clarify guidelines and develop standards. Going forward, we increasingly focus on supporting our clients to identify actionable insights and the implementation of these actions, and to partner with our clients on large strategic sustainable transformations. An integrated approach to sustainability is essential, and our multidisciplinary model embeds sustainability expertise throughout our organisation to reinforce this.

Another strong focus is to remain at the cutting edge of new technology. We have been fully embracing the opportunities that Generative AI offers and helped our clients to explore and capture its value. This past year, we have set up AI competence centres and support our clients in moving past a proof of concept and approach Generative AI as a strategic transformation. This has strengthened our positioning as their long-term partner in GenAI, and in doing so, applying our 'Trustworthy AI' framework to make sure GenAI is used in an ethical and sustainable manner. This framework helps organisations to develop ethical safeguards across seven key dimensions (transparent and explainable, fair and impartial, robust and reliable, respect for privacy, safe and secure, and responsible and accountable). Besides being used in our work for clients, GenAI is also part of our own transformation agenda, and a key element in how we transform our own service delivery. Collaborating with our Global organisation, we have invested both in the development of several platforms as well as in our own people becoming fluent in using GenAI. Within Deloitte Netherlands, we have launched 'Headstart', our generative AI model that promotes responsible use of AI within our organisation. Privacy, information security and quality are guaranteed, making it safe to use. Headstart has been successfully adopted with a consistent use of the platform by approximately 5,000 colleagues each month across our organisation.

With regards to our broader strategic ambition within our North South Europe (NSE) firm, we have been on a journey to operate across our 30 NSE countries in a more integrated way. This year we have focused on simplifying and streamlining our operating model in specific cross-border businesses, such that we are better able to serve both our domestic and international clients, whilst adapting to changing markets and talent expectations.

Last year, in light of national and international events, the Dutch Authority for the Financial Markets (AFM) has requested insights from several Dutch audit firms, including Deloitte Netherlands, regarding improper answer sharing, their learning culture and behaviours. This request has initiated a comprehensive investigation into all mandatory internal and external learning activities of our Dutch organisation. The Steering Committee of this investigation is co-chaired by the Chief Quality Officer and a Supervisory Board member. The investigation is driven with dedication by forensic specialists who are supported by colleagues across the firm and with the involvement of external experts to challenge and validate our approach. Given the nature and thoroughness of this investigation, the investigation is still ongoing. Since we prioritise the careful conduct of this investigation over speed, we expect it to be an important part of our agenda in Financial Year 2024/2025.

Preliminary findings from the investigation have indicated instances of misconduct within Deloitte Netherlands. In response, we have promptly commenced remedial actions and have already launched several initiatives aimed at enhancing our internal learning culture. We believe that facing the facts of the past and their consequences will help us learn, grow and improve. We emphasise that our shared value, serving with integrity, extends to how seriously we take professional development and related assessments. So our effort to elevate the professional learning environment is driven by a combination of the curiosity of our professionals and our commitment to integrity as a firm.

The internal investigation into answer sharing and the transformational strategic developments have required a solid investment of both time and resources, and this is reflected in our financial performance. Additionally, the challenging consultative market is evident in the revenue of our Consulting and Financial Advisory businesses.

We observe solid growth in Audit and Assurance, and while both our Risk Advisory and Tax & Legal businesses show growth, it is somewhat lower compared to 2022/2023. Overall, this resulted in a very moderate 2,5% growth of our total revenue compared to the previous financial year.

In Financial Year 2023/2024, we implemented a future readiness programme to address our cost base and support our profitable growth in the years to come, in line with our strategy of reshaping our current business. This programme has significantly contributed in keeping our profitability at a level comparable to that of 2022/2023. Profitable growth remains a key priority, as it enables us to further invest in the future of our firm, in the opportunity for and development of our people, and in the impact we can make on clients and society.

In 2022/2023 we introduced the Engage for Change survey to help us measure employee experience and guide us in how we can make Deloitte a better place to work, grow, and thrive. With the high pace of change, we have asked a lot of our people in this past year, while we experienced continued pressure in the market and the need to be more cost-conscious. This was reflected in the results of the Engage for Change survey, as it affected our net promoter score and, albeit to a lesser extent, the employee engagement score. Although providing our people with meaningful work is an inherent part of our purpose, we noticed that people's scores in our survey relating to this have slightly declined. Furthermore, the results also show a continuous positive trend in how employees perceived their well-being and the psychologically safe work environment at Deloitte. Additionally, we are confident that the opening of our Deloitte University in Paris will provide new, top-notch learning experiences for our people and enhance the building of strong relations across EMEA that will contribute to both personal and professional development.

Besides making an impact through client work, we offer our people the opportunity to contribute to society through employee-led initiatives and Deloitte-wide priority programmes of our Deloitte Impact Foundation. For instance, we have strengthened our Foundation's WorldClass programme over the past year by expanding our current collaboration with JINC to the Brainport region. This has increased the number of students we reach with our programmes focused on improving the equality of opportunity for vulnerable young people in education, especially in primary, secondary, and middle-level vocational education in the Netherlands.

Finally, we are very glad to share that Hans van der Noordaa has committed to a second term as Chairman of our Supervisory Board, with broad support from our partnership. We are also glad to have welcomed Corien Wortmann to the Supervisory Board as of May 27, 2024. We are confident that she is a strong addition to the Supervisory Board, as she brings a lot of experience. Corien Wortmann has succeeded Nienke Meijer in this role, and we want to take this opportunity to thank Nienke for her dedication and her valuable contribution as part of our Supervisory Board for the past seven years.

In 2023/2024, the composition of the Executive Board changed after Rob Bergmans decided to step down from his role as member of the Executive Board and to resign from Deloitte as a partner of the firm as a result of particular facts that emerged from the internal investigation into answer sharing. In February 2024, Harvey Christophers took over the role of Chief Quality Officer (CQO), on an interim basis due to his planned retirement in the summer of 2024. A thorough process has been started to nominate a successor for this role going forward.

Lessons learned
To fulfil our ambition to be a learning organisation, we reflected on our experience of the past year.

We are increasingly facing the complex puzzle of strategically planning for our future workforce and the required capabilities. We are responding to more fluctuating market demands and the subsequent variation in business models we deploy. This includes the continued transition towards further integration with our Global Delivery Network to improve the use of the depth and breadth of our global capabilities. At the same time, we expect technologies such as Generative AI to have a significant impact. All this is happening in the context of a challenging, locally shrinking labour market, where we see strong competition for key skills.

The pace of this change is substantial and has consequences for our talent base. We are carefully weighing dilemmas and trade-offs that we have faced in the past year and will continue to face in the upcoming year. Throughout these changes, we keep our people's interest at heart: what makes their job interesting and meaningful, how can we incorporate more technology into our daily work, and how can we increase the positive aspects of the employee experience and minimise the negative aspects?

When it comes to the size of our local workforce, we do not anticipate our overall structural growth to be as fast as in previous years, because we will be leveraging the global power of our workforce to a greater extent and further integrate AI into the delivery of our client work. To continue to lead in the market, we will strengthen our local talent base by growing in certain expertise areas. At the same time, we will focus on improving the overall employee experience by supporting our people in their professional and personal development.

Diversity and inclusion are essential components of our talent focus. In the past years, the number of women in leadership positions has grown significantly. In the period from 2018/2019 to 2022/2023 the percentage of female partners increased to 22%, up from 10%. This past year, the number of female partners increased to 24%. However, we saw this positive trend gradually reaching a plateau, so we needed to approach this with renewed energy to continue the pace of transformation that we have achieved to date.

To be able to reach our target of 30% female partners in Financial Year 2026/2027 and promote more gender equality within the entire organisation, we must take a holistic approach. This approach is increasingly focused on building a solid pipeline to improve gender equality long-term, on providing women with opportunities and equal pay, and on creating an inclusive culture and psychologically safe work environment. This past year, we already refined the way we monitor gender representation, inclusion and psychological safety, through our Engage for

Change survey, and we introduced Diversity Equality and Inclusion scorecards. This provided us with more detailed insights on a quarterly basis and allows for more targeted interventions.

Next to our focus on gender balance, we will continue our efforts on diversity, equity and inclusion in the areas of LGBTQ+, neurodiversity and cultural diversity.

Outlook

Overall, we expect an ongoing, high level of uncertainty, as the geopolitical tensions and economic volatility are likely to persist. As this will continue to influence our clients' investment decisions, the domestic advisory market will still be challenging. There are clear drivers for us in the medium term. The need for transformation, particularly in areas such as technology, sustainability and tax regulations, becomes more urgent for society at large and for our clients.

We also see major opportunities in intensifying our collaboration across the EMEA region as we, as Deloitte Netherlands, are well-positioned to make the most of our scale while keeping our local roots strong. We expect this to provide us with more opportunities, from the clients we serve to the development of our people. Furthermore, our increased scale will enhance quality, operational excellence and will provide our clients with added value.

Finally, we hope to conclude our internal investigation into answer sharing in Financial Year 2024/2025, while actively focusing on enhancing our learning culture to foster an environment of integrity, and on our commitment to ongoing professional growth and open communication.

Hans Honig
Chief Executive Officer
Chairman of the Executive Board

Dagmar Enklaar
Chief Operations Officer

Harvey Christophers
Chief Quality Officer

Our purpose and strategy

Our Purpose and Strategy

The world faces major challenges, we feel a moral call-to-action to help to move towards a better world. With our heritage and extensive capabilities, we have the ability to support clients and society in this transition. By being a responsible, purpose-driven organisation, we make a significant impact on society, sustain profitable growth, and provide meaningful work for our people.

This is what we call: making an impact that matters.

- With our clients, we drive transformations towards responsible and sustainable business models and help businesses, governments and society address significant challenges;
- We connect eco-systems to contribute to a society that is more trustworthy, sustainable, secure, healthy and equitable;
- We provide the opportunity for our people to connect and live their personal purpose through their work and pro bono programmes of the Deloitte Impact Foundation;
- And we continuously review and enhance our own business operations to be a more sustainable enterprise.

How do we make an impact on clients?

With our clients, we drive transformations towards responsible and sustainable business models. We connect our skills and services to work on our clients' most critical, complex challenges and deliver consistently high quality, every single day. Our clients face major transformations where we bring in capabilities from across our businesses and industries.

We want to contribute actively through client work to a more responsible and resilient society by applying our Global Responsible Business Practices commitments, Purpose and Shared Values in our decision making processes. The Responsible Business Committee (RBC) has been established to provide an extra layer of cross business dialogue in cases where client or engagement acceptance matters carry a significant public interest or purpose factor.

How do we make an impact on society?

We connect eco-systems to contribute to a society that is more trustworthy, sustainable, secure, healthy and equitable. We want to play an active role in building a more responsible and resilient society in the Netherlands, with the client projects we engage in, through the initiatives within our 'Future of' themes, and through the Deloitte Impact Foundation.

How do we make an impact on people?

We provide the opportunity for our people to connect and live their personal purpose through their work and pro bono programmes of the Deloitte Impact Foundation. We continue to provide our people with opportunities for personal growth and development. Our Employee Value Proposition is designed to provide a career that is personalised and meaningful; to enable our people to excel and be happy in their profession, contribute to their communities, and become the next generation of leaders in and outside Deloitte.

We will step up our approach to provide an inclusive workplace and leverage the diversity of our talent. Different people, different skills, and different perspectives combined to create value through the diversity of thought.

Our strategy 2024-2027

Five years ago, we set out to become purpose-led, sustainable, and inclusive. To grow into a place for talent and future leaders to develop and thrive within our organisation. To become the market-leader in the Netherlands and involved in the most impactful transformations and audits. With our strategy for the coming years, our direction does not change, but our ambition is bolder.

We aligned our long-term ambition and strategy through thorough market analysis, focusing on optimising the use of resources, leveraging capabilities, and aligning actions with market opportunities. We believe our strategy remains relevant even during market slowdowns, capitalising on emerging opportunities without major adjustments.

To understand the evolving market and stakeholder expectations, we engaged internal and external stakeholders. Clients, non-clients, and employees shared insights in partner meetings, round tables, and focus groups. These insights shaped and refined our strategy, finalized by our Strategy Office.

We want to double down on our commitment to marry purpose and profit, pursue internationalisation with local strength, offer integrated propositions as our client's trusted partner, to develop (future) leadership and be the preferred employer for all, and innovate how we deliver value to clients.

Our strategic pillars

At the heart of our strategy lies the ambition to be truly differentiated in the value we bring to our clients, people and society. To do this, we can rely on our strong roots. Looking forward, we have identified five strategic pillars, each supported by a set of concrete initiatives, that will allow us to reach far, together.

1. Marrying purpose and profitable growth

We want to be even more explicit that we are in fact purpose-led and connect it to the relevant work we do for clients and the way we interact with our people and the responsibility we take in the world around us. We believe we can deliver on our purpose and grow profitably. Profitable growth enables us to invest in the future of our firm, in the development of our future leaders and opportunities for our people; it makes it possible to make an impact that matters on society, our people and our clients. By working with clients who can and do make a difference, by tabling key ESG topics and bringing in elements of trust and quality, we can grow our business while helping the world around us.

2. Internationalisation with local strength

We have built strong roots in terms of market, people and in society and we will continue to invest in our local strength. We see opportunities to expand further and become a powerhouse in EMEA. Internationalisation works both ways for Deloitte Netherlands. We can use our Global Delivery Network (GDN) to better serve our Dutch clients by bringing in more capabilities and capacity through selective trade corridors. And by actively collaborating internationally we will also be giving our people more opportunity to learn and grow, thereby strengthening our roots.

3. Clients' trusted long-term partner

Our extensive scope and scale differentiates us in delivering end-to-end transformations. Our multidisciplinary model is critical in positioning ourselves as strategic advisors in the boardroom. Our goal is to be our clients' trusted long-term partner so we can make the greatest impact by advising, implementing changes, and helping to run their day-to-day operations.

4. Preferred employer for all

We feel a responsibility to ensure our people can develop into well-equipped, responsible, resilient civilians as well as specialists and leaders in our firm. Our goal is to build a diverse talent base that offers a variety of perspectives, ideas and insights, that operates in an inclusive work environment that contributes to one's full potential. Investing in leadership development is essential to ensure a pipeline of skilled professionals that can drive, performance, foster our culture and guide the firm in the future.

5. Building innovative business

We pride ourselves in being implementors of innovation and to continue this we must be at the cutting edge of new technology, such as Artificial Intelligence. To effectively use it for our own work and deploy it for clients thereby creating real opportunities. To do this we need to embrace change and welcome innovations – not only in technology, but also how we deliver value to our clients. We've build our areas of technological expertise to offer the best service to our clients. We can deliver better results by leveraging our technological proficiency to implement innovation for our clients.

We want to increase and evidence our contribution to a more trustworthy, sustainable, secure, healthy and equitable society. We aspire to be a purpose led organisation where sustainability is ingrained in everything we do. And in all our five strategic pillars, reflecting our goal to positively impact society through relevant client work. Our multidisciplinary approach spreads expertise across all areas, from Sustainability services to supporting clients in transforming their supply chains. Sustainability is also integral to our future themes, including energy, food, and health.

Our progress

With our four-year strategy cycle drawing to a close in 2023, our strategy was further developed and sharpened to be ready for the upcoming years. Peter Sanders, Chief Strategy Officer, reflects on this process, our progress to date and the opportunities ahead.

I am optimistic looking at both the process and the outcome of further sharpening our strategy. We got the cascading on point starting with a strong alignment of the strategic direction on both a Global and an EMEA level. We continued to align step-by-step through each part of our organisation's matrix. This made the process more collaborative with contributions from both our partners and talent ensuring the right level of depth and resulting in overall consistency.

Peter Sanders
Corporate Strategy Officer

Our strategy is based on a set of critical beliefs and making these beliefs more explicit helped to get everyone on the same page about our collective direction. Our strategy meeting with the partners in Maastricht ended up being the apex of this entire process. For me, it was confirmed there that we struck the right balance between providing a collective direction and establishing a frame that provided sufficient freedom.

During this process, we also involved an outside-in perspective by inviting clients and experts in their fields to enable them to share their points of view in order to gain a diversity of thought and insights. This helped us to zoom out, ensure we have a great understanding of the expectations of our stakeholders and can fully grasp future needs and trends.

Looking at our strategic direction, where did you see the most progress this past year?

We have made significant progress in becoming a driving force in EMEA and in selecting specific trade corridors. We also continued to make progress by further building on our 'Future of' themes, such as the Future of Energy, by setting up the global Hydrogen Centre of Expertise in the Netherlands.

One of our priorities is to make sure we will be the long-term partner for our clients, for example with our Advise, Innovate and Operate' (often referred to as A-I-O) capabilities. For one of our clients, we will design and build a cloud-based AI and Data platform, work on keeping the systems running smoothly and continuously innovate the platform.

This past year the focus has also been on Generative AI. In the Netherlands, we took a proactive approach to bring GenAI to our professionals, set up a dedicated team aimed at integrating Gen AI into our operations, and organised labs with clients to support them in their GenAI journey leading, for example in identifying cost savings with GenAI for one of our large Consumer clients. Of course, we are also benefitting from the scale of Deloitte as a global Generative AI taskforce has been set up in the past year, encouraging collaboration and collective investments to fully embrace the opportunities around GenAI.

We have also invested in our (future) leadership, which is vital to ensure that we will thrive now and in the future. I have been impressed by the implementation of our 3C leadership philosophy which embodies the courageous, curious, and compassionate leadership behaviour that we expect from our leaders. We integrated this framework into our learning and development initiatives for partners, and it has extended beyond the Netherlands as it is now also part of the NSE training programme.

Looking back, what challenges did you encounter?

The volatile market challenges us to review our strategy and asses if we made the right strategic choices. I believe that we are focusing on the right things that will help us to stay successful in the long-term, and at the same time it is crucial for us to accelerate on parts of our strategy. One example of this is changing the way we deliver our services in order to stay competitive. By increasing the use of our global delivery centres, we can complement our teams in the Netherlands to deliver the best services to clients. However, we still need to become more efficient in doing so to improve both cost and delivery.

We have also been constantly guarding the balance between having our full focus on our client work now, while managing several organisational changes to ensure our organisation is future-proof. The upcoming adoption of the modernised and simplified global storefront, the way in which we organise our services, is an example of this. Through an alignment of capabilities that is most relevant to the market of the future, it will help us to serve clients better with their most complex challenges, now and in the future . It will also make it easier to bring integrated solutions to the market, to use our global scale to invest and to work across borders, which will provide a more seamless experience to our clients.

From a personal perspective, what aspect of the strategy resonates with you the most?

For me, it starts with ensuring a consistent focus on marring purpose and profitability, as I believe it will help us to become future-proof. Being successful helps us to set the agenda for a responsible and sustainable business and provides us with a platform for growth to accelerate on societal challenges and invest in diversity, inclusion and equity. At the same time, we will be able to provide our people with more purposeful and meaningful work, which is measured in the Engage for Change survey amongst our talent as an important part of our strategic pillar to be the preferred employer for all.

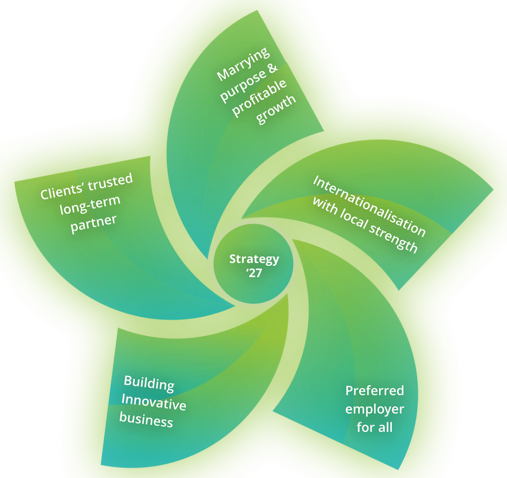
What has made you proud looking back on this year?

Generally it is actually the people that make me proud to be part of Deloitte, they never cease to amaze me with ideas and their drive. An example of this for me are the initiatives that have been set up around financial health, which are driven by personal conviction to make an impact on people and society. Connecting both organisations in the public and private sector and using our strengths as an organisation to push this initiative forward, is admirable to me.

Value creation

Business model

Our business brings together people, technology, knowledge and relationships. Where these meet, we help our clients with meaningful high-quality solutions to their complex needs and challenges to further propel their businesses. We do this through the expertise of our people (often supported by our highly specialised international delivery centres), by implementing assets that we have developed, or by assuming control over a designated part of our clients' processes.



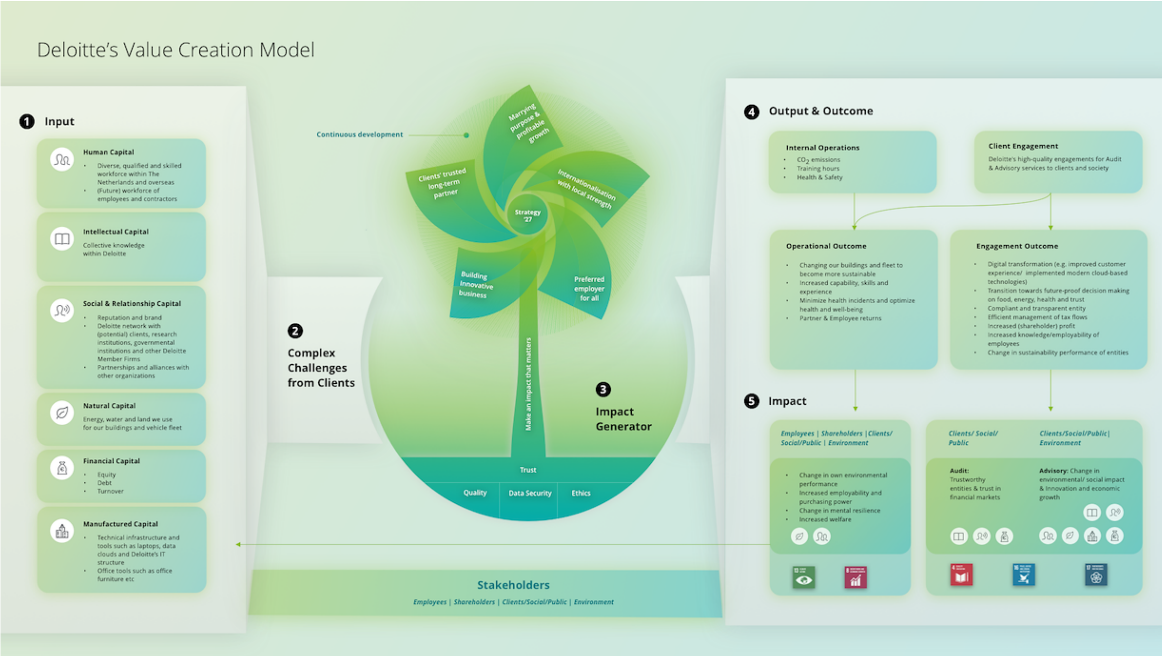
Our people are highly trained, skilled and motivated. Through extensive learning programmes (classroom, online and on-the-job), we accelerate the development of our people and increase their ability to further advance in their chosen area of expertise and within the industry they feel most connected with.

Technology is an important element of our services. In all our services we use technology to obtain the best result as efficiently as possible. Moreover, we help our clients facing their digital challenges, for example in the areas of cyber security, and software and systems implementation.

We make sure that our knowledge remains up to date. We partner with important knowledge institutes such as Center for the Edge to be able to tap into state-of-the-art insights from the academic world. In addition, we are organised in cross functional industries' groups, ensuring the availability of industry-wide insights across businesses.

In addition, we maintain relationships with clients and potential clients to become their trusted advisor in our areas of expertise. Finally, we are an active participant in many professional organisations and contribute to social debates and challenges around pressing social issues, among others through our Future of agenda.

Our business model is based on our purpose, informed by our Shared values, and powered by our Strong Roots Reach Far strategy.



Value creation model

Deloitte's purpose is to make an impact that matters for our clients, our people and the society we operate in. Our purpose is the driving force behind our strategy and our everyday actions.

Our business model is inspired by the six 'capitals' (human, intellectual, natural, financial, social and manufactured) as defined by the International Integrated Reporting Council (IIRC). Having a strong foundation is vital for performing our services and execute our strategy. We have built the foundation of our business model on three pillars: quality, ethics & integrity, and data security. Our strategy and everything we do as a firm, is rooted in trust. Trust allows us to build meaningful relationships and foster partnerships with our stakeholders.

The impact we make stems from both the way we support our clients, and how we operate our business through our services: Advisory, Audit & Assurance, Internal support, and Deloitte Impact Foundation. At Deloitte, we address complex and challenging issues that our clients face. We provide them with solutions that allow them to grow in a responsible way. Within our firm, we have established a multidisciplinary network of professionals with various backgrounds and experiences, creating a unique blend of capabilities to respond to our clients' needs.

We are mindful of the consequences our activities have on our stakeholders. Being a responsible business, we try to understand the positive and negative impact our firm has and aim to address the major societal and environmental issues.

Value creation for different stakeholder groups takes place in multiple ways. The value we generate for our clients arises from the services we provide and the ecosystems we develop. For the broader society, we add value through our client work, the talent we develop, the taxes we pay, and the communities we support during our corporate responsibility and sustainability initiatives.

We build value for our employees by creating an environment where equity, purpose and belonging, and experience are at the core of our business. We develop our employees' skills through training, as well as through the engagements they work on, to address efficiently our clients' demands.

Through internal dashboards, we track and manage how our business activities can affect the planet. In our sustainability-related client work, we support our clients recognise their reliance and impact on natural resources to minimise the environmental impacts across their value chains.

We constantly drive and embrace innovation and digital transformation. It helps us to maintain leadership in the services we offer, and provides our clients and society with tailored and cutting-edge solutions that improve the overall ecosystem Deloitte operates in.

External factors such as the social, political and economic challenges of a constantly changing world, shape the impact we create. At Deloitte, we proactively respond to these challenges, and work with our stakeholders to address them, contributing to the continuity and enhancement of our firm.

We strive to continuously improve our practices and adapt to changing circumstances to become a more responsible business, contributing to a better and more sustainable future.

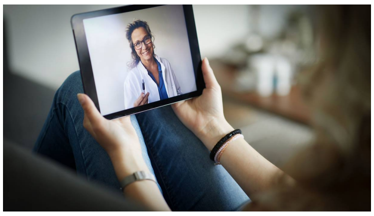
Promoting responsible business
Deloitte has robust procedures for client and engagement acceptance. Our acceptance procedures include background checks and risk identification and mitigation. These procedures are designed to protect Deloitte from working for clients or accepting engagements that potentially can jeopardise our shared values and principles, compliance with laws and regulations, reputation or purpose.

In addition to these procedures, in recent years, the Responsible Business Committee (RBC) in Deloitte NL provides an extra layer of cross-business dialogue in cases where client and/or engagement acceptance matters potentially have a significant public interest or purpose factor. Anyone within Deloitte can escalate a specific scenario to the RBC and the RBC seeks to provide guidance and support to NL teams in applying and executing our Shared Values and Global Principles. It provides comfort that the opportunities we accept serve our purpose and that the right level of public interest consideration is given to the client and engagement acceptance, thus upholding the trust of our people, clients, regulators and the general public.

As Deloitte NL, we are an integrated part of a global (DTTL) and a regional (NSE) partnership. This means that we are sometimes in a position where we lead engagements and have engagement teams working at clients in different geographies, including geographies that are culturally different from ours, and sometimes also with different perspective on public interest and responsible business practices. As such, from time to time the RBC is called on to provide input to associated client and engagement acceptance matters. It is important to understand *and* accept cultural differences but also to feel a sufficient level of comfort when using our expertise for clients who are located in such geographies. By having a dialogue on dilemmas, when necessary involving subject matter experts, the RBC acts as an important independent safeguard in our acceptance process. In addition, we maintain a right to refuse for individual employees to work on engagements that contradict their personal values and beliefs.

Our 'Future of' themes

Our world is ever-changing. As we want to make an impact on society, We've identified Future Of Themes - the Future of Health, the Future of Energy, and the Future of Food - as industries that need disrupting, and generated ecosystems to lead businesses through transformations in these fields.



Future of Health

How can we prevent rocketing healthcare costs by early diagnosis and prevention? Which technological and behavioural measures lead to overall health, happiness and well-being?
With the Healthcare sector facing many challenges, such as escalating care costs due to an ageing population and pressure on budgets and the workforce, a new mindset is needed. We need to move from healthcare to health, with more focus on prevention, and an improved health consumer journey, with new health players entering the ecosystem.

Future of Energy

How can we transition to a clean and green energy system? What's the role of electricity, hydrogen and our behaviour in this changeover?
Energy will change drastically. Our ambition is to contribute to a sustainable energy transition. With renewable sources and less or zero carbon emissions to meet the Paris 1.5° climate goals. Connecting the ecosystem with traditional parties, but also with start-ups and public institutions is key.

Future of Food

How can we create a food system without compromise that is sustainable, healthy, and even-handed? Which innovations can bring about this food consumption, production and waste?
With sustainability and planetary boundaries and shifting nutritional needs, the food ecosystem will change, creating space for new players. For instance, personalised nutrition and responsible production and waste are important in this new world.

Our Future of Food team started an ecosystem called the Net Positive Network, bringing together nearly 200 people ranging from CEOs, experts, founders and more, working to make food net positive

Deloitte Impact Foundation

We have our primary impact through the work we do for and with our clients. In addition, Deloitte is committed to making a positive impact on society through the Deloitte Impact Foundation . We partner with NGOs, non-profits, and start-ups to establish social initiatives. In addition Deloitte empowers colleagues to start employee-led initiatives that are close to their hearts. We leverage our employees' expertise, knowledge, and network to make a meaningful difference in the areas of education and employment, sustainability, and promoting an inclusive society.

Hours of volunteer and pro-bono time

30,733

FY23 39,413 **FY22** 36,284

Numbers of employees involved

1,009

FY23 1,020 **FY22** 790

Numbers of projects

87

FY23 107 **FY22** 96

To amplify the impact of our Deloitte Impact Foundation, we concentrate our efforts on three key areas and are working together with partners in ecosystems:

- **World*Class***, a Deloitte global initiative with the ambition of supporting 100 million people worldwide by 2030. Our NL World*Class* Programme focuses on equal opportunities in education for vulnerable young people, especially in primary, secondary, and middle-level vocational education in the Netherlands.

- **Sustainability**, through our sustainability-related initiatives, we protect our natural environment by addressing the root causes and effects of global warming and degradation of land, water, and air. This focus area aims to support future generations on our planet to live in a healthy and sustainable environment**.**

- **Inclusive society**, Deloitte contributes to an inclusive and diverse society. Our initiatives provide support for challenges related to the quality of life in the Netherlands such as concerning poverty, safety, health, loneliness, and/or happiness of Dutch inhabitants.

For more information about Deloitte Impact Foundation, please see paragraph 3.5 in Annex 2 of this Report.

Impact story: Financial Health

Inclusive society

The Financial Health programme aims to raise awareness and improve the financial health of households in the Netherland. Financial health has a tremendous impact on people's lives, their families, their physical and mental health, and also their performance at work or school. The aim of the programme is that by 2030 the number of people who experience financial stress is reduced by 50 percent compared to 2015. And that people are in control of their finances, now and in the future. To achieve this, current initiatives are:

Financial Health Check

Together with our partners we developed a tool "Financial Health Check". This tool enables households to measure their own financial well-being to determine strengths, weaknesses and areas for improvement. Related to income, spending, savings, borrowing and planning. Households can access the tool for free via the NIBUD site or in the Rabobank app.

For the National Coalition for Financial Health, an employer version of the Financial Health Check has been developed to measure the financial health of employees. The outcome of the measurements are input for the action plans at corporate level.

National Coalitie Financiële Gezondheid (NCFG)

Deloitte, ING and SchuldenlabNL have taken the lead in forming a broad coalition (NCFG) of employers to tackle financial problems and debt in the workplace. Our CEO Hans Honig was chair of the NCFG during 2023. At the end of 2023 ING took over the position of chair. Within the programme, we run project management, participate and lead in working groups focusing on measuring financial health of employees, improve awareness and create an action plan with interventions for employers.

Annual research

Together with our partners, NIBUD and Leiden University, we provide insight into the financial health of Dutch households. We developed a methodology for measuring financial health to score Dutch households on a financial health scale. With 5,000 households participating in the survey, we provide a snapshot of the current situation and we monitor the development of financial health in the Netherlands. In March 2024 we published our third annual report.

Impact story: World*Class*

Millions of people worldwide are still being left behind, unable to fully develop their talents. Through the World*Class* Programme in the Netherlands, we are dedicated to expanding horizons and investing in the talent development of vulnerable youth in economically disadvantaged districts of Amsterdam and Rotterdam.

We utilise the expertise of our employees to organise scalable and sustainable activities. We collaborate with the education sector and business community to develop new teaching materials in areas such as energy, financial health, entrepreneurship, digital skills, technology, and soft skills for primary and secondary school students.

Our professionals play a vital role in addressing the teacher shortage by serving as guest lecturers, teaching assistants, and offering in-person or virtual assistance within the Dutch education system. We provide guidance and support to students in securing internships and jobs, leveraging our network of offices, employees, clients, and partnerships. These activities contribute to equal opportunities for every child's comprehensive development.

Key achievements in Financial Year 2023/2024 include:

- Establishing a new partnership with the IT Campus in Rotterdam to enhance students' digital skills.
- Organising the Homebase Festival in collaboration with Studiezalen and the ABN AMRO Foundation to support and mentor children in marginalized areas of Amsterdam.
- Collaborating with JINC to impact over 2,000 students in Amsterdam, Rotterdam, and Utrecht.
- Donating laptops and IT devices to partner organisations to enhance their digital skills and activities.
- Developing sustainability and energy transition workshops in partnership with various energy companies.

Impact story: Vereniging van Nederlandse Voedselbanken

Over recent years, Vereniging van Nederlandse Voedselbanken and Deloitte have achieved great results through various Deloitte Impact Foundation initiatives like the ‘Digital Food Brigade’ and ‘De Laatste Pluk’. Looking ahead, we're excited to deepen our collaboration through a strategic partnership. This alliance will enable Deloitte to offer substantial support and collaborate closely with Vereniging van Nederlandse Voedselbanken in combating poverty and food waste. Our goal is to provide professional services, including capability building, process enhancement, marketing strategies, and technological advancements.

Vereniging van Nederlandse Voedselbanken is a Dutch nonprofit dedicated to fighting food waste and hunger. Relying on volunteers and donations, their network of food banks plays a crucial role in addressing nationwide food insecurity. In the face of rising poverty levels and a growing effort to reduce waste throughout the supply chain, Vereniging van Nederlandse Voedselbanken finds itself navigating challenging times.

In the coming year, we're eager to support Vereniging van Nederlandse Voedselbanken with three distinct working streams aimed at addressing critical needs and advancing our shared goals. With confidence in our collective ability, we anticipate making a meaningful impact together.

Our firm

About Deloitte

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and legal and related services. We have been providing professional services to clients, developing our talent and engaging with society for over 175 years.

Deloitte Netherlands is the Dutch firm of Deloitte North and South Europe (NSE) and as such is a separate and independent legal entity. Deloitte Netherlands operates in the Netherlands and in the Dutch Caribbean. For a full list of subsidiaries, please see Notes 4. Consolidated Group companies of the Company finanical statements in Annex 1.

Headcount of Deloitte in the Netherlands and the Dutch Caribbean

	Male	Female	Other/Non-disclosed	Total
Deloitte Netherlands	4,614	3,496	N/A	8,110
Deloitte Dutch Caribbean	32	54	N/A	86
Total	4,646	3,550	N/A	8,196

In the Netherlands, we employ more than 8,100 people (excluding contractors) in 16 different offices around the country. This makes us one of the leading Dutch professional services providers in the areas of audit and assurance, tax and legal advisory, consulting, risk advisory and financial advisory. Our practitioners work in multidisciplinary teams to help resolve our clients challenges and realise opportunities.

As of March 1, 2024, Deloitte has acquired the Dutch dialogue marketing agency CloseContact that boasts over 15 years of experience in data-driven communication and marketing automation, particularly in Salesforce Marketing Cloud (SFMC).

Deloitte NSE

Deloitte NSE brings together around 75,000 professionals. Together, we make an even greater impact in each of our markets. By working as a unified firm and leveraging our combined network, we can achieve more – for our clients, our people and the communities we work in. As an organisation that advises and audits organisations across industries and sectors around the world, ours is a business built on trust.

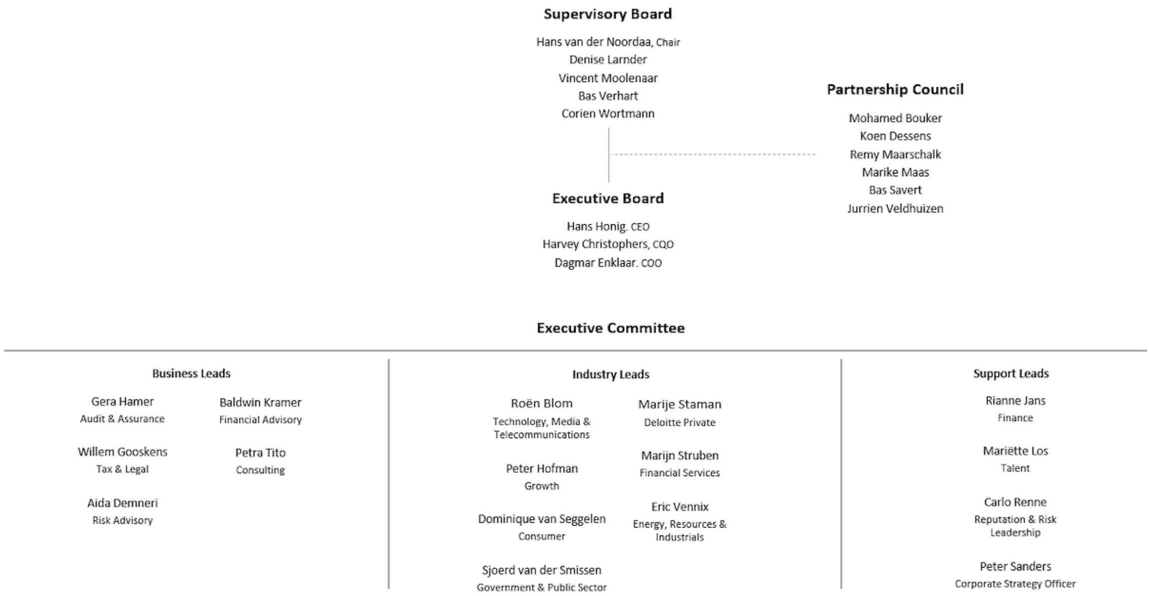
Deloitte NSE comprises the following 30 countries: the Netherlands (incl. Deloitte Dutch Caribbean), the UK & Switzerland, Ireland, Belgium, Finland, Denmark, Sweden, Norway, Iceland, Italy, Greece, Malta, Gibraltar, Libya, Palestinian ruled territories, Cyprus, Lebanon, Jordan, Iraq, Egypt, Saudi Arabia, Kuwait, Bahrain, Qatar, the Republic of the Sudan, the United Arab Emirates, Oman and Yemen.

Deloitte Global

Our global organisation has grown in scale and diversity and now comprises approximately 457,000 people in more than 150 countries and territories, serving nearly 90% of Fortune Global 500® companies and almost all the Amsterdam Exchange Index companies, providing assurance services or, to non-audit clients, advisory services. We believe our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way towards a stronger economy, a more equitable society and a more sustainable world.

Our leadership in 2023/2024 (per May 31, 2024)

Our leadership structure consists of a Supervisory Board, Executive Board and Executive Committee. Please see below an overview of the members.



Effective October 1, 2024, we will implement changes to our structure. They will be not only be implemented to Deloitte NL, but across Deloitte globally. From this date onward, we will serve our clients through four businesses:

- Audit & Assurance (Business Lead: Gera Hamer)
- Tax & Legal (Business Lead: Willem Gooskens)
- Strategy, Risk & Transaction Advisory (Business Lead: Baldwin Kramer)
- Technology & Transformation (Business Lead: Petra Tito)

We implement these changes to enhance our international alignment, thereby improving our capabilities to help our clients in maneuvering through a fluctuating global environment.

Financial performance

Business results

Revenue shows a stable growth at 2.5% this fiscal year despite challenging market conditions, particularly in parts of our advisory business. This modest growth is attributed to the positive performance across most business lines, with the exception of Consulting, which experienced a slight decline compared to the previous year. The utilisation of our Global Delivery Network (GDN) has increased, aligning with our strategic objectives and compensating for the steady headcount in client-serving roles.

In our Audit & Assurance business, we continue to see a positive trajectory in revenue. However, our Consulting practice faced headwinds, experiencing a decrease in revenue and a slight contraction in workforce. In Financial Advisory there is stable performance Risk Advisory showed a revenue growth around 5%. The Tax & Legal business shows a solid growth, with certain areas achieving double-digit growth. Collectively, these performances depict a mixed but promising landscape, with areas of both challenge and opportunity that require tailored strategic focus to optimise growth and profitability. Our result before tax and management fees amounted to €159.7 million (2022/2023: €164.8 million).

As a percentage of revenues, our result before tax and management fees decreased to 11.5% from 12.1% in 2022/2023. We continue to invest in our employees to attract and retain talent. As a result, our salary costs have increased due to continued improvements of our Employee Value Proposition. The variable compensation increases from €31.6 million in 2022/2023 to €46.6 million in 2023/2024. At the end of our fiscal year, the size of our client serving staff is comparable to last year. As was the case last year, lower productivity levels impacted our revenues and this continues to have our attention. At the start of the fiscal year, we noted our increased cost levels were exceeding the growth in our business performance. During the year, we have taken measures to improve our operational cost levels and meet our targets for the fiscal year.

Solvency and liquidity
Solvency based on equity, membership capital and subordinated loans (Group's capital base) is 23.3% (20.6%). The improved solvency is the result of the received additional subordinated loans provided by our partners. Our liquidity has also improved: our year-end cash balance increased to €108.0 million. During the year, we have not used our credit facilities and we are in compliance with our covenants. Our working capital, defined as the sum of unbilled services, advanced billings and accounts receivable, improved with € 20.9 million to a total of €320.9 million at year end. This is the result of management's continuous focus on improving working capital and reducing the balance of unbilled services.

For a full overview of and detailed notes to our financial performance, please see the Financial Statements, which are annexed to this report.

Taxation
As a responsible business, our policy is to comply fully with both the letter and the spirit of Dutch tax legislation. To enhance our transparency on this topic, we have adopted a Tax policy, that can be found in the Annexes of this report. Our Tax policy addresses the three main types of national taxation that are applicable to us: corporate tax, tax on wages and value added tax.

To ensure Deloitte's compliance with all laws and regulations, regular meetings with Dutch Tax Authority (DTA) are scheduled to pro-actively discuss our questions and potential issues for all three mentioned taxes.

Furthermore, we annually perform a randomly selected sample test in our financials (outgoing payments) to test the compliance of the relevant tax aspects. The DTA is involved throughout this process and receives an integral report on findings and identified improvements.

Corporate tax
Deloitte's partners/owners charge Deloitte a management fee through a personal management company. These management fees - after deduction of, amongst other costs, a so-called customary salary for the partner - are fully taxable at the level of the individual management company, in accordance with the regular Dutch corporate income tax rates. Deloitte's remaining profit is taxable at Deloitte level, also subject to the regular Dutch corporate income tax rates.

Wage tax
All relevant filings are submitted timely and in accordance with Dutch rules and regulations.

All cross-border work situations (including secondments, projects and expatriates) are handled by a dedicated group of specialists in the Netherlands as well as abroad, to ensure that Deloitte and its employees meet all Dutch and local requirements.

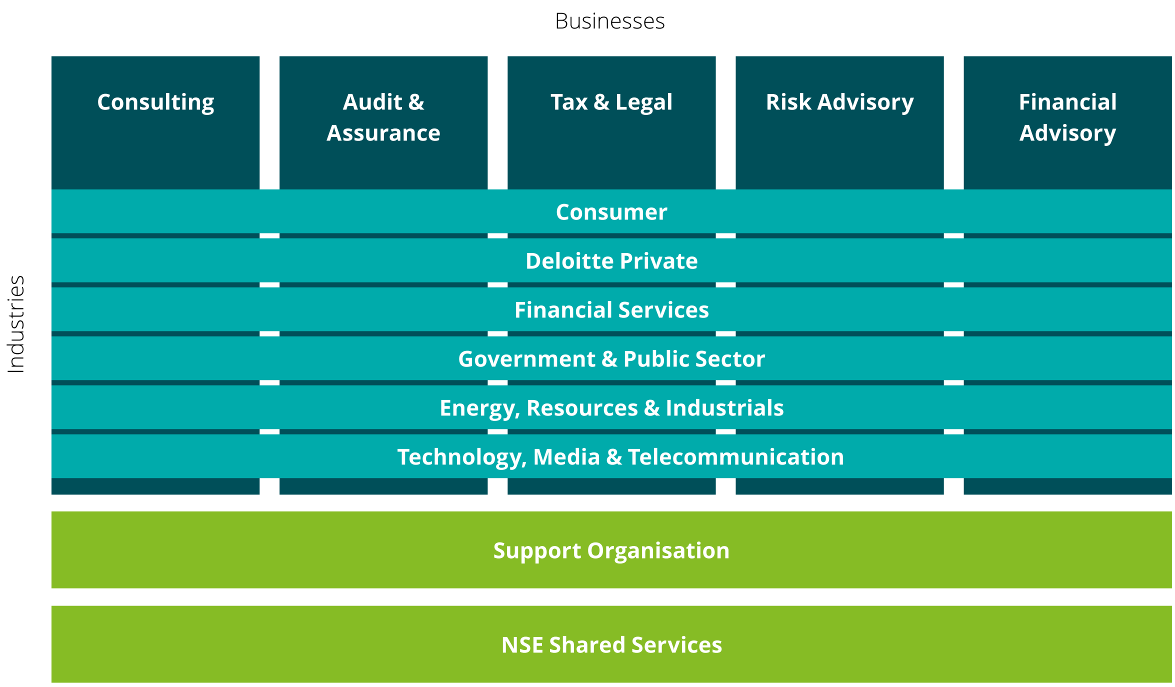
Value added tax
On all incoming and outgoing transactions, we follow the rules and guidelines for value added tax (VAT). Specific transactions, such as invoices within or outside EU and invoices for exempt services, are subject to strict protocols to ascertain that VAT is reported correctly.

Our businesses and industries

Throughout 2023/2024, Deloitte continued to be organised in five businesses: Audit & Assurance, Consulting, Tax & Legal, Risk Advisory and Financial Advisory. These businesses all work across various economic sectors that we consider as six industry groups: consumer; energy, resources and industrials; financial services; government and the public sector; technology, media and telecommunications; and the private sector. Our Support Organisation serves both the businesses and the industries and increasingly benefits from the services that NSE provides to geographies. Working with a matrix of businesses and industries that is identical in every geography where Deloitte operates, allows us to meet the needs of our clients by combining expertise with experience.

In this section, we provide the 2023/2024 financial results and market developments of our five businesses and our Support Organisation, and explore their key challenges and opportunities. In addition, we discuss the main developments and activities within our industries.

Our strategic objectives are cascaded down to our businesses, which have plans in place to put our strategy into action by adding context and content to our five strategic pillars. The results of their activities feed back into our strategic dashboard.



Turnover in € million	Employees (FTE)	Partners
326.3	1,821	51
+8.5%	+3.0%	-1.9%

Gera Hamer
Audit & Assurance Business Lead

After a tumultuous beginning, I'm proud to see Audit & Assurance's year end on a promising note. This year, A&A launched a new strategy founded on Deloitte's multidisciplinary model and an appreciation for the added value our long-term relationships bring to us and our clients - in both our audit and advisory practices. Underpinning our strategy is cross-collaboration. The need for cross-collaboration to overcome new challenges and create more opportunities is proving ever more evident as we rotate off current audit mandates and are winning new ones, including high-profile external audits such as ING Bank. We have also seen our Assurance practice grow by strengthening our wide range of services based on audit-related competencies in audit-readiness, ESG-readiness, and accounting and controls.

The use of GenAI in audit is an exciting example of our continued commitment to quality and innovation. While the human mind continues to be crucial, Headstart, our very own GenAI application, has proven a highly useful sparring partner and assistant for delivering high-quality audits.

This year, we've also enabled our talent to Never Stop Growing through the Bright Development Programme. This programme empowers our people to shape the Audit of the future. Through a robust selection of learning experiences, the programme aims to develop both professional and leadership skills. It offers our talent the flexibility to choose a particular minor specialisation, aligning with strategic goals. Participants can delve into areas such as IT Audit, Sustainability, Data Analytics, and Project Management. By acquiring and applying new skills in these fields, they can drive the transformation of the A&A business. On the ongoing debate about the future of audit, reports such as the final report published by The Quarter Masters and related dialogues establish the importance of audit services in society.

New developments within our practice amplify our impact, such as helping and advising clients on their ESG journey in reporting non-financial information. And, during our annual Stakeholder Dialogue event, we facilitated conversations on pressing societal challenges such as developments in governance by connecting leading organisations, regulators, scientists, and stakeholders.

There are exciting changes ahead for our profession. Upcoming rotations in our client portfolios, ESG developments, and investment in AI will all provide possibilities and challenges to our talent. I look forward to seeing how they will face these and, how, by working closer together and living our shared values, we can enhance the quality of our work and create added value for our clients.

Turnover in € million	Employees (FTE)	Partners
452.1	1,962	96
-3.2%	+3.2%	+12.9%

Petra Tito
Consulting Business Lead

The past year has been a year of readjustment for Consulting at Deloitte. Tougher market conditions, political and economic uncertainties, client demands for more effective and efficient delivery models, and the boom in GenAI were all factors that had a marked impact. An impact that, despite our best efforts, contributed to the difficult decision of re-assessing and reducing our headcount. Despite these challenges, we persevered through a concerted effort to strengthen our client pipelines, focus all our efforts on the market, and adapt our business strategies for the future.

One way we have adapted is adopting a more proactive stance in our client engagements. Here, we actively shape projects and foster deeper conversations. Our clients appreciate that we have opinions and the deep industry knowledge to inform them.

Our strategic focus on integrating industry knowledge with core competencies advanced us to the forefront of our client's primary processes. We made significant strides in the financial services industry (FSI) with digital banking, and in energy, resources, and industrials (ER&I) in hydrogen. Behind these efforts is the winning combination of knowledge, innovation, technical expertise, and mission-driven purpose.

The integration of GenAI into our services has been a momentous development this year. With Headstart, we enhanced our service quality and delivered more value to our clients. Our clients have also valued our competency and knowledge in AI, paired with our true understanding of their business.

As we look ahead, our mission is clear: to improve our performance considering ongoing market challenges and integrate even further across NSE. To do so, we maintain a strategic emphasis on our Operate proposition, the use of the Global Delivery Network (GDN), and a continued focus on AI and sustainability. By balancing the need for immediate results with our long-term vision, we remain steadfast in creating a Consulting that is fit for the future.

Turnover in € million	Employees (FTE)	Partners
130.7	529	38
-1.5%	+2.5%	+8.6%

Baldwin Kramer

Financial Advisory Business Lead

In a year of meaningful progress and strong client partnerships, we saw the M&A, real estate, and financial forensics markets as the three driving pillars of Financial Advisory. During this year, we've had standout projects where we've successfully supported the Dutch government's housing expansion plans and provided essential support to banks managing financial crime risks. And, despite a volatile M&A market, I continue to be very proud of the deep level of trust our clients have in us. This deep trust is vital to strengthening our role as a strategic, long-term partner for our clients.

Last year was challenging, as, after multiple years of exponential growth, we saw the market change its pace. We needed to shift gears and adjust to this change. To do so, we've refrained from recruiting heavily, instead choosing to focus on maintaining sustainable growth. This agility has allowed us to keep our commitment to client service and adaptability.

Collaboration within our Financial Advisory services has proven to be exemplary, particularly in the realm of anti-money laundering. We saw multi-disciplinary teams across Consulting, Risk Advisory, Tax, and Legal, come together to offer full-spectrum solutions. This collaborative spirit is what allows us to provide the entire spectrum of services our clients require: from Transformation to Operation.

Looking ahead, we see that Generative AI has the exciting potential to revolutionise our service delivery. As we explore what this technology is capable of, we anticipate that we will be able to increase the quality and efficiency of our work. I look forward to seeing how GenAI will help our clients - and ourselves - to establish new benchmarks in client service in the near future.

Risk Advisory

Turnover in € million	Employees (FTE)	Partners
206.1	1,115	38
+5.5%	+2.1%	+5.6%

Harvey Christophers (until January 31) **& Aida Demneri** (from February 1)

Risk Advisory Business Lead

Marrying purpose and profitable growth is at the core of what Risk Advisory does. By helping our clients to become more accountable, we empower them to operate as responsible businesses that tackle societal and broader stakeholder issues. Deloitte's Risk Advisory has continued to grow in the past year despite a challenging market for professional services. Driving this growth is our ability to stay connected to our client's needs and invest in developing ourselves to meet their evolving needs. Specifically, our investments in sustainability, GenAI, and responsible data solutions have paid off, helping our clients navigate ESG reporting and climate risks, as well as the responsible use of AI, privacy, and digital transformation.

Collaboration with other teams and geographies across the business and a deep specialisation in topics such as cybersecurity, resilience, regulatory, and financial risk continued to be a decisive differentiator.

This year we also set ourselves apart by driving innovation with notable feats including leading the agenda for AI in our firm and innovating on our sustainability regulatory reporting practice.

Our proudest achievement – and another prime example of our collaborative efforts - has been the continued growth of Africa Talent. This capability centre in South Africa has gone from supporting the Netherlands to supporting other geographies within NSE, like the UK, Ireland, and the Nordics. It's not only about better commercial outcomes. It's about making a significant social impact by creating local jobs and initiating a scalable solution that competes globally with other scale capability centres in our global firm.

This year continued our journey to be more than advisors for our clients; we're trusted partners. Looking ahead, we will continue challenging our clients and help them build trust, become more secure, more sustainable, and more resilient in the long term.

Harvey Christophers and Aida Demneri were both interviewed for Risk Advisory. Aida succeeded Harvey as Risk Advisory Business Leader from 1 February, 2024, as Harvey took on the role of interim Chief Quality Officer in the Executive Board.

Turnover in € million	Employees (FTE)	Partners
277.5	1,075	55
+5.3%	+1.5%	0%

Willem Gooskens

Tax & Legal Business Lead

The continued profitable growth of our Tax & Legal business in the past year is a testament to our ability to meet client needs as they arise. Our strong client-centric approach is reflected in our financial success across different Service lines, Industries and offerings. This year, we have seen strategic progress in the areas where we have chosen to invest such as Transfer Pricing, Deloitte Legal and our sustainability offerings.

We see that governments and society are requiring more transparency from our clients. This means more data-based reporting in an increasingly intricate regulatory environment. By harnessing these changes as an opportunity, we have helped clients to proactively comply with local laws and manage regulatory demands.

Collaboration continues to be at the core of answering the needs of our clients. Internally, fusing our tax and legal expertise has been crucial to navigating client restructuring. On a larger scale, collaboration within industries and the integration of technology platforms demonstrate our ability to bring comprehensive, holistic solutions to our clients. I'm particularly proud of the offerings we have developed around the Central Electronic System of Payments (CESOP) and our offerings around the newly introduced global minimum taxation (pillar 2). This showcases how combining technology with deep expertise creates integrated solutions for intricate compliance challenges.

Looking ahead, our priority is to establish Deloitte as the undisputed market leader in tax and legal services by Financial Year 2026/2027. To do this, we will continue investing in the development of our top-tier talent, superior services, and cross-business collaboration. Ultimately, our commitment to quality and integrated service delivery for our clients will be what steer us to market leadership.

Group Support Center

Carlo Renne

Group Support Center Lead

Turnover in € million	Employees (FTE)	Partners
0,3	995	5
-26.6%	+1.6%	+25%

We are a people business. As such, it is vital to have the right people in place to keep a business of our size running. To ensure this, our goal this year for our Support organisation was to go beyond just 'offering support' and into being a true enabler for our business. One way we're developing our Support organisation is by continuing our GSC 2.0 initiative, launched last year. Here, we nurture our people's skills and create a community where leaders in our Support organisation can continuously learn and grow.

We've seen commendable progress in innovation last year. The launch of Headstart, our internal GenAI assistant based on ChatGPT, showcases how we have embraced AI tools with mindfulness about their risks. It also demonstrates how joint efforts between businesses and our enabling functions, like IT and Risk, bring great results firmwide.

Even in the face of pressing circumstances, our Support organisation remains agile. By proactively taking the time to understand the business and its associated challenges, we can adjust to better meet the changing needs of the business. The true value our Support organisation brings can often fly under the radar, but we ensure that every day, the gears of our business turn smoothly so that our professionals can do their best work.

Looking ahead, there are big changes for Deloitte on the horizon. At the forefront of our efforts are more integration across our services, a more interconnected way of working within our global enabling areas, and a new approach to our storefronts. These are challenges we will tackle. Through it all, the Support organisation's accomplishments reflect a deep dedication to keeping our business running effectively, adapting to new ventures, and setting the stage for future collaboration. It continues to embody what it means to be a professional for professionals.

Consumer Industry

Automotive

Transportation, Hospitality & Services

Consumer Products

Retail, Wholesale & Distribution

Dominique van Seggelen

Consumer Industry Lead

This year was one of continued economic challenges for the Consumer market, as our clients have had to adapt to changing consumer behaviour. It is against this background that we partnered with our clients to prioritise their investments in the core of their business: enhancing customer intimacy, trust and loyalty, and sustainably transforming by "digitising all we do".

Our two-year research on the Future of Consumer explored how to navigate the new world of consumer markets and shape a better future. Here, we have spoken to several clients about the shaping the consumer industry and their implications. Consumers are becoming more diverse in many aspects, society is evolving, barriers of market entry are lowering, and exponential x-tech is accelerating all these developments at an unseen speed.

We also continued building on our strategy to offer a more integrated approach to our Consulting, Risk Advisory, Financial Advisory and Tax & Legal services in topics like digital, sustainability, finance, or cost transformations. As in previous years, technology continued to be an enabler. New was the developing demand for Generative AI, ranging from understanding what GenAI can do in the fields of efficiency improvement, cost reductions and process automation to customer interaction and data valorisation. However, before we see wider adoption, GenAI needs more use cases and more time to mature.

In the coming year, we foresee an initial recovery of consumer demand and cost-consciousness. We expect an increase in longer-term investments by our clients in areas of technology, smarter supply chains, channels and partnerships. All while their sustainability agenda becomes further embedded into the core of their business portfolio and processes.

Energy, Resources & Industrials

Energy & Chemicals
Industrial Products & Construction
Future of Energy
Retail, Wholesale & Distribution
Mining & Metals
Power, Utilities & Renewables

Eric Vennix

Energy, Resources & Industrials Industry Leads

Our strategy to support our priority clients with their most challenging business transformations has helped us to stay close to our key clients and - despite cost pressures - be their trusted partner in their journey towards a greener energy future This fiscal year has been defined by cost pressures in the Energy, Resources, & Industrials industry due to price volatility, partially driven by geopolitical events, demand fluctuations, and the transition to renewables. Companies have been seeking ways to improve their resilience, such as through operational efficiency. We are helping some of our biggest clients transform, and create a more competitive cost position, including cultural change to embed efficiency.

The Future of Energy topic has – again - taken centre stage over the past year, with continued focus within the energy sector and its stakeholders on transitioning to cleaner energy sources. We have established a name for ourselves as the leading professional services company in scale hydrogen deployment. I am particularly proud of Deloitte's Energy Transition Monitor (ETM) that was launched this year. The ETM provides a comprehensive view on the current progress of the energy transition in the Netherlands.

We strongly believe in the value of a diversified portfolio of services. Alongside the growth in our advisory revenue, there has been a proportionate growth in audit revenues. It is important for our industry to maintain a robust audit practice, which we have secured for Financial Year 2024/2025 and beyond with several major wins this year. As we look forward, we also see digitalisation has been a significant trend, with companies leveraging new technologies for operations optimisation, predictive maintenance, supply chain management, and improved cybersecurity. We are proud of the progress we have made in the Gen AI domain with projects at several of our key clients.

Financial Services Industry

Insurance | Banking & Capital Markets | Real Estate | Pensions | Investment Management

Marijn Struben

Financial Services Industry Lead

This year, Deloitte's Financial Services sector (FSI) has cemented itself as the market leader in transformations. By innovating through collaboration – across countries, functions, and industries - we've stayed ahead in an industry experiencing slower growth in the Netherlands. Our deep industry expertise, such as in pension transformation, has also proven instrumental in transforming our client's core processes.

Digital industry solutions have enabled us to make significant strides, overcome challenges, and achieve milestones beyond what was possible with a traditional service delivery model. Collaboration with global hyper-scaler technology platforms, such as Converge, and alliance partnerships have been critical in swiftly bringing technology solutions, like CESOP, to the marketplace.

We've seen more and more pressure on social responsibility in the financial industry, particularly in anti-money laundering, anti-fraud, sustainability reporting, and cybersecurity. This shift in societal expectations is reflected in EU-wide regulations such as AML, ESG, CESOP, and DORA. While our client's demands change, we maintain our commitment to delivering top-tier solutions that meet our client's needs.

An area where we've continued to make remarkable progress in, is in addressing societal Financial Health issues. By driving a nationwide coalition with FSI industry partners, we have positively impacted over 600,000 employees to date. This initiative has proven vital during these periods of economic stress, marked by high inflation and surging energy costs.

Looking ahead, we aim to be the FSI industry's undisputed leader in orchestrating transformations that accelerate our clients' impact on their most pressing challenges. To do so, we have taken strides toward a more balanced portfolio, securing several significant audit mandates. With these efforts, we ensure our clients will thrive in today's financial landscape.

Government & Public Services

Defence, Security & Justice

Health & Human Services

Infrastructure, Transport & Regional Government

Sjoerd van der Smissen

Government & Public Services Industry Lead

This year, we have tackled some of the toughest issues facing society; from the housing shortage to working towards a safer society to addressing the nitrogen issue in the Netherlands. Societal resilience has been a particularly pressing issue. Together with NATO, we embarked on a mission to create more awareness within society that security and safety should be considered . Our success in these initiatives can be attributed to the commitment of our people, who lead each one with the drive to leave a positive social impact.

As we move away from a supporting role where we optimise internal business and towards becoming more involved in our client's core processes, our commitment continues to be one of the factors our clients value. The successes we have experienced this year can be attributed to our client's trust in us, our adaptability, and the depth and breadth of our expertise and services.

We pride ourselves on building meaningful, longstanding partnerships with our clients. Continued trust and shared goals have led us to stand shoulder-to-shoulder with them, especially during these challenging times. We have seen the value of our adaptability and deep, broad expertise in our work in the health sector. Here, we have bridged the gap between healthcare and retail, going beyond treating illness and focusing instead on improving overall health.

At the heart of our people is the intrinsic dedication to positively contribute to society and further our clients' missions. We aim to keep leading initiatives that proactively address societal needs and foster trust within our community. By staying committed to our clients and communities, we will keep making real changes where they're needed most.

Deloitte Private

Marije Staman

Deloitte Private Lead

Deloitte Private excels when we keep doing what we do best: forging deep, meaningful partnerships with private companies for the long term. What helps us build these connections? Our ability to dive into their businesses, grasp the nuance of their challenges, and embrace the intricacies of their shareholder structures at various stages in their lifecycle.

We are present in the playfield between scale-ups, private equity, and family enterprises, recognising the role of private capital in shaping the future and bringing our value to the entrepreneurial and innovative power of the Netherlands.

Looking ahead, our sights are set on sustainability, an area where family enterprises stand out for their longstanding commitments. We endeavour to turn this overwhelming climate challenge into manageable steps. Our goal is to simplify the decision-making process by advocating participation in ecosystems that solve societal problems and present attractive commercial opportunities, simultaneously. We embrace this ecosystem thinking ourselves, as we work towards being at the helm of collaborative solutions. Our current orchestration role in Brainport, where we get a seat at the table of all relevant stakeholders, embodies this mindset and helps us really make an impact on the broader society. Here, we want more than to only be present in these discussions. We want to shape them – championing change, fostering innovation, and inspiring action.

Collaboration on all fronts is at the heart of Deloitte Private's future growth. By uniting with clients, other industries, and Deloitte teams around the world, we're nurturing an environment where collective action is encouraged and celebrated. Our multidisciplinary approach has proven indispensable to our teams and clients. We see that each project makes it easier to collaborate on future projects, as you learn more and more about what others are capable of and what they can make possible.

It has become even more evident that our clients face the same headwinds and challenges we do. In the year to come, we want to empower our clients to make an even bigger impact than before. By focusing on our strengths, on what we do well, and intensifying what we already have, we can help our clients choose what challenges to address and how best to tackle them.

Technology, Media & Telecommunications

Technology | Telecommunications, Media & Entertainment

Roën Blom

Technology, Media & Telecommunications Industry Lead

Over the last year, our TMT practice has steered clients through the lively landscape of Generative AI, the changing media market, and the political complexities of the semiconductor sector. We continue to see GenAI impacting every industry, as our clients seek guidance on how to stay ahead of the GenAI curve. The media sector has also seen a lot more movement this year compared to previous ones. The Dutch media, specifically, has been characterised by strategic acquisitions and an industry-wide trend towards consolidation, exemplified by RTL's transition to new ownership. Within the semiconductor sector, our industry has also tackled the global politics head-on, where companies like ASML adapt to a fluctuating economic environment. Despite these challenges, the Netherlands continues to strengthen its reputation as a hotbed for tech innovation. Deloitte's Fast 50 event highlighted this explosive growth of up-and-coming tech firms.

Telecommunications and technology's inherent international reach have made TMT strong in cross-country collaboration. An example of this is seen in our work with Adevinta last year – a fruitful cross-border collaboration that transformed from a nascent engagement into a substantial contribution to our EMEA practice for our Dutch firm.

We continue to keep the client central, echoing their ambitions and aligning our services with their strategic visions. This is made possible through multi-year relationships that allow us to understand underlying client needs better. This way, we ensure we're answering the right question, have the right proposal, and, most importantly, provide the right solution for our clients.

Behind all of this, are our people. We continue to build on the benefits of diverse teams and want to make sure everyone feels included. This is what fosters our culture of innovation that is essential to meeting our client's challenges.

As we look forward, we keep our focus on what truly matters: staying close to our clients, being true to our people, investing in understanding new technologies, and continuously exploring how we can help clients win in their market. If we truly help our clients win, we will win.

Roles and Responsibilities

Deloitte NSE LLP (Deloitte NSE) is a member firm of Deloitte Touche Tohmatsu Limited (DTTL), a United Kingdom (UK) private company limited by guarantee. Deloitte NSE, with affiliates in 30 countries across Europe and the Middle East, is not engaged in professional practice itself. All trading continues through local country practices, including the practices of Deloitte Netherlands.

Deloitte Netherlands is the Dutch Affiliate of Deloitte NSE and Deloitte NSE No2 CLG, a legal entity according to Irish law. Both are members of Coöperatief Deloitte U.A. ('the Cooperative'), Deloitte NSE No2 CLG having a two thirds majority of the voting rights in the General Meeting. Deloitte Holding B.V. (Deloitte Holding), a 100% subsidiary of the Cooperative, is the centre of the governance structure of Deloitte Netherlands.

The Board of Deloitte NSE is primarily responsible for ensuring high-quality governance and stewardship of Deloitte NSE. The elected NSE Chief Executive Officer (CEO) leads the NSE Executive. The NSE CEO is accountable to the NSE Board to deliver on the agreed long-term strategy of Deloitte NSE. Deloitte Netherlands, as well as the other national practices within NSE, maintains a significant degree of marketplace, talent and operating independence. Importantly, our strategy is also fully aligned with the overall NSE strategy.

The Dutch Corporate Governance Code and Audit legislation

Deloitte, as a non-listed company, is different from the companies for which the Dutch Corporate Governance Code ('the Code') is intended. However, on a voluntary basis and in addition to applicable Dutch civil law, Deloitte applies the principles of the Code where relevant and acts in the spirit of the Code. Some of the best practices mentioned in the Code either may not be applied in identical form within Deloitte, or are not suited to being applied, such as protective measures against takeovers, the certification of shares, the publication of price-sensitive information and the information supplied to and discussions held with parties in the financial markets. Furthermore, neither the Executive Board nor the Supervisory Board members are granted share options.

Deloitte's Articles of Association and rules and regulations contain the best practices of the Code where relevant and are fully in line with the applicable Audit legislation, such as the Wta and Bta. Following the publication of the new Code, Deloitte Netherlands currently assesses and will amend its Articles of Associations and rules and regulations where necessary.

General Meeting

The General Meeting of the Cooperative brings together all members: the NL Equity partners, Deloitte NSE and Deloitte NSE No2 CLG. The members of the Supervisory Board are also invited to attend the General Meeting. The company's annual results, long-term policy and certain other matters referred to in the Articles of Association require the approval of the General Meeting.

Supervisory Board composition

The Supervisory Board is composed of five members: Hans van der Noordaa (Chair), Bas Verhart, Vincent Moolenaar, Denise Larnder and Corien Wortmann. All members are independent. The Supervisory Board has drawn up guidelines for its size and composition, considering the expertise and experience required of Supervisory Board members. The Supervisory Board's profile, charter and selection and nomination process is available on our website .

Hans van der Noordaa, Chair of the Supervisory Board of Deloitte Netherlands is a (non-voting) Independent Non Executive member of the NSE Board. The Independent Non-Executive members of the NSE Board are remunerated for their role by Deloitte NSE.

Supervisory Board tasks and responsibilities

The Supervisory Board oversees and advises the daily policymakers of the Cooperative and Deloitte Accountants B.V., and supervises all general developments at Deloitte. The Supervisory Board is collectively responsible for the execution of its tasks and reports to the General Meeting. In fulfilling its duties, the Supervisory Board focuses on, among other things, the interests of the Audit firm and the public interest in ensuring the quality of statutory audits. The Supervisory Board always acts in the company's best interests, taking account of the relevant interests of all stakeholders.

The Supervisory Board is entrusted with the supervision of the policies and activities of the Executive Board and the daily policymakers of the Audit firm, inter alia in relation to the following: (i) Realisation of the company's objectives, including with regard to Environmental, Social and Governmental goals; (ii) Strategies pursued by the company and the risks involved, including with regard to people and sustainability; (iii) Design and implementation of internal risk management, quality and control systems; (iv) Quality, independence, integrity, ethics and other matters of public interest; (v) Deloitte's financial reporting process; and (vi) Deloitte's compliance with laws and regulations.

Supervisory Board committees

The Supervisory Board has formed three committees, each with its own rules of procedure: (i) Audit & Finance Committee; (ii) Quality, Integrity & Risk Committee and (iii) the Remuneration & Nomination Committee. The committees prepare the decision-making of, and frequently report to, the Supervisory Board.

Executive Board composition

Dagmar Enklaar and Rob Bergmans were appointed as EB members, respectively as COO and CPQO, on June 1, 2023, succeeding Oscar Snijders, the former COO, and Liesbeth Mol, the former CQO. However, during the 2023/2024 period, Rob Bergmans stepped down from the Executive Board role and resigned from Deloitte as a partner. On January 26, 2024, Harvey Christophers was appointed as an EB member and Interim CQO. Since that date, the EB is composed of three members: Hans Honig (CEO and Chair), Dagmar Enklaar (Chief Operating Officer) and Harvey Christophers (CQO).

Executive Board tasks and responsibilities

The Executive Board is responsible for, among other things, creating a strategic and policy framework and objectives, including with regard to ESG, People, Quality and other impacts, monitoring the implementation of policies and maintaining cohesion between the company's various businesses and service lines. The Executive Board reports to the Supervisory Board and to the General Meeting.

Executive Board members are collectively responsible for leading and managing the company. The Executive Board acts in the company's best interest at all times when fulfilling its duties, considering the relevant interests of all stakeholders. It is responsible for observing relevant laws and regulations, implementation and the execution of the Deloitte NL group strategy, managing the risks involved in the company's activities and overseeing its financial affairs.

Avoiding conflicts of interest

No member of the Executive Board takes part in discussions or decision-making processes that may give rise to a conflict of interest between the Board member and Deloitte. In such cases, Deloitte is normally represented by another person, who is appointed specifically for this purpose by the Supervisory Board. To our knowledge, no transactions involving any potential or real conflict of interest, as defined by the Code, took place in 2023/2024.

Executive Committee

The Executive Committee (ExCo) supports the Executive Board and has a role in the preparation, implementation of decisions taken and execution of the strategy by the Executive Board. Decision-making always takes place in the Executive Board. However, broad commitment is of crucial importance in a Partnership. By having a broader ExCo with representation from the different focus areas, (i) there is a strong connection between the EB and the various businesses and industries and (ii) enhances commitment and involvement of the partners. The ExCo structure is flexible in order to meet the changing needs of the organisation. On May 31, 2024, the Executive Committee consisted of 19 members: 7 women, 12 men, reflecting our present operating structure.

Partnership Council

The Executive Board, with the approval of the Supervisory Board, has appointed a Partnership Council that consists of five partners. The Partnership Council is charged with giving support and advice to the Supervisory Board in the broadest sense of the word. The Partnership Council can give solicited and unsolicited advice in support of the Supervisory Board. The Chair of the Supervisory Board can decide to invite (a delegation of) the Partnership Council to attend all or part of meetings and other discussions of the Supervisory Board and its committees.

Report of the Supervisory Board

The Supervisory Board (SB) is pleased to present its report for the Financial Year 2023/2024. In this report, you will find detailed information about the composition, organisation, and key activities of the SB and its committees.

This financial year has been challenging, yet it demonstrated our robust commercial performance and unveiled exciting emerging opportunities in areas like Generative AI, ESG initiatives. Additionally, it underscored the ongoing imperative for our clients to transform their organisation and enhance their performance. Despite these opportunities, the year was also marked by the need to adapt our organisation in response to both external developments and an extensive internal change agenda across the North South Europe region. This has placed considerable pressure on both management and staff.

A notable concern this year has been the investigation into answer sharing, Deloitte's internal learning culture and learning behaviour of its professionals. As a result of particular facts that have emerged from this investigation, Rob Bergmans decided to step down from his role as member of the Executive Board in October 2023. The ongoing investigation is being intensively supervised by the SB and closely monitored by our regulators, the AFM and PCAOB. Recognising the gravity of this issue, a specific SB committee has been dedicated to overseeing this matter, an SB-member is co-chair of the Steering Committee and with the SB convening every three weeks to monitor progress, supported by an external advisor.

In addition to regular meetings, the SB engaged in numerous additional meetings with management to stay well-informed and provide necessary support amidst the many external and internal developments. The SB also dedicated several sessions to strategic planning for the next four years and participated in Knowledge Sessions focusing on Generative AI, ESG, Public affairs, Economic and societal trends and developments and stakeholder dialogue.

Looking ahead, despite the challenges, we see numerous opportunities to further engage with both existing and new clients, offering exceptional products and services to assist them in achieving success.

Significant time was also invested in the HR and Talent agenda, which included selecting an interim Executive Board member and welcoming Corien Wortmann as a new member to the SB.

We would like to extend a special thanks to Nienke Meijer, who has stepped down after seven years of dedicated service on the SB.

Lastly, we express our profound gratitude to all Deloitte Netherlands colleagues for their unwavering commitment, focus on client service, and support throughout the year.

The SB is grateful for the continued trust placed in Deloitte and remains committed to upholding the highest standards of governance and integrity. We look forward to navigating the upcoming year with resilience and strategic foresight.

About the Supervisory Board

The SB supervises and advises the daily policymakers of the Cooperative and Deloitte Accountants B.V., and has oversight of all current affairs at Deloitte. The SB is collectively responsible for the execution of its tasks and reports to the General Meeting. The SB acts in the firm's, including the Audit firm's, best interests, taking account of the relevant interests of all stakeholders, including the public interest in ensuring the quality of statutory audits. For more information on the responsibilities of the SB, reference is made to the SB regulations, including Committee charters, which are published on the Deloitte website , and the chapter 'Roles & responsibilities' that is included in this report.

Composition of the Supervisory Board

Until January 1, 2024, the SB had five members. After Nienke Meijer's resignation, the SB operated with four members until May 27, 2024, when Corien Wortmann joined, returning the SB to five members. All members of the SB are independent within the meaning of paragraph 2.1.8 of the Corporate Governance Code and article 22a.4 of the Wta. All independence requirements of paragraphs 2.1.8 till 2.1.10 of the Code and the Wta/Bta were met during Financial Year 2023/2024.

	Date of appointment	End of present term
Hans (H.) van der Noordaa (Chair)	April 2020	April 2028
Vincent (V.G.) Moolenaar	November 2016	November 2024
Bas (S.E.) Verhart	October 2021	October 2025
Denise (D.J.) Larnder	October 2021	October 2025
Corien (C.M.) Wortmann	May 2024	May 2028

The SB's profile is available on the Deloitte website .

Committees

The SB has assigned, under its responsibility, a number of its specific tasks to three committees, that are comprised of the following SB members:

Audit & Finance Committee	Remuneration & Nomination Committee	Quality, Integrity & Risk Committee	Temporary Committee Learning investigation*****
Denise Larnder (Chair)	Hans van der Noordaa (interim Chair)**	Vincent Moolenaar (Chair)	Vincent Moolenaar (Chair)
Vincent Moolenaar	Bas Verhart	Hans van der Noordaa	Hans van der Noordaa
Bas Verhart*	Denise Larnder***	Denise Larnder	
		Corien Wortmann****	

* Bas Verhart stepped down from the QIRC per 1 December 2023 and joined the AFC.

** Effective January 1, 2024, Nienke Meijer resigned from the SB. Hans van der Noordaa has temporarily taken over as chair of the RNC, with Corien Wortmann set to replace him on July 1, 2024.

*** Denise Larnder temporarily joined the RNC on January 1, 2024, until July 1, 2024.

**** Corien Wortmann joined the QIRC on May 27, 2024.

***** As of October 1, 2023, the Temporary Committee Learning investigation was established.

Notable conclusions and recommendations of Committee meetings are reported to the SB during the regular meetings of the Board.

Supervisory Board meetings

In the Financial Year 2023/2024, the SB held the following meetings:

- 10 SB meetings, divided into 6 regular meetings that were focused on strategic themes, the strategy update for the 24-27 period and industry and business updates, 4 meetings that were focused on current affairs, compliance related matters and committee reports;
- 10 extra SB meetings regarding the investigation into answer sharing and Deloitte's internal learning culture;
- 2 extra SB meetings for succession management purposes given the unexpected departure of an EB member;
- 3 SB education meetings;
- 3 General meetings were chaired by the SB chair;
- 23 Committee meetings, including 8 extra Remuneration & Nomination Committee meetings;
- 12 meetings of the Temporary Committee Learning investigation
- Attendance rate 91%

*The annual meeting between the SB and the AFM took place in July 2023.

In addition, the SB held regular meetings in a private setting, and various meetings were held between individual SB members and individual EB members, Executive Committee members, the Compliance Officer Wta, the Chief Audit Executive (head Internal Audit Function), the external auditor, individual partners and professionals, the Works Council and Young professionals. All regular (Committee) meetings, that are held in presence of the SB and EB members and – in principle – two members of the Partnership Council and other invitees, are preceded by preparatory meetings with the appropriate executives, and the CEO and Chairman of the SB frequently interact. The SB members are invited to join the monthly partner update calls, which are used by the EB to inform the partners on amongst others strategic developments, and the SB members regularly attend. From time to time SB members join client events, too.

Examples of Supervisory Board items on the agenda

Strategy | During Financial Year 2023/2024, the SB was actively involved in the development of the 2024-2027 strategy. The updated strategy, detailed in this IAR, was approved by the SB. The SB closely monitors its execution using a KPI dashboard that includes, among other elements, KPIs on of doing purposeful work, a regulatory quality metric, financial targets and Kpis on collaboration, innovation and driving transformation.

NSE integration | Greater integration is pursued within NSE to increase the impact of Deloitte's services and drive quality. The SB, EB and other stakeholders have repeatedly discussed various initiatives, the financial model, and governance, particularly in light of the Dutch regulatory context.

Project into answer sharing and Deloitte's internal learning culture | In 2023, Deloitte has initiated an investigation into answer sharing, the internal learning culture and learning behaviour of its professionals. Quality, Academic integrity and professionalism are a top priority for Deloitte and the SB. Consequently, it was agreed to intensify SB oversight through the establishment of a dedicated committee, a member of the SB acting as co-chair of the project steering committee, three-weekly update calls, and regular inclusion of this project on the agendas of both the SB and QIRC meetings.

Succession management | After Rob Bergmans decided to step down from his role as member of the EB in October 2023, as a result of particular facts that emerged from the investigation into answer sharing and Deloitte's internal learning culture, the SB directed the nomination of Harvey Christophers as interim EB member (CQO) and the appointment of Bas Savert as a statutory board member and daily policymaker of Deloitte Accountants B.V.. Additionally, the SB directed the selection and nomination process for Harvey Christophers' successor, which is currently ongoing. Regarding SB succession, the SB nominated Corien Wortmann to the General meeting for appointment as member of the SB, thus effectively succeeding Nienke Meijer, and after a sounding and evaluation process, Hans van der Noordaa was re-appointed as chair of the SB.

Other important agenda items of the Supervisory Board | Besides recurring corporate topics such as the approval of Deloitte's Financial Plan and the budget for Deloitte Accountants B.V., the Integrated Annual Report and financial/business and industry updates, other important agenda items for the SB included: (i) Ethics & integrity, (ii) independence, (iii) revision of the Global Storefront including implementation within Deloitte NL, and (v) external reporting, including the Transparency Report of Deloitte Accountants.

Recurring and key Supervisory Board decisions
In addition to the decision to nominate the new (interim) CQO, a new SB member and a new policymaker of the Audit firm, the most important decisions of the SB were to:

- Approve Deloitte's Integrated Annual report, which also contains the financial statements, and the profit appropriation to the Equity partners;
- Nominate BDO for re-appointment as external auditor;
- Approve the Internal Audit Plan for Financial Year 2023/2024;
- Approve the financial plan of Deloitte NL group for 2024/2025, and approval of the budget of Deloitte Accountants B.V.;
- Set-up a remuneration policy for the SB, which was approved by the GM;
- Determine the remuneration of the BL A&A and NPPD Audit;
- Approve the decision of the EB regarding the year end assessment of the Compliance officer Wta.
- Approve the strategy 2024-2027 and long term objectives for the Executive Board;
- Approve the SB charter to reflect the updated Corporate governance code, and the SB profile;
- Approve the resolution of the EB regarding PIE accreditations and the decision to appoint new directors with the authority to sign off on (statutory) audit engagements;
- Determine the EB members' goalsetting;

- ◦ Increase in the fixed remuneration and annual determination of the variable remuneration within the bandwidth as prescribed by the Audit regulatory framework.

Supervisory Board teaming meeting and performance review
In the previous annual report, we reported on the SB's effectiveness assessment in line with the Dutch Corporate Governance Code and audit legislation, supported by an external party. This evaluation concluded in July 2023 with a facilitated dialogue between the EB and SB. By the end of financial year 2023/2024, the SB again has revisited its effectiveness, addressing its strengths, weaknesses, performance, and lessons learned. Key themes included enhancing interactions between the SB, EB, and other policymakers, the decision to establish robust governance for the investigation into answer sharing, the internal learning culture and learning behaviour of its professionals ensuring thorough SB oversight, the desire to sometimes extend meeting duration to address all developments adequately, continuance of transforming educational sessions from informational to experiential learning, and improving the detailed feedback from stakeholder discussions with individual SB members to the entire SB. The SB plans to define its priorities in collaboration with the EB and partners to further improve its effectiveness, and strategic focus further.

Throughout the year, discussions on the SB's composition were also prominent, particularly during the succession processes leading to Corien Wortmann's appointment and the recently started selection process for a new SB-member, effectively succeeding Vincent Moolenaar.

Annual performance evaluation Executive Board and Audit management
In accordance with relevant legislation, the SB has also evaluated the performance of the EB and the daily policymakers of Deloitte Accountants B.V. in Financial Year 2023/2024. The Remuneration & Nomination Committee of the SB held two sessions i.e. mid-term and year-end with each member of the EB regarding their individual performance and long term and short-term objectives. The SB also evaluated the performance of the Business Lead Audit & Assurance and NPPD Audit and provided feedback.

Highlights of the work of the Audit & Finance Committee during Financial Year 2023/2024
The Audit & Finance Committee (A&FC) assists the SB in fulfilling its oversight responsibilities regarding the quality of internal and external financial reporting, financial risk management, the control framework, internal audit, engagement with the external auditor, financing and tax. In doing so, it considers the outcome of internal audits, the audit report of the external auditor, the in control statement, and assessments of compliance with applicable laws and regulations.

The A&FC held six meetings during Financial Year 2023/2024, in the presence of the A&FC members, the COO and CFO, the lead partner of BDO, the Risk & Reputation Lead, the Chief Audit Executive, one or two members of the Partnership Council and other invitees where required. The A&FC chair had additional informal and preparatory meetings with the COO and CFO, the Chief Audit Executive and BDO. The A&FC also met in a private setting with (i) the Chief Audit Executive and (ii) the external auditor.

In addition to the above, the work of the A&FC was focused on, among other things:

- ESG/CSRD;
- Budget of Deloitte Netherlands and the audit firm, including quarterly forecasts;
- Evaluation of the progress on the Audit Quality Indicators of BDO;
- The materiality assessment of the Integrated Annual Report;
- Fraud risks, accounting and reporting attention points;
- Spotlight sessions on tax, pensions and insurance;
- Execution of this year's Internal Audit plan, discussions about and monitoring of internal audit report findings, recommendations and management's responses, including their implementation;
- Regular updates on the In Control statement;
- Review of any litigation or other financially contentious matters;
- Consideration of reliance on and assurance over NSE and Global systems.

Highlights of the work of the Quality, Integrity & Risk Committee during Financial Year 2023/2024
The Quality, Integrity & Risk Committee (QIRC) assists the Board in fulfilling its oversight responsibilities regarding quality, integrity and risk management of the EB. Within this scope, the QIRC discusses the principal strategic, operational, financial and compliance risks that the firm is to be exposed to and the steps taken by management to mitigate those risks. It does so, based on reports of, among others, the Risk and Reputation Lead, key risk owners, the Compliance Officer Wta, the Director of Independence, the Ethics officer and the General Counsel. Furthermore, the Committee monitors initiatives to enhance the quality of the services provided by each of the businesses and the Audit business in particular.

In Financial Year 2023/2024 the QIRC, in presence of the QIRC members, the Chief Quality Officer, Risk & Reputation Lead, the Business Lead Audit and NPPD Audit for Audit related topics, two members of the Partnership Council and other invitees, held five regular meetings. Key topics include the following:

- Besides a regular update on Audit initiatives and progress on the Audit Quality Plan, the QIRC discussed, among other matters, Fraud and going concern, the Transparency report, the Culture program, ISQM1, Deloitte's client continuance process and portfolio risk review, results of the Monitoring & Remediation program, evaluation of the conditional malus policy, and the outcome of Partner and Director Year End evaluations, various reports of the regulators and quartermasters and changes of policies regarding the System of Quality;
- The QIRC held a meeting in the presence of all Advisory Business Leads and Business Risk leads to discuss quality & risk management in building an innovative business, especially regarding Innovative AI propositions and tooling, and specific risks in doing international business across EMEA;
- The Committee discussed litigation and risk management cases;
- The QIRC assessed the process and monitored developments regarding Deloitte's Enterprise Risk Framework and other risk priorities. Risks that are associated with the following topics were reviewed in more detail: Our reputation, role and future public interest impact, the highest risk engagement program, crypto services and clients, the culture of client confidentiality and the portfolio risk review of the Deloitte NL group;
- The Responsible Business Committee, further NSE Integration and the investigation into answer sharing and Deloitte's internal learning culture were important agenda items too.

Highlights of the work of the Remuneration & Nomination Committee during Financial Year 2023/2024

The Remuneration & Nomination Committee (RNC) oversees the remuneration policy for partners and employees of Deloitte Netherlands, and prepares the SB's decision making on amendments to the remuneration policy of partners and employees of the Audit firm. The RNC also supports the SB in decisions regarding the remuneration of the EB members, including an assessment of their individual performance. Based on Audit legislation, decisions of the EB regarding the remuneration of daily policymakers of the Audit firm are subject to approval of the SB as well. In addition to two EB members, who are also daily policymaker of Deloitte Accountants B.V., this concerns currently three other statutory board members of Deloitte Accountants B.V.: the BL Audit & Assurance, the NPPD Audit and the C&I Lead Audit & Assurance. The RNC is furthermore responsible for preparing the selection and nomination by the SB of new members of the EB, daily policymakers of Deloitte Accountants B.V. and the SB itself.

The RNC held four regular meetings during Financial Year 2023/2024, in the presence of the RNC members, the CEO, the CHRO and two members of the Partnership Council. Eight extra meetings took place, mainly focused on the selection and nomination of a new EB member, the selection of a new daily policymaker Audit & Assurance, and the selection of two new SB members. Key highlights of the Committee's work included:

- Updates from the CHRO on specific topics, like the engage for change survey, recruitment, retention, reasons for leaving Deloitte, strategic work force management and leadership programs;
- Preparation of the remuneration policy for SB members;
- Preparation of the SB's decision-making regarding the fixed part and variable part of the remuneration for EB members;
- The annual and marginal review of the partner mapping process;
- Preparation of the SB's decision-making regarding the re-appointment of the Chairman of the SB;
- Preparation of the appointment of Harvey Christophers as CQO, Bas Savert as daily policymaker Audit & Assurance, Corien Wortmann as SB member, and the succession of Vincent Moolenaar;
- Discussions about various items, for example the equity partner income, the succession management approach and succession pools for important leadership positions;
- Compilation of feedback from all SB members and internal stakeholders for MY and YE conversations of the EB members.

Highlights of the work of the Temporary Committee Learning investigation during Financial Year 2023/2024

Deloitte has initiated an investigation into the internal learning culture and learning behaviour of its professionals. The SB oversees the full breadth of the investigation. The Temporary Committee Learning investigation is formed to support the SB in its governance role by overseeing the project in more detail, and advising the SB on related matters. The Committee held 14 regular meetings during Financial Year 2023/2024, in the presence of the Committee members, the CQO and on invitation the RRL. Key topics for discussion included:

- The remediation & sanction matrix;
- The scope, planning and execution of the investigation;
- Root cause analysis, appropriate remedial actions and initiatives to enhance the learning culture.

Profile of the members of the SB

Hans van der Noordaa (1961)
Member since 2020

Hans van der Noordaa has many years of national and international experience as a banker and insurer. He was CEO of Delta Lloyd (2015-2017) and was previously a member of the Executive Board of ING Bank and a member of the Executive Board of ING Group.

External positions and activities:

- Chairman of the Supervisory Board of War Child
- Chairman of the Supervisory Board of the Johan Cruijff Arena

Hans van der Noordaa is also a (non-voting) independent Non-Executive member of the Deloitte NSE Board.

Vincent G. Moolenaar (1963)
Member since 2016

Vincent Moolenaar worked at Shell in various Commercial and General Management positions, including the position of Vice President Internal Audit for five years. In addition, he worked at Ahold as Chief Audit Executive from 2010 to late 2015 and from 2015 to late 2018 as Global Integration Program Leader of the merger of Ahold and Delhaize.

External positions and activities:

- Business Director Board & Governance at Nyenrode Business Universiteit
- Chairman Supervisory Board 'Identiteitsvoorzieningen & Digitalisering Notariaat Holding B.V.'
- Member Supervisory Board of 'Stichting Slachtofferhulp Nederland'
- Member Supervisory Board 'Stichting Museum Slot Loevestein'
- Member Supervisory Board of 'Stichting ProDemos'
- Council ('Raad') of the Corporate Chamber ('Ondernemingskamer') of the Amsterdam Court
- Member national selection committee for judges (LSR)
- Chairman Advisory Board 'Institute of Internal Auditors Netherlands'
- Chairman of the 'alumni association Nyenrode New Board Program'
- Chairman Supervisory Board 'Stichting Reward Value'
- Member Selection & Appointment committee of the Restitution Commission
- Member Audit Committee of the Central Bureau of Statistics
- Auditor at the NVZD
- Coach at NGL International B.V.

Denise Larnder (1960)
Member since 2021

Denise Larnder is a chartered accountant and a fellow of the ICAEW. As an external auditor, she served various insurance companies and other highly regulated entities, acted as lead audit partner for the firm's largest pension schemes, and engagement quality review partner for listed clients. She was also involved in leading quality review activities overseas. After a long career as an audit partner and external auditor at EY UK until December 2016, where she also held various management and quality roles, she made the definitive transition to being a Non-Executive Director.

External positions and activities:

- Non-Executive Director Highway Insurance Company Limited
- Non-Executive Director Liverpool Victoria General Insurance Group Limited and LVI Company Limited
- Non-Executive Director Allianz (UK) Limited, Allianz Holdings Plc and Allianz Insurance Plc

Bas Verhart (1972)
Member since 2021

Bas has many years of experience as an entrepreneur, mostly focused on the cutting edge of digital and media, and is co-founder of, among others, THNK School of Creative Leadership, Media Republic and DFFRNT. He is also the founder and initiator of various social initiatives, including The Green Challenge. Bas has had various Non-Executive Board roles and is (or has been) a member of various Advisory Boards. He was a member of the Innovation Platform and the Amsterdam Economic Board. Bas also acts as a keynote speaker, and has spoken at forums such as the Amsterdam Global CEO Event, the Stanford Global Innovation Leadership Program and the World Future Trends Conference.

External positions and activities:

- Board member of DFFRNT
- Board member of Stichting Rare Earth
- Member of the Advisory Board of Stichting Chapter Zero Netherlands.

Corien Wortmann (1959)
Member since 2024

Corien Wortmann has served, among other roles, as the Chair of the Board at Stichting Pensioenfonds ABP, as Vice Chair (Economic, Finance, and Environment) for the EPP Group in the European Parliament, and is currently a Non-Executive Board Member of DSM Firmenich AG and AEGON Ltd, and Chair of the Supervisory Board of Netspar. Her distinguished career in a variety of executive and supervisory positions, both within the Netherlands and internationally, has provided Corien Wortmann with deep understanding of complex governance structures and the challenges of managing diverse stakeholder relationships.

External positions and activities:

- Vice Chairman of the Board of Directors of Aegon Ltd.
- Member of the Board of Directors of DSM-Firmenich AG/DSM B.V.
- Chair of the Supervisory Board of Netspar
- Advisor of Taste, Texture & Health Business of DSM-Firminich AG and the development of the Biotech Campus in Delft.

Risk management

In an ever-changing world, effective risk management is essential for ensuring the continuity and success of our organisation. At Deloitte, risk management is embedded across all layers of our operations. In this section of our Integrated Annual Report, we present our Risk Mitigation & Assurance Map, a comprehensive framework that systematically brings together all our key risk management frameworks.

This Risk Mitigation & Assurance Map is designed not only to identify, assess, and mitigate various risks but also to ensure continuous improvement of our risk management activities. Through this integrated approach, we can proactively address potential challenges and opportunities in the internal- and external environment, contributing to the protection and enhancement of our value to stakeholders.

Our internal financial control framework is one of the key risk management frameworks that we have. In the current economic headwind, driven by, among others, geopolitical tensions across the globe, our internal financial control framework played a pivotal role in navigating through challenging times, ensuring the resilience and stability of our organisation. This comprehensive framework is designed to monitor our financial activities and safeguard our assets, enabling us to maintain financial integrity and operational efficiency amidst market volatility.

At the core of our financial control framework is robust risk assessment and management processes that help identify potential financial risks early. By doing so, we have been able to proactively formulate and implement risk mitigation strategies that are crucial in times of economic uncertainty. Our framework includes stringent controls over financial reporting, budgeting, and expense management, which ensure that our financial resources are used effectively and aligned with our strategic objectives.

Another key risk management framework is our overarching enterprise risk framework. As Deloitte embraces transformative strategic initiatives such as modernising our common storefront (see page 6), establishing trade corridors, and enhancing North-South-East (NSE) integration, robust risk management remains pivotal. These strategic manoeuvres introduce varied risks including e.g. employee engagement, service delivery quality, public interest risks and regulatory complexities. To navigate these challenges, Deloitte relies on its comprehensive enterprise risk framework that ensures operational resilience, compliance with international regulations, and the maintenance of high standards in client service and corporate governance. Our (pro-) active approach in identifying and mitigating potential risks not only safeguards but also enhances the firm's value and reputation.

In case we are confronted with unforeseen events we are able to rely on a robust business continuity management system. Our focus and dedication to business continuity management is proven by the extension of our 22301 ISO certification.

Governance

Risk governance remains embedded in our overall governance structure. The primary responsibility for identifying and managing risks, both internal and external, resides with line management, the Executive Committee and ultimately the Executive Board, with oversight from our Supervisory Board. Twice a year the updated NSE ERF is the basis for the refresh of the NL risk profile.

In late May 2024, the NL risk profile was updated by our CQO and Risk & Reputation Leader (RRL) by assessing the impact of trends & themes, both internal and external, to our risk exposure. The updated risk profile coming out of this exercise will be discussed with our Executive Board and Supervisory Board in the first months of Financial Year 2024/2025.

Relevant risk owners are responsible for implementing robust risk mitigating plans and periodically report on the progress of risk mitigating activities. The RRL, who reports to the CQO, has day-to-day responsibility for the overall system of quality control for Risk Management and Reporting. As part of this responsibility the RRL oversees the Enterprise Risk Framework and corresponding risk and control systems through, among other measures, periodic meetings with the individual risk owners to discuss and review mitigations.

On an annual basis, the Executive Board evaluates the performance of, and acknowledges its overall accountability for, the effectiveness of the risk and control system through an internal in-control statement. To substantiate the evaluation, the Board obtains input from line management, the RRL and the internal auditor, who assesses the key elements of the risk and control system. The Executive Board also considers the findings and reporting of the external auditor on the functioning of internal controls as part of their annual audit engagement.

Activities in 2023/2024

During 2023, we created a more forward-looking approach to risks which could impact the reputation of Deloitte NL by bringing together the expertise of a representative and diverse group of subject matter experts from different enabling areas, leveraging various sensing capabilities and ongoing research related to horizon risks, via a consistent and repeatable process.

Scenarios for potential threats on the risk horizon were reported to a Horizon Scanning Lab with senior partners and relevant subject matter experts. In this Lab our risk appetite and potential for additional risk mitigating strategies were discussed. The output of this Lab was used to enrich the enterprise risk framework and to inform a range of teams across Deloitte NL.

The reputational risk of failing to achieve our net zero targets for climate change has been a relative new priority business risk with a very high exposure. Other risk dimensions of climate change are described in the Climate and CO_2 chapter on page3 136-146.

Priority Business Risks

The risk universe of DTTL Global Risk contains all relevant risks for a company like ours. The DTTL risk universe is periodically complemented with topics that arise from dialogues with our leadership and risk owners and with trends and themes coming out of our refreshed horizon scanning capability. This holistic risk overview is input for the periodic re-assessment of our risk profile, in the context of our Strategy 2027 and our risk appetite. Resulting from the periodic re-assessment, we have agreed on priority business risks and opportunities related to our strategy (see the risk radar below). The current exposure (or residual risk) is the likelihood of a risk materialising, and its impact given our current ability to mitigate that risk. It is assessed on a scale of 'medium' (green) to 'very high' (red) taking both residual impact and residual likelihood into account.

The current 'top of mind' themes (e.g. our learning culture, economic and geopolitical challenges including subsequent growth outlook, increasing societal polarisation, Gen-AI, the volume of change and public interest) are integrated in our priority business risks in the risk radar. Most of the risks in which the themes have been integrated have the highest exposure.

In the following table, the risks assessed with a high risk rating are shown. The risks associated with the employment of financial instruments are described in note 5 of the Financial statements.

Risk	Risk description	Risk area*	Risk appetite**	Mitigating measures
Audit quality	Failure to prevent systemic or major failure of audit quality.	Strategic, Laws & regulations, Financial	Low: Deloitte is committed to high quality execution	Pages 178-181
Advisory delivery & risk management	Failure to prevent systemic or major failure of advisory quality.	Strategic, Operational	Low: Deloitte is committed to high quality execution	Pages 178-181
Conduct & Ethics	Failure to establish, embed and sustain an inclusive and ethical culture.	Strategic, Operational	Low: Deloitte is committed to our shared values and strives to limit ethical breaches	Pages 181-184
Confidentiality, privacy & security	Failure to manage data security and privacy.	Operational, Laws & regulations	Low: Deloitte is committed to preventing, being prepared for and responding to breaches and data loss in a timely fashion	Pages 184-186
Economic, geopolitical and competitor shifts	Failure to anticipate, adapt to and respond to changes in the economic-, geopolitical- and competitor- landscape	Strategic, Operational, Financial	Medium: Deloitte is committed to (pro-)actively respond to economic-, geopolitical- and competitor driven changes	Pages 10-14
Our reputation, role & future public-interest impact	Failure to anticipate, adapt to and respond to external scrutiny, criticism and regulation.	Strategic, Operational	Low: Deloitte is committed to making an impact that matters on our clients and society	Pages 18-19, 178-181
Purpose	Failure to establish, embed and sustain a Purpose driven culture.	Strategic, Operational	Low: Deloitte is committed to our Purpose	Pages 10-14
People & culture	Failure to attract, develop and retain high-performing and diverse professionals and world-class leaders; failure to deliver the resource models of the future.	Operational, Financial	Low: Deloitte is committed to employing top class personnel through agile talent models.	Pages 157-171

*The risks in the table above can be categorised in more than one of the four impact areas that we identify (see the above risk radar). For the sake of simplicity, we have placed them in the category that we deem to be most appropriate.

**Risk appetite is operationally translated in our Risk Mitigation & Assurance map to monitor exposure and act if needed.

A fraud risk assessment is an integral part of the assessment of the risks and the control environment. Key areas covered by these controls are related to revenue recognition, financial reporting, bank transactions and management override of controls. The tone at the top encourages an ethical culture. Fraud and anti-corruption are an essential part in the learning curriculum of all partners and employees.

In control statement

Our ERF helps us to maintain control, have the right information available, comply with applicable laws and regulations, and meet our own high-quality standards. Based on the entire system of quality controls, our Executive Board is able to state that:

1. The report provides sufficient insights into the effectiveness of the internal risk management and control systems;
2. The aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
3. Based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and
4. The report outlines the material risks and uncertainties that are relevant to the expectation of the company's continuity for the period of twelve months after its preparation.

Annex 1: Financial statements

Consolidated statement of profit or loss and other comprehensive income for the year ended May 31, 2024

In € thousands	Note		2023/2024		2022/2023
Revenue	2.2	**1,393,999**		**1,359,495**	
Other operating income	2.3	936		1,001	
Total operating income			**1,394,935**		**1,360,496**
Costs of subcontracted work and other external costs	2.4	277,270		293,270	
Salaries and social security charges	2.5	746,733		697,200	
Amortisation of intangible assets and depreciation of property, plant and equipment	4.6	52,707		47,786	
Impairments of intangible assets and property, plant and equipment	4.6	0		1,160	
Other operating expenses	2.6	142,910		145,336	
Total operating expenses			**1,219,620**		**1,184,752**
Operating result			**175,315**		**175,744**
Financial income	5.3		1,636		119
Financial expenses	5.3		(18,864)		(11,213)
Share of result from participating interests			1,638		143
Result before taxation and management fee			**159,725**		**164,793**
Management fee and compensation members of Coöperatief Deloitte U.A.	2.8		(145,871)		(156,293)
Result before taxation and after management fee			**13,854**		**8,500**
Taxation on result of activities	7.1		(10,125)		(7,205)
Profit for the year			**3,729**		**1,295**
Item that may be reclassified subsequently to profit or loss					
Foreign exchange differences on translation of foreign operations		22		(10)	
Items that may not be reclassified subsequently to profit or loss					
Movement in net fair value on investments in equity instruments classified as at Fair Value Through OCI		(40)		(471)	
Total other comprehensive income, net of income tax			**(18)**		**(481)**
Total comprehensive income for the year			**3,711**		**814**

Consolidated statement of financial position at May 31, 2024 (before result appropriation)

Assets (In € thousands)	Note	May 31, 2024	May 31, 2023
Non-current assets			
Intangible assets	4.2	15,210	14,247
Property, plant and equipment - owned assets	4.3	57,205	50,938
Property, plant and equipment - right-of-use assets	4.4	240,229	154,353
Deferred tax assets	7.2	6,164	8,078
Investments	4.5	2,142	2,031
Other non-current assets	8.1	6,515	5,688
Total non-current assets		**327,465**	**235,335**
Current assets			
Unbilled services	3.2	123,223	139,157
Trade and other receivables	3.3	263,375	253,959
Cash and cash equivalents	5.2	108,043	7,636
Total current assets		**494,641**	**400,752**
Total assets		**822,106**	**636,087**

Equity and liabilities (in thousands)	Note	May 31, 2024	May 31, 2023
Equity		**195**	**(2,836)**
Non-current liabilities			
Membership capital	5.1	6,700	6,475
Interest-bearing loans and borrowings	5.2	184,927	131,952
Lease liabilities	4.4	216,232	130,253
Provisions	8.2	769	939
Deferred tax liabilities	7.2	1,592	1,519
Total non-current liabilities		**410,220**	**271,138**
Current liabilities			
Trade and other payables	3.4	360,666	317,201
Interest-bearing loans and borrowings	5.2	9,848	6,833
Lease liabilities	4.4	40,829	42,284
Provisions	8.2	348	1,467
Total current liabilities		**411,691**	**367,785**
Total liabilities		**821,911**	**638,923**
Total equity and liabilities		**822,106**	**636,087**

Consolidated statement of changes in equity for the year ended May 31, 2024

in € thousands	Note	Legal reserves	Other reserves	Result for the year	**Total**
Balance at June 1, 2022		53	(4,680)	1,713	(2,914)
Profit for the year		0	0	1,295	1,295
Movement other comprehensive income		(10)	(471)	0	(481)
Total comprehensive income for the year		(10)	(471)	1,295	814
Deemed distribution		0	(945)	0	(945)
Profit appropriation prior financial year		0	1,922	(1,713)	209
Movement capitalised costs	2.8	(136)	136	0	0
Balance at May 31, 2023		**(93)**	**(4,038)**	**1,295**	**(2,836)**
Profit for the year		0	0	3,729	3,729
Movement other comprehensive income		22	(40)	0	(18)
Total comprehensive income for the year		22	(40)	3,729	3,711
Deemed distribution		0	(516)	0	(516)
Profit appropriation prior financial year		0	1,131	(1,295)	(164)
Movement capitalised costs	2.8	0	0	0	0
Balance at May 31, 2024		**(71)**	**(3,463)**	**3,729**	**195**

Consolidated statement of cash flow for the year ended May 31, 2024

(Prepared using the indirect method)

in € thousands	Note	2023/2024	2022/2023
Cash flow generated from operating activities	2.7	**137,366**	**48,309**
Interest received		1,628	69
Interest paid		(13,567)	(7,318)
Interest paid on lease liabilities	5.3	(4,289)	(2,363)
Dividend received		1,012	0
Corporate income tax paid		(9,262)	(6,378)
		(24,478)	(15,990)
Net cash from operating activities		**112,888**	**32,319**
Net cash from investing activities			
Investments in intangible fixed assets	4.2	(73)	(19)
Purchase of property, plant and equipment	4.3	(20,058)	(14,593)
Proceeds on disposals of property, plant and equipment	4.3	1,666	335
Acquisition of subsidiary, net of cash acquired	4.1	(860)	(2,097)
Investments in other financial assets	8.1	(1,836)	(1,125)
Repayment of other financial assets	8.1	8	2
Cash flow from/(used in) investment activities		**(21,153)**	**(17,497)**
Net cash from financing activities			
Stichting Financiering Deloitte/Members:			
- Receipts subordinated loans	5.2	60,540	13,300
- Repayment of subordinated loans	5.2	(10,513)	(5,887)
Net cash inflow from members		**50,027**	**7,413**
Receipts from non-current liabilities	5.1	775	700
Payments to non-current liabilities	5.1	(500)	(325)
Repayment of lease liabilities	4.4	(41,652)	(38,774)
Repayment of other (interest-bearing) loans	5.2	0	0
Net cash from / (used in) financing activities		**8,650**	**(30,986)**
Net cash flow		**100,385**	**(16,164)**
Cash and cash equivalents at start of financial year		7,636	23,810
Movements in cash and cash equivalents		100,385	(16,164)
Effect of foreign exchange rate changes		22	(10)
Cash and cash equivalents at end of financial year	5.2	**108,043**	**7,636**

Notes to the consolidated financial statements for the year ended May 31, 2024

1. Basis of preparation

Reporting entity

Activities
Coöperatief Deloitte U.A. ("the Company") is a cooperative which has its registered office and its principal place of business in Rotterdam, Wilhelminakade 1, The Netherlands and is registered with the Chamber of Commerce with number 63086174. Coöperatief Deloitte U.A. is the direct parent of Deloitte Holding B.V. and its subsidiaries**.** The ultimate controlling party of the Company is Deloitte NSE LLP, a limited liability partnership registered in England and Wales. The activities of Coöperatief Deloitte U.A. and the companies in its group ("The Group") consist mainly of Audit & Assurance, Tax & Legal, Risk Advisory, Financial Advisory and Consulting, as well as other forms of professional services. These activities are conducted by and for the account of the respective Group companies of Coöperatief Deloitte U.A. and Deloitte Holding B.V. which acts as holding companies and do not themself conduct any activities in the field of professional services as referred to in the previous sentence.

International relationships

On June 1, 2017 Coöperatief Deloitte U.A. became a member of Deloitte North West Europe, Deloitte NWE LLP, a member firm of Deloitte Touche Tohmatsu Limited (DTTL) with six Geographies: Belgium, Ireland (joined June 1, 2018), the Netherlands, the Nordics (Denmark, Finland, Iceland, Norway and Sweden), Switzerland, and the United Kingdom. On June 1, 2019 Greece, Italy and Malta joined Deloitte North West Europe with the name changed to Deloitte North and South Europe, Deloitte NSE LLP. On June 1, 2020, Deloitte Middle East (DME) has officially become part of Deloitte NSE. Deloitte NSE LLP is a member of Coöperatief Deloitte U.A. As of December 15, 2020 Deloitte NSE No2 CLG became a member of Coöperatief Deloittte U.A. and holds 2/3 of the votes in the general meeting of Coöperatief Deloitte U.A. Deloitte NSE No2 CLG is a subsidiary of Deloitte NSE LLP. Deloitte NSE LLP is a member firm of Deloitte Touche Tohmatsu Limited (DTTL), a UK private company limited by guarantee. Each member firm provides services in a particular geographic area and is subject to the laws and professional regulations of the particular country or countries in which it operates. DTTL does not itself provide services to clients. DTTL and each DTTL member firm are separate and distinct legal entities, which cannot obligate each other. DTTL and each DTTL member firm are liable only for their own acts or omissions and not those of each other. Each DTTL member firm is structured differently in accordance with national laws, regulations, customary practice, and other factors, and may secure the provision of professional services in its territory through subsidiaries, affiliates, and/or other entities.

Group relationships

Coöperatief Deloitte U.A. is the direct parent of Deloitte Holding B.V. and its subsidiaries. In these consolidated financial statement Deloitte refers to Coöperatief Deloitte U.A. and its subsidiaries. For a list of subsidiaries required by article 2:379 of the Dutch Civil Code reference is made to the notes to the company balance sheet.

Statement of compliance
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the EU and the requirements of Title 9, Book 2 of the Dutch Civil Code.

Functional and presentation currency
The financial statements are presented in euros (€) which is the functional and presentation currency of the Group. All amounts in the financial statements are presented in thousands of euros rounded to the nearest thousand, unless stated otherwise.

Basis of measurement
The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis. Unless stated otherwise for financial instruments not carried at fair value the carrying amount is a reasonable approximate of the fair value.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Changes in accounting policies for 2023/2024
In the current year, the Group has applied amendments to IFRS Standards and Interpretations issued by the Board that are effective for the annual period under review. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Going concern
The Executive Board has assessed the going concern assumption as part the preparation of the financial statements based on the available financial information including budget and forecast information. The assessment included both solvency, cashflow and performance metrics.

Solvency

The partners (members A) provide funding to the group via subordinated loans and membership capital. The subordinated loans are directly linked to the number of partners and will continue for the duration of their partnership. As a consequence of the generally stable number of equity partners, the company does not expect a situation of a noteworthy net repayment of such loans in the coming years. The members have agreed to annually retain an amount €1,043 of Coöperatief Deloitte U.A.'s earnings annually until May 31, 2026.

Performance

The performance of the Group remained strong. Intelligent risk management supported by mature incident response capabilities created opportunities and enabled us to respond in case of unforeseen events and is key to sustaining performance.

Based on our strategy, we offer diverse business and service offerings combined with integrated solutions for our clients across businesses. Furthermore, no events or conditions are expected to raise doubt about the ability of the Group to continue in operation throughout the next reporting period.

Cashflow

The cash generating ability of the Group based on past performance and future planned performance, continues to show sufficient cash generation capability and is expected to form a solid basis for distributing funds from Deloitte Holding B.V. to Coöperatief Deloitte U.A., and from Coöperatief Deloitte U.A. to its members.

Furthermore, we consider that the combination of our focus on working capital management, available credit facilities, and the ability to manage upfront partner management fee distributions, equips us to meet our obligations and continue as a going concern. As at the year end date, the available credit facilities is not used. We operate, and expect to operate within the limits of our covenants.

The Executive Board is confident about the future outlook for the Deloitte Netherlands Group. The financial statements are prepared applying the going concern assumption. Our financial statements state those material risks and uncertainties that are relevant to the expectation of the Group's continuity for the period of twelve months after the approval of this report by the Executive Board.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- The size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary starts when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The company financial statements of Coöperatief Deloitte U.A. are included in the financial statements. Accordingly, in accordance with article 2:402 of the Dutch Civil Code, the company financial statements only contain an abridged profit and loss account.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS9 Financial Instruments, when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Foreign currencies
The functional currency of all entities within the Group is the Euro, except for Deloitte Dutch Caribbean B.V. In preparing the financial statements of each individual group entity, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

The significant accounting policies are described in the relevant individual notes to the Consolidated financial statements or otherwise stated below.

Accounting policies, not attributable to a specific section
Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a current enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Financial assets

Financial assets are classified and subsequently measured at amortised cost, 'at fair value through profit or loss' (FVTPL) or 'at fair value through other comprehensive income' (FVOCI). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulations or convention in the marketplace.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category comprises the majority of the financial assets of the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Effective interest method

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

An allowance is recognised for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to be received, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months after the balance sheet date (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). A default situation occurs when a debtor fails to make full-payment within 30 days after the agreed due-date, unless the related receivable has been disputed. For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified and subsequently measured as either financial liabilities 'at FVTPL' or 'amortised cost'. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include membership capital, trade and other payables, loans and borrowings including bank overdrafts.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest amortisation is included as finance costs in the statement of profit or loss.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Cash flow statement

The cash flow statement is prepared using the indirect method. Changes in balance sheet items that have not resulted in cash flows such as translation differences, fair value changes and other non-cash items have been eliminated for the purpose of preparing this statement. Assets and liabilities acquired as part of a business combination are included in investing activities (net of cash acquired). Dividends received are classified as operating activities. Interest paid is also included in operating activities.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Consolidated financial statements in conformity with IFRS requires the Executive Board to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates inherently contain a degree of uncertainty. Actual results may differ from these estimates under different assumptions or conditions. The Group evaluates these estimates and judgments on an ongoing basis and bases the estimates on historical experience, current and expected future outcomes, third-party evaluations and various other assumptions that the Executive Board believes are reasonable under the circumstances. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur. For further discussion on these judgments and estimates, reference is made to the respective notes within these consolidated financial statements.

Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

This includes:

- Identifying the performance obligation (note 2.2)
- Contingent fees (notes 2.2)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material judgement to the carrying amounts of assets and liabilities within the next financial year as well as to the disclosure of contingent liabilities.

Significant sources of estimation uncertainty

- Timing of satisfaction of performance obligations (note 2.2)
- Professional liability provision (note 8.2)
- Provisions (note 8.2)

Other areas with judgments and estimates

Other areas with judgments and estimates, but not key estimates,

- Expected credit losses (note 3.3)
- determining the incremental borrowing rate (see note 4.4)
- useful lives of (in)tangible assets (see note 4.6)
- impairments (see note 4.7),

2. Operational performance

2.1 Financial information per business

The businesses of the Group comprise Audit & Assurance, Tax & Legal, Consulting, Risk Advisory and Financial Advisory which engage in business activities for external clients and Support/Other which mainly provides internal services. All operating businesses operating results are reviewed regularly by the Executive Board to assess their performance for which there is discrete financial information available. Business results that are reported to the Executive Board include items directly attributable to a business. Corporate costs, such as cost of fixed assets, accommodation-, office-, IT- and innovation expenses are the responsibility of the Support/Other business and are allocated on a reasonable basis to the five businesses. The Group mainly operates in the Netherlands and the Caribbean business is not material to the Group, there is only one geographic business.

The pricing of transactions between the different businesses is determined in accordance with objective and commercial principles. There are no differences between the principles for the valuation of assets and liabilities in the financial statements and the business information. The Group voluntarily discloses information per business but does not apply IFRS 8.

2023/2024

in € thousands	Audit & Assurance	Tax & Legal	Consulting	Risk Advisory	Financial Advisory	Support & Other / Eliminations	Consolidated
Third party revenue	326,258	278,484	452,093	206,128	130,708	328	1,393,999
Intercompany revenue	32,568	12,927	58,590	29,041	34,967	(168,093)	0
Total revenue	358,826	291,411	510,683	235,169	165,675	(167,765)	1,393,999
Other income	0	0	0	0	0	936	936
Operating result	**18,855**	**51,232**	**49,852**	**18,366**	**34,144**	**2,866**	**175,315**
Share in result of nonconsolidated associated companies							1,638
Financial income and expenses							(17,228)
Management fee and compensation members Coöperatief Deloitte U.A.							(145,871)
Corporate income tax							(10,125)
Net result after taxation							**3,729**
Current assets	72,864	92,994	122,052	40,193	43,344	123,194	494,641
Non-current assets	937	995	8,471	5,725	0	309,195	325,323
Investments	0	20	0	294	0	1,828	2,142
Total assets	**73,801**	**94,009**	**130,523**	**46,212**	**43,344**	**434,217**	**822,106**
Current Liabilities	53,281	45,675	78,208	28,863	14,960	190,704	411,691
Non-current liabilities	241	2,477	1,075	16	0	215,106	218,915
Total equity / subordinated loans	20,279	45,857	51,240	17,333	28,384	28,407	191,500
Total liabilities and equity	**73,801**	**94,009**	**130,523**	**46,212**	**43,344**	**434,217**	**822,106**

2022/2023

in € thousands	Audit & Assurance	Tax & Legal	Consulting	Risk Advisory	Financial Advisory	Support & Other / Eliminations	Consolidated
Third party revenue	300,588	263,511	466,929	195,366	132,653	448	1,359,495
Intercompany revenue	30,902	13,144	70,975	19,367	24,470	(158,858)	0
Total revenue	331,490	276,655	537,904	214,733	157,123	(158,410)	1,359,495
Other income	0	0	0	0	0	1,001	1,001
Operating result	**26,974**	**45,125**	**60,865**	**10,044**	**31,077**	**1,659**	**175,744**
Share in result of nonconsolidated associated companies							143
Financial income and expenses							(11,094)
Management fee and compensation members Coöperatief Deloitte U.A.							(156,293)
Corporate income tax							(7,205)
Net result after taxation							**1,295**
Current assets	79,755	91,968	144,884	39,022	42,288	2,835	400,752
Non-current assets	937	1,326	7,535	5,653	0	217,853	233,304
Investments	0	20	0	143	0	1,868	2,031
Total assets	**80,692**	**93,314**	**152,419**	**44,818**	**42,288**	**222,556**	**636,087**
Current Liabilities	51,559	49,032	87,532	33,053	16,173	130,436	367,785
Non-current liabilities	392	3,449	985	21	0	132,315	137,162
Total equity / subordinated loans	28,741	40,833	63,902	11,744	26,115	(40,195)	131,140
Total liabilities and equity	**80,692**	**93,314**	**152,419**	**44,818**	**42,288**	**222,556**	**636,087**

2.2 Revenue

Accounting policies

Revenue recognition

The Group generates revenue primarily by delivering professional services to clients, with the types of services offered being similar within each of its services lines of Audit & Assurance, Risk Advisory, Tax & Legal, Consulting and Financial Advisory. Each service line offers a wide range of services and, when delivered to individual clients, these are almost always bespoke in nature. However the performance obligations tend to be consistent from client to client and the ones the Group most commonly satisfies are:

- External audit services
- Direct and indirect tax compliance services
- Technology solution design and implementation
- Reports on business or compliance issues
- Project management services

As a provider of professional services the Group generally does not have obligations for returns, refunds or other similar obligations, nor does it have warranties or other related obligations.

Revenue of services

The amount of consideration the Group receives varies both service to service and from client to client, reflecting the bespoke nature of the services the Group provides. The consideration typically reflects the skills and experience of the individuals who provide the services as well as the availability of similar skills and experience in the wider professional services market. These factors tend to vary from service line to service line. The consideration the Group receives is typically based on one or more of four principal pricing mechanisms:

- Time and material
- Fixed fee
- Contingent fee
- Transaction revenues

The Group adjusts its estimate of revenue throughout the contractual period of services, and for amounts which are variable, such as contingent fees, at the earlier of when the most likely amount of consideration the Group expects to receive changes or when the consideration becomes fixed.

Most of the Group's contractual arrangements comprise a single performance obligation. For those contractual arrangements that comprise multiple performance obligations, the transaction price is allocated on the basis of the relative estimated stand-alone selling price of each performance obligation. Other than for contingent fee arrangements which are constrained in accordance with the requirements of IFRS 15, in virtually all contracts the Group has an enforceable right to payment for services rendered and, given the bespoke nature of the services provided, recognises revenue over time as such services are rendered. The Group measures progress in satisfying the performance obligations as follows:

- For time and material arrangements, the Group is able to recognise revenue on the basis of time charged to date. This output method approach uses the practical expedient in IFRS 15 with the amount recognised as revenue reflecting the amount that the Group has the right to invoice to its customers.
- For fixed fee arrangements, the Group uses an input method based upon the value of the services (determined based upon the number of hours charged and the undiscounted hourly rates) charged to the engagement to date compared to the total expected inputs. Chargeable time for employees tends to be the most significant input and this is charged to individual contracts (and performance obligations) via timesheet reporting. Revenues are recognised as employee time is used to provide the services.
- Contingent fees are usually recognised when the contingency is resolved (refer to critical accounting judgements for further detail).
- Transaction related fees are priced on a "per unit" basis, such as data storage or data processing fees, and are typically recognised as the underlying transactions or usage take place, for the same reason as time and materials arrangements.

The Group typically invoices its customers monthly or quarterly in arrears, or for smaller projects at the end of the engagement, but payment terms do vary depending on the types of services being offered or for individual contractual agreements. When performance obligations have been satisfied, revenue is recognised and contract assets are simultaneously created. Contract liabilities represent amounts received for performance obligations which are not yet satisfied. The Group has determined that no significant financing component exists in respect of its professional services as the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Costs to obtain or fulfil a contract

Certain costs of obtaining a contract are capitalised where the Group would not have incurred those costs if the contract had not been obtained (incremental costs). This would typically be when up-front costs are incurred at contract inception that generate or enhance resources of the Group that will enable the Group to deliver services over the lifetime of the contract. Such amounts are not material for the Group.

Key accounting estimates and judgments

Identifying the performance obligation

Determining the number of performance obligations in the contractual arrangements with the Group's customers sometimes involves judgement. Whilst the Group's contractual arrangements often contain extensive details in relation to the services to be provided, in many cases these are considered to comprise a single performance obligation. Even when multiple deliverables are to be provided to a customer these are often judged to be a single performance obligation either because there is a significant service of integration performed by the Group in delivering these services or because the services represent a series of substantially similar services all recognised over time (for example, the provision of multiple internal audit reports under an internal outsourcing contract). If performance obligations were determined differently, then this could affect both the timing and extent of revenue recognised in a financial period. Where we are delivering multiple performance obligations, these are often delivered at the same time, so the determination of what performance obligations exists has limited practical impact on the accounting for revenue.

Contingent fees

The Group provides various services where the amount of consideration is dependent upon the outcome of the services provided; for example, tax claims and corporate finance services. The uncertainty around the fees ultimately receivable under these arrangements is generally only fully resolved when a matter is concluded. Where the Group has sufficient historical experience with similar contracts in order to be able to estimate the expected outcome of a group of existing contracts reliably, revenue is estimated using the expected value method. Fees are only included in revenue to the extent that it is highly probable that the cumulative amount of revenue recognised in respect of a contract at the end of a reporting period will not be subject to a significant revenue reversal when a matter is concluded. If the Group accounted for contingent fees differently than this could occur in two ways, either that (a) the variable consideration constraint outlined in IFRS 15 should not be applied at all, or (b) that the constraint should be applied to all contingent fee engagements. In the case of scenario (a), this would result in the recognition of revenue over time, as work was performed, if it was considered that the services met one or more of the criteria for recognition over time. In the case of (b), this would result in the recognition of revenue once the uncertainty is fully resolved.

Timing of satisfaction of performance obligations

Revenue recognition requires the Group to estimate the expected results of current engagements based on an estimate of time and costs to be incurred, the estimate of expected additional billing on fixed fee projects and the assessment of and the collectability of unbilled amounts. For larger engagement this process is inherently complex.

Revenue from continuing operations

The following is an analysis of the Group's revenue for the year from continuing operations.

In € thousands	2023/2024	2022/2023
Audit & Assurance	326,258	300,588
Tax & Legal	278,484	263,511
Consulting	452,093	466,929
Risk Advisory	206,128	195,367
Financial Advisory	130,708	132,653
Support/Other	328	447
	1,393,999	**1,359,495**

Revenue is mainly realised in the Netherlands.

Remaining performance obligations

As at the year end date, there are contracts with customers where the Group has unsatisfied or partially unsatisfied performance obligations.

The majority of services performed by the Group are in respect of contracts with an expected duration of 1 year or less either because the services are expected to be provided within a 12 month period or because the customer and/or Deloitte has the right to terminate the contract without substantive penalty upon the delivery of written notice. The Group has applied the practical expedient set out in IFRS 15 in respect of presentation of the transaction price allocated to partially or fully unsatisfied contracts with customers where the contract period is for a year or less or where the right to consideration corresponds directly to the performance completed to date. As at 31 May 2024 and 2023, the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied on fixed price contracts with a duration of greater than one year was not material.

2.3 Other operating income

The other operating income relates to income not comprising services to clients.

In € thousands	2023/2024	2022/2023
ICT hosting for external parties	430	978
Book results of disposed assets	506	23
	936	**1,001**

2.4 Costs of subcontracted work and other external costs

These are services and expenses directly attributable to engagements.

2.5 Personnel Expenses

Accounting policies

Retirement benefit costs and termination benefits

The Group has a defined contribution plan for all employees. Contributions payable to the pension plan administrator are recognised as an expense in the profit and loss account. Contributions payable or prepaid contributions as at year-end are recognised under current liabilities and accruals, and receivables and prepayments, respectively.

Short term and other long term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Personnel Expenses

In € thousands	2023/2024	2022/2023
Salaries [1]	546,959	498,633
Social security charges	77,250	70,483
Pension costs	41,266	36,910
Staff cars	42,503	41,935
Other personnel expenses	38,755	49,239
	746,733	**697,200**

1 Salaries contains €3,840 (2022/2023 €4,383) fixed compensation of the Board.

Workforce

The average number of equity partners and employees working in the Group, in FTE, and broken down by activity:

	2023/2024				2022/2023			
	Equity partners	Fee Earners	Support staff	Total	Equity partners	Fee Earners	Support staff	Total
Audit & Assurance	51	1,757	64	1,872	52	1,710	58	1,820
Tax & Legal	55	1,045	30	1,130	55	1,028	31	1,114
Consulting	96	1,928	34	2,058	85	1,994	32	2,111
Risk Advisory	38	1,094	21	1,153	35	1,072	20	1,127
Financial Advisory	38	526	3	567	36	513	3	552
Support/Other	5	5	990	1000	4	6	973	983
	283	**6,355**	**1,142**	**7,780**	**267**	**6,323**	**1,117**	**7,707**

2.6 Other operating expenses

Accounting policies

Expenses are decreases in assets, or increases in liabilities, that result in decreases in equity, other than those relating to distributions to holders of equity claims.

Other operating expenses

Other operating expenses are specified as follows:

In € thousands	2023/2024	2022/2023
Accommodation costs	15,885	14,955
International member firm fees	38,102	33,122
Office and IT costs	74,946	80,868
Other costs	13,977	16,391
	142,910	**145,336**

2.7 Cash flow generated from operating activities

in € thousands	Note	2023/2024	2022/2023
Net cash from operating activities			
Profit for the year		3,729	1,295
Adjustments for:			
- Taxation on result of activities	7.1	10,125	7,205
- Share of result from participating interest	4.5	(1,638)	(143)
- Financial income	5.3	(1,636)	(119)
- Financial expenses	5.3	18,864	11,213
- Depreciation and amortisation	4.6	12,610	11,527
- Depreciation of right-of-use assets	4.4	40,097	36,259
- Impairment of intangible fixed assets	4.6	0	1,136
- Impairment of right-of-use assets	4.6	0	24
- Amortisation of non-current assets	8.1	485	485
- Results on disposal of property, plant and equipment	2.3	(506)	(23)
Cash flows before movements in working capital		**82,130**	**68,859**
Net foreign exchange (loss)/gain		(140)	(400)
Change in management fee/compensation members of Coöperatief Deloitte U.A.	3.4	26,248	(682)
Change in unbilled services and advance billings	3.2	22,105	7,534
Change in trade receivables	3.3	(7,358)	(8,618)
Change in trade payables	3.4	15,662	(18,986)
Decrease in provision	8.2	(1,281)	602
Cash flow generated from operating activities		**137,366**	**48,309**

2.8 Management fee and compensation members of Coöperatief Deloitte U.A.

The profit distribution is based on the Associate Agreement Deloitte as of June 1, 2017. The Cooperative will pay the members of the Cooperative a management fee and a final compensation excluding, an amount that is not distributed in order to supplement the negative equity of the Cooperative. For 2023/2024 the amount is €1.0 million (2022/2023: €1.0 million). The Group has a financial obligation to compensate partners pursuant to their Associate Agreement with the Group during the fiscal year and such amounts are recognised as an expense and not as an appropriation of profit. During the year a management fee was paid with a targeted range of 50%-60% of the total partner remuneration. A liability will be recognised, after deducting any amount already paid as management fee for the partner remuneration. If the amount already paid exceeds the amount to be paid, an asset is be recognised to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

In € thousands		2023/2024		2022/2023
Result before management fee and taxation		**159,725**		**164,793**
Deduction of profits for compensation of negative equity	1,043		1,043	
Movement legal reserve not payable to members	0		(136)	
Adjustments not payable to members [1]	2,686		388	
Proposed deduction of profits (Net result after taxation)		3,729		1,295
Corporate income tax		10,125		7,205
Available for distribution to members		**145,871**		**156,293**
Management fee (to be) distributed to members	133,392		142,065	
Compensation available for members	12,479		14,228	
		145,871		**156,293**
		0		**0**
Average number of members in fte [2]		281		264
Average management fee and earnings available for distribution per member (x €1,000)		519		592

1 Adjustments mainly relates to goodwill amortisation, and these differences between management accounts and IFRS will not be paid as compensation to members.

2 Members of the Executive Board receive a fixed compensation which is not included under management fee and compensation. For the management fee and transactions with related parties reference is also made to the accounting principles for determination of the result. The Group has transactions with the members for which the nature and scope are disclosed in the notes to the consolidated financial statements. Management fee and compensation paid in the financial year amounts €122,598 (2022/20232 €168,258).

3. Working capital

3.1 Changes in working capital

In € thousands	May 31, 2024	May 31, 2023
Movement in Unbilled services and advance billings to customers	(15,934)	31,344
Movement in Trade and other receivables	9,416	3,212
Movement in Trade and other payables	(43,465)	(49,083)
	(49,983)	**(14,527)**

3.2 Unbilled services and advance billings to customers

Accounting policies

Unbilled services

Unbilled services (contract assets) represent revenues recognised in satisfying performance obligations where the Group's right to consideration is conditional upon something other than the passage of time, such as our performance for other performance obligations being completed in accordance with the terms of the contract, or the final revenue amount being agreed with the customer prior to amounts being billed. These amounts will become unconditional when performance obligations are completed in accordance with the terms of the contract, or when the customer has agreed to the amount of final billings. These amounts will be billed to the customer in accordance with the agreed-upon contractual terms.

Advanced billings

Advanced billings (contract liabilities) arise when payments are received from customers in advance of the Group satisfying the performance obligations under the contract. These liabilities are extinguished and revenues recognised as (or when) the Group satisfies the performance obligations, which is normally within one year after balance date.

Key accounting estimates and judgments

Unbilled services and advance billings to customers are specified as follows:

In € thousands	May 31, 2024	May 31, 2023
Net unbilled services and advance billings to customers	76,891	98,995
Advance billings to customers (contract liabilities)	46,332	40,162
Unbilled services (contract assets)	**123,223**	**139,157**

Amounts not yet billed are measured at the allocated transaction price and are neither past due nor impaired. Billing in excess of project revenue earned is included in trade and other payables. Compared to last year the net of unbilled services and advance billing decreased. This is the result of management's continuous focus on improving working capital and reducing the balance of net unbilled services and advance billings to customers.

During the year ended May 31, 2024 a substantial majority of the Group's €40 million recorded progress billings as at May 31, 2023 was recognised as revenue.

3.3 Trade and other receivables

Accounting policies

Trade Receivables

Trade receivables are recognised when the right to consideration becomes unconditional and an invoice to the customer is raised. The Group's customers, including member firms in the DTTL network, are required to settle invoices on invoice presentation or on such other date as is agreed in the engagement terms for that client. The Group's standard terms state that invoices are due for settlement 30 days after the invoice date and after this date invoices are considered past due. DTTL network firm transactions are non-interest bearing. The Group applies the simplified approach to recognise lifetime expected credit losses for its trade receivables and amounts due from customer as required or permitted by IFRS 9.

Key accounting estimates and judgments

Expected credit losses

The credit period of services rendered is between 14 and 90 days. No interest is charged on trade receivables. The Group has recognised an allowance for the Expected Credit Losses (ECL), for which a simplified approach has been used based on a lifetime expected loss for non-impaired items. The concentration of credit risk is limited to the fact that the customer base is large and unrelated. See note 5.4.1 on how the Group manages its credit risks.

Trade and other receivables

In € thousands	May 31, 2024	May 31, 2023
Accounts receivable	244,001	242,751
Taxes and social security contributions	1,375	271
Other receivables, prepayments and accrued income	17,999	10,937
	263,375	**253,959**

Accounts receivable

Accounts receivable are generally payable between 14 and 90 days. The balance is shown net of allowance for doubtful debts:

In € thousands	May 31, 2024	May 31, 2023
Accounts receivable – gross	249,618	247,680
Allowance for doubtful debts	(5,617)	(4,929)
	244,001	**242,751**

The credit period of services rendered is between 14 and 90 days. No interest is charged on trade receivables. The Group has recognised an allowance for the Expected Credit Losses (ECL), for which a simplified approach has been used based on a lifetime expected loss for non-impaired items. The concentration of credit risk is limited to the fact that the customer base is large and unrelated.

The maximum exposure to credit risk of trade receivables and unbilled services at the reporting date is the carrying value thereof.

The movement in the allowance for doubtful debts during the reporting period is as follows:

In € thousands	2023/2024	2022/2023
Balance at the beginning of the year	4,929	5,097
Exchange rate differences	(1)	(20)
Amounts written-off during the year as uncollectible	(517)	(204)
Amounts recovered during the year	3	18
Movement in provision	1,203	38
	5,617	**4,929**

Ageing of past due and impaired accounts receivable as of the reporting date is as follows:

In € thousands	May 31, 2024		May 31, 2023	
	Gross receivable	Provision [1]	Gross receivable	Provision
Not past due	195,792	(216)	196,205	(205)
< 30 days	27,962	(117)	24,016	(255)
30-90 days	13,581	(187)	16,699	(439)
90-180 days	4,762	(576)	5,340	(1,044)
180-365 days	3,466	(1,292)	3,181	(1,086)
> 365 days	4,055	(3,229)	2,239	(1,900)
	249,618	**(5,617)**	**247,680**	**(4,929)**

1 Gross carrying amount includes individually credit impaired receivables of approximately €1.8 million which were excluded from the ECL rate calculation.

All of the above impairment losses relate to receivables arising from contracts with customers.

3.4 Trade and other payables

The specification of the trade and other payables is as follows:

In € thousands	May 31, 2024	May 31, 2023
Salaries and other personnel costs	91,057	73,187
Taxes and social security contributions	76,019	73,015
Trade payables	55,458	61,561
Management fees payable to members	63,893	43,394
Advance billings to customers	46,332	40,162
Pension liabilities	97	37
Other liabilities and accruals	27,810	25,845
	360,666	**317,201**

Provision investigation into answer sharing
Deloitte has recognised a provision with regard to its investigation into answer sharing, learning culture and behaviour in the financial statements. The details of the amount of the provision are not disclosed in the financial statements. Given the progress of the ongoing investigation, we anticipate the provision will be short-term. Also see note 8.2.

4. Investments

4.1 Acquisitions and business combinations

Accounting policies

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that represent ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interest' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS. When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Acquisitions during the year

During the year 2023/2024 the group has acquired one business that qualify as a business as defined in IFRS 3. The business combination is immaterial for the group. The acquisition is related to consulting activities.

Acquisition related costs were expensed in the current year. Assets and liabilities acquired have been recognised at fair value as at the acquisition date. The fair values matched the book values, and no additional intangibles were recognised.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below.

In € thousands	
Non-current assets	
Property, plant and equipment	35
Intangible assets	0
Current assets	
Trade and other receivables	0
Cash and cash equivalents	0
Current liabilities	
Trade and other payables	0
Other current liabilities	(106)
Total identifiable assets acquired and liabilities assumed	**(71)**
Goodwill	931
Total consideration	**860**

Satisfied by:

In € thousands	
Cash	860
Contingent consideration arrangement	0
Total consideration	**860**

Net cash outflow arising on acquisition:

In € thousands	
Cash consideration	860
Less: cash and cash equivalent balances acquired	0
Total consideration transferred	**860**

The acquisition agreements includes contingent payments focussed on the retention of the sellers and key personnel. These payments are employee benefits and are not part of the consideration. These are recognised over time. The expenditure of this consideration will be incurred the next five fiscal years.

Of the goodwill total EUR 0.9 million is deductible for income tax purposes as these are related to an asset based acquisition.

The acquired business was integrated directly after the acquisition date into existing business activities, hence no separate revenues and results attributable to the Group are recorded. If the acquisition had been completed on the first day of the financial year, Group revenues for the year would have an estimated EUR 1.3 million and Group profit would have been EUR 0.2 million before partner renumerations

4.2 Intangible assets

Accounting policies

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Movement in intangible fixed assets

in € thousands	Goodwill	Other intangible assets	**Total**
Cost	12,548	3,622	16,170
Accumulated amortisation and impairments	(387)	(1,720)	(2,107)
At June 1, 2022	**12,161**	**1,902**	**14,063**
Additions to business acquisitions	2,010	0	2,010
Additions	0	19	19
Fully depreciated	0	(3,501)	(3,501)
Accumulated amortisation fully depreciated	0	3,501	3,501
Amortisation	0	(709)	(709)
Impairment	0	(1,136)	(1,136)
Movement 2022/2023	**2,010**	**(1,826)**	**184**
Cost	14,558	140	14,698
Accumulated amortisation and impairments	(387)	(64)	(451)
At May 31, 2023	**14,171**	**76**	**14,247**
Additions to business acquisitions	0	0	0
Additions [1]	931	73	1,004
Fully depreciated	0	0	0
Accumulated amortisation fully depreciated	0	0	0
Amortisation	0	(41)	(41)
Impairment	0	0	0
Movement 2023/2024	**931**	**32**	**963**
Cost	15,489	213	15,702
Accumulated amortisation and impairments	(387)	(105)	(492)
Book value as of May 31, 2024	**15,102**	**108**	**15,210**

1 Addition consists of investment related to acquisitions during the year.

See note 4.7 impairments for the cash-generating-unit breakdown.

4.3 Property, plant and equipment

Accounting policies

Property, plant and equipment is valued at acquisition cost or production cost, less accumulated depreciation and, where applicable, impairment losses.

Fixed assets under construction are valued at production cost. Production cost comprises licensing costs, direct labour costs, expenditure on services from third parties and the attributable share of other operating costs. The present value of estimated future dismantling cost related to the contractual obligation to restore leased office buildings is recorded as part of the Right-of-Use assets and depreciated in a straight line over the term of the lease, with recognition of the liability as a provision.

Movements in property, plant and equipment

in € thousands	Leasehold improvements	Fixtures and fittings	Computer equipment	Assets under construction	**Total**
Cost	69,980	26,826	49,885	2,606	149,297
Accumulated depreciation	(45,252)	(18,844)	(37,541)	0	(101,637)
At June 1, 2022	**24,728**	**7,982**	**12,344**	**2,606**	**47,660**
Additions to business acquisitions	0	0	0	0	0
Exchange differences	0	0	0	0	0
Additions [1]	9,251	2,514	4,373	(1,730)	14,408
Disposals [2]	(14,169)	(10,490)	(4,726)	0	(29,385)
Accumulated depreciation on disposals	14,169	10,490	4,414	0	29,073
Depreciation	(4,208)	(1,565)	(5,045)	0	(10,818)
Movement 2022/2023	**5,043**	**949**	**(984)**	**(1,730)**	**3,278**
Cost	65,062	18,850	49,532	876	134,320
Accumulated depreciation	(35,291)	(9,919)	(38,172)	0	(83,382)
At May 31, 2023	**29,771**	**8,931**	**11,360**	**876**	**50,938**
Exchange differences	0	0	0	0	0
Additions [1]	4,403	2,911	10,923	1,653	19,890
Disposals [2]	(12,025)	(2,085)	(10,940)	0	(25,050)
Accumulated depreciation on disposals	12,025	2,083	9,888	0	23,996
Depreciation	(4,999)	(2,039)	(5,531)	0	(12,569)
Movement 2023/2024	**(596)**	**870**	**4,340**	**1,653**	**6,267**
Cost	57,438	19,675	49,515	2,529	129,157
Accumulated depreciation	(28,263)	(9,874)	(33,815)	0	(71,952)
Book value as of May 31, 2024	**29,175**	**9,801**	**15,700**	**2,529**	**57,205**

1 Of the additions €167 (2022/2023: €185)) is related to the movement in investments in property, plant and equipment not paid as per May 31.

2 The book value of the disposals together with the book results (see note 2.3) forms the gain of the disposals mentioned in the cash flow statement.

The Group has beneficial ownership of the leasehold improvements, fixtures and fittings but not legal ownership, Other fixed assets mainly relate to hardware.

4.4 Right-of-use assets and lease liabilities

Accounting policies

Leasing

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the profit or loss (see note 8).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient . For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

Movement in right-of-use assets and lease liabilities

in € thousands	Buildings	Vehicles	**Total**	**Liabilities**
Cost	166,840	78,474	245,314	
Accumulated depreciation	(50,217)	(38,242)	(88,459)	
At June 1, 2022	**116,623**	**40,232**	**156,855**	**139,737**
Additions	431	23,084	23,515	23,515
Remeasurements	8,854	1,735	10,589	10,589
Decrease of scope	0	(323)	(323)	(281)
Disposals	(518)	(9,302)	(9,820)	0
Accumulated depreciation on disposals	518	9,302	9,820	0
Depreciation	(19,368)	(16,891)	(36,259)	0
Impairment	0	(24)	(24)	0
Unwinding interest	0	0	0	2,363
Payments	0	0	0	(41,137)
Movement payments in the following year	0	0	0	(4,533)
Movement 2022/2023	**(10,083)**	**7,581**	**(2,502)**	**(9,484)**
Cost	175,607	93,668	269,275	
Accumulated depreciation	(69,067)	(45,855)	(114,922)	
At May 31, 2023	**106,540**	**47,813**	**154,353**	**130,253**
Additions	721	22,728	23,449	23,449
Remeasurements	108,850	1,105	109,955	109,955
Revised discount rate	(4,852)	0	(4,852)	(4,852)
Decrease of scope	0	(2,474)	(2,474)	(2,376)
Disposals	(1,637)	(13,651)	(15,288)	0
Accumulated depreciation on disposals	1,532	13,651	15,183	0
Depreciation	(19,773)	(20,324)	(40,097)	0
Impairment	0	0	0	0
Unwinding interest	0	0	0	4,289
Payments	0	0	0	(45,941)
Movement payments in the following year	0	0	0	1,455
Movement 2023/2024	**84,841**	**1,035**	**85,876**	**85,979**
Cost	278,689	101,376	380,065	
Accumulated depreciation	(87,308)	(52,528)	(139,836)	
Book value as of May 31, 2024	**191,381**	**48,848**	**240,229**	**216,232**

The right of use asset and lease liability increased compared to last year. This is mainly related to the lease agreement for the rental of our office in Amsterdam, which has been extended for a long-term period. The lease modification is remeasured at the effective date.

The weighted average incremental borrowing rate (IBR) applied to the lease liabilities was 3.35% (2022/2023: 1.63%).

Maturity profile

The remaining weighted average lease term was 12.2 years (2022/2023: 5.3 years). The undiscounted value of lease commitments amounts to €313 million (2022/2023: €180 million). The maturity is as shown below.

In € thousands	May 31, 2024	May 31, 2023
0-1 year	40,829	41,716
1-2 year	40,638	37,672
2-3 year	33,093	32,235
3-4 year	22,973	26,410
4-5 year	18,872	17,815
> 5 year	156,478	23,894
	312,883	**179,742**

For the off balance commitment for separate non-lease components please see note 8.3.

Lease-related amounts recognised income and expenses

In € thousands	2023/2024	2022/2023
Depreciation cost on right-of-use assets (included in Depreciation)	40,097	36,259
Interest cost on lease liabilities (included in Financial expenses)	4,387	2,404
Cost relating to variable lease payments not included in the measurement of the lease liability (included in Other costs)	430	665
Income from sub-leasing right-of-use assets (included in Accommodation costs)	(3,691)	(3,635)
	41,223	**35,693**

4.5 Investments

Accounting policies

Investments

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture.

Other long-term investments are financial assets not held to sell in the short term and measured at fair value through OCI.

Movement of the investments

In € thousands	2023/2024	2022/2023
Book value as of June 1	2,031	2,179
Movements:		
Additions	516	1,125
Repayments	0	0
Result	151	143
Deemed distribution to Deloitte NSE LLP	(516)	(945)
Decrease in fair value during the year	(40)	(471)
Book value as of May 31	**2,142**	**2,031**

Related to the non-voting redeemable shares in Deloitte NSE Investments Limited ("DNSEI"), an NSE group entity the Group made additional contributions. The additional amount subscribed was €516. For the purposes of these financial statements, an amount of €516 was accounted for as a deemed distribution to Deloitte NSE LLP. The fair value of the current year's capital contribution relating to this equity instrument is €0. The fair value of the previous capital contributions relating to this equity instrument is decreased by €40 this year and is accounted for as movement other comprehensive income.

The composition of the participating assets is as follows:

In € thousands	May 31, 2024	May 31, 2023
Joint Venture:		
Africa Talent by Deloitte (pty) ltd, South Africa (50%)	294	143
Other investments:		
Nautilus Indemnity Holdings Ltd, Bermuda (11.3%)	354	354
Deloitte European Support Services Ltd, England (5%)	20	20
EMEA Holdings S.a.r.l., Luxembourg (8.0%)	581	581
Deloitte NSE Investments Ltd, England (0%, non-voting shares)	838	878
Deloitte CIS Limited (11.8%) [1]	5	5
A-Technologies Holdings Limited, England (0.43%)	50	50
Deloitte University EMEA SC, Belgium (0.3%)	0	0
	2,142	**2,031**

1 Via a 29.41% participating interest in IHC Interposed Holding Company 1 SAS, established in France. This is a related party. Deloitte CIS Limited is dissolved on June 8, 2024.

Africa Talent by Deloitte (pty) ltd (50%) is a joint venture with Deloitte South Africa. The entity is established January 12, 2022. No capital has been paid as of May 31, 2024. An amount of €151 was recognised as result 2023/2024.

All minority interests are valued at fair value through other comprehensive income. In respect of the equity investment made in Deloitte NSE Investments Limited, a discounted cash flow valuation methodology was used to derive the fair value. This was based on an expected return of capital from the underlying project that NSE has invested in at an estimated future point in time. Consequently, this fair value measurement is a Level 3 within the fair value hierarchy as set out in IFRS 13.

4.6 Amortisation of intangible assets and depreciation of property, plant and equipment

Accounting policies

Amortisation of intangible assets

For intangible assets acquired separately and acquired in a business combination amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Category	Years
Goodwill	Not amortised
Other intangible assets	3 – 5
Other intangible assets with a infinite lifetime	Not amortised

Depreciation

Depreciation is based on the estimated useful life of the asset and calculated using the straight-line method based on the cost, taking account of any residual value. The assets starts to depreciate from the date the assets are ready for their intended use.

Category	Years
Leasehold, improvements	5-15
Fixtures and fittings	5-15
Computer equipment	2-15
Assets under construction	Not depreciated (yet)

In € thousands	2023/2024	2022/2023
Intangibles assets amortisation:		
Amortisation	41	709
Impairment	0	1,136
Property, plant and equipment - owned assets:		
Depreciation	12,569	10,818
Property, plant and equipment - right of use assets:		
Depreciation	40,097	36,259
Impairment	0	24
	52,707	**48,946**
Amortisation of intangible assets and depreciation of property, plant and equipment	52,707	47,786
Impairments of intangible assets and property, plant and equipment	0	1,160
	52,707	**48,946**

4.7 Impairment tests and impairments

Accounting policies

Goodwill

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Key accounting estimates and judgements

Goodwill

The recoverable amounts of these cash-generating units are determined based on value in use calculations which use the most recent historical cash flows and weighed average cost of capital of the Group as a basis. The cash generating units are relatively large compared to the allocated goodwill. The indefinite growth rate applied is -10.0% (2022/2023 -10.0%). We estimated the recoverable amounts by applying a discount rate of 20% (2022/2023 20%). As a result of analysis, the Executive Board recognised no impairments as of May 31, 2024 (May 31, 2023 €0). We have also performed a sensitivity analysis. The Executive Board assessed that no reasonably possible change in any of the above basis assumptions would cause the carrying values of the units to exceed their recoverable amounts.

Goodwill

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

In € thousands	May 31, 2024	May 31, 2023
Audit & Assurance - Audit Services	937	937
Tax & Legal - Business Tax	937	937
Consulting - Customer & Marketing	4,212	3,281
Consulting - Human Capital	2,609	2,609
Consulting - Enterprise Technology & Performance	1,522	1,522
Risk Advisory - Financial Risk	2,010	2,010
Risk Advisory - Regulatory Risk	2,875	2,875
	15,102	**14,171**

No impairments of goodwill were recognised in 2023/2024 (2022/2023: €0).

Other intangible assets

Other intangible assets has been allocated for impairment testing purposes to the following cash generating units:

In € thousands	May 31, 2024	May 31, 2023
Consulting - Customer & Marketing	17	57
Other	91	19
	108	**76**

An impairment of other intangible assets was recognised in 2023/2024 of €0 (2021/2022: €1,136).

5. Capital management and financial risk management

The members A of Coöperatief Deloitte U.A. are private companies owned by holding companies of each individual partner. Under the Associate Agreement each member of Coöperatief Deloitte U.A. has placed (the workforce of) each partner at the disposal of Deloitte Holding B.V. and its Group companies in which the relevant professional activities for that partner are performed. Based on the Associate Agreement a management fee, a percentage of the expected consolidated net amount of operational and financial income and expenses of Deloitte Holding B.V., is paid to the members of Coöperatief Deloitte U.A. through Stichting Financiering Deloitte. The Executive Board determines the level of the advance payment on the management fee at the beginning of the financial year. The level of this advance payment can be adjusted during the financial year by the Executive Board. After the financial year, the final level of the management fee and the profit share that will be paid by Coöperatief Deloitte U.A. to its Members A is determined.

In addition to the members' capital, members of Coöperatief Deloitte U.A. (and the previous shareholders of Deloitte Holding B.V.) provided subordinated loans to Stichting Financiering Deloitte. Deloitte has implemented certain claw-back and recovery mechanisms. For certain profit-sharing auditors the subordinated loans can be continued after the end of the Associate Agreement for the maximum of 6 years. In case of a claw-back sanction such sanction is set of against the remaining subordinated loan.

Payments of management fees by virtue of the Associate Agreement and other payments (with exception of distribution of profits) to members take place through Stichting Financiering Deloitte. Stichting Financiering Deloitte was established by the (former-) Deloitte partners, members of Coöperatief Deloitte U.A. as an entity to protect the interests of the members collectively from a financing perspective should a calamity arise that could affect the members. Stichting Financiering Deloitte provides a subordinated loan to Coöperatief Deloitte U.A. The amount of this subordinated loan is ultimately equal to that of the subordinated loans provided by the individual members A of Coöperatief Deloitte U.A. to Stichting Financiering Deloitte. This loan is subordinated to all creditors and lender banks. Coöperatief Deloitte U.A. as shareholder of Deloitte Holding B.V. contributed €0 (May 31, 2023: €7 million) into Deloitte Holding B.V. via an additional capital contribution, and a subordinated loan. These transactions between above entities are all non-cash transactions and settled in current account.

Stichting Financiering Deloitte was established by the (former-) Deloitte partners, members of Coöperatief Deloitte U.A. as an entity to protect the interests of the members collectively from a financing perspective should a calamity arise that could affect the members. The control over Stichting Financiering Deloitte lies with the members who amongst others have the right at all times to elect and dismiss the board members B and C of the Stichting Financiering Deloitte. Consequently, Stichting Financiering Deloitte is not controlled by the Group and therefore is not included in these consolidated financial statements.

The Group is not subject to any externally imposed capital requirements. Covenants are applied with regards to the bank loans, see note Bank loans.

5.1 Membership capital

Accounting policies

Upon termination of the membership of an equity partner, the Cooperative must redeem the balance of the membership capital within one month. The membership capital does not meet the conditions of IAS 32 paragraphs 16A and B. There is a contractual obligation of the Cooperative to redeem the balance of the membership capital. The membership capital includes a contractual obligation to deliver cash (management fee) to the members. And the membership capital cannot be considered the most subordinate class of issued financial instruments of the Group. Hence these membership capitals are puttable financial instruments which meet the definition of a financial liability.

The Group derecognises liabilities related to membership capital when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount and the consideration paid and payable is recognised in profit or loss.

Membership capital

Members who enter into an Associate Agreement with the Group are required to deposit a membership fee of € 25 per member. The membership fee will be repaid after ending the membership of the company.

In € thousands	May 31, 2024	May 31, 2023
Non-current liability	6,700	6,475
Current liability	375	325
	7,075	**6,800**

A summary of the movements in membership capital is presented below:

In € thousands	Total number of Members	Total members capital
Balance as of June 1, 2023		6,475
Repayments falling due within one year		325
Membership capital as of June 1, 2023	272	6,800
New memberships during the financial year	31	775
Retired memberships during the financial year	(20)	(500)
Membership capital as of May 31, 2024	283	7,075
Repayments falling due within one year		(375)
Balance as of May 31, 2024		**6,700**

5.2 Interest bearing loans and borrowings

Accounting policies

Loans and borrowings comprises the majority of financial liabilities of the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Loans and borrowings are derecognised when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount derecognised and the consideration paid and payable is recognised in profit or loss.

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value.

In € thousands	May 31, 2024	May 31, 2023
Non-current liabilities		
Subordinated loan Stichting Financiering Deloitte	184,605	127,501
Non-subordinated loan Stichting Financiering Deloitte	322	4,451
Total	**184,927**	**131,952**
Current-liabilities		
Subordinated loan Stichting Financiering Deloitte	9,118	6,120
Non-subordinated loan Stichting Financiering Deloitte	355	388
Total	**9,473**	**6,508**
Total Interest bearing loans and borrowings	**194,400**	**138,460**

The movements during the year of liabilities arising from finance activities are as follows:

In € thousands	Subordinated loans Stichting Financiering Deloitte	Non-subordinated loans Stichting Financiering Deloitte	Total
Balance June 1, 2023	133,621	4,839	138,460
Additional borrowing	60,447	93	60,540
Conversion settlement prior year to subordinated loan	5,913	0	5,913
Conversion non-subordinated loan to subordinated loan	3,867	(3,867)	0
Repayments	(10,125)	(388)	(10,513)
Repayments in the following year	(9,118)	(355)	(9,473)
Balance as of May 31, 2024	**184,605**	**322**	**184,927**

In € thousands	Subordinated loans Stichting Financiering Deloitte	Non-subordinated loans Stichting Financiering Deloitte	Total
Balance June 1, 2022	125,935	3,356	129,291
Additional borrowing	13,300	1,756	15,056
Repayments	(5,614)	(273)	(5,887)
Repayments in the following year	(6,120)	(388)	(6,508)
Balance as of May 31, 2023	**127,501**	**4,451**	**131,952**

Subordinated loan Stichting Financiering Deloitte

Members who enter into an Associate Agreement with the Group are obliged to provide a subordinated loan to Stichting Financiering Deloitte. As of June 1, 2023 a differentiated subordinated loan requirement applies ranging from €575 thousand to €825 thousand per member A. This is implemented in stages, with the last additional payment to be made before October 31, 2024. This will increase the loans that have been provided by the members A with €47 million.

In turn the foundation provides a subordinated loan for the same amount and under the same conditions to Coöperatief Deloitte U.A. On its turn Coöperatief Deloitte U.A. provides a subordinated loan for the same amount less share premium of €0 (May 31, 2022: €7 million) and under the same conditions to Deloitte Holding B.V. The subordination relates to all third party creditors and banks. The loans are subordinated to all existing and future liabilities of the Group and, together with the Group equity, make up the capital base of the Group.

The interest paid is equal to a 3-month Euribor plus 4% with a minimum of 4% and a maximum of 8%. The loans are repaid at the termination of the Associate Agreement. The maturity date of these loans depends on joining and leaving of members and therefore cannot be expressed in years.

Non-subordinated loan Stichting Financiering Deloitte

In 2023/2024 part of the calculated Claw-Back Reserves of active partners exceeds the amount of the provided subordinated loan. These partners provided a non-subordinated loan to Stichting Financiering Deloitte for the amount above the subordinated loan. In turn the foundation provides a non-subordinated loan for the same amount and under the same conditions to Coöperatief Deloitte U.A. On its turn Coöperatief Deloitte U.A. provides a non-subordinated loan for the same amount and under the same conditions to Deloitte Holding B.V. The interest paid is equal to a 3-month Euribor plus 4% with a minimum of 4% and a maximum of 8%. At the termination of the Associate Agreements these loans will been repaid within a six year term.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and in banks. Cash is at free disposal of the Group.

The Group did have no bank overdrafts as per May 31, 2024 (May 31, 2023: €0).

In € thousands	May 31, 2024	May 31, 2023
Cash and bank	108,043	7,636
	108,043	**7,636**

5.3 Net finance costs

The net finance cost comprises financial income and expenses.

Finance expenses mainly comprises interest expense calculated using the effective interest rate method, interest in respect of lease liabilities. Exchange gains and losses are respectively presented as expenses in the net finance cost.

In € thousands	2023/2024	2022/2023
Financial instruments measured at amortised cost:		
Interest income and similar income	1,628	69
Other:		
Market value discount provisions	8	50
Financial income	**1,636**	**119**
Financial instruments measured at amortised cost:		
Interest paid and similar costs	(14,337)	(8,409)
Interest paid on lease liabilities	(4,387)	(2,404)
Other:		
Exchange differences	(140)	(400)
Financial Expense	**(18,864)**	**(11,213)**
Net finance costs	**(17,228)**	**(11,094)**

5.4 Financial Risk management

The financial instruments shown on the balance sheet mainly regard financial fixed assets, receivables, cash, subordinated long-term and current liabilities and amounts owed to suppliers and trade credits. These financial instruments give rise to credit, liquidity, interest rate and foreign currency risks.

5.4.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risks arises primarily from trade and unbilled receivables and other financial assets such as cash and deposits with banks and financial institutions. The Group's maximum exposure to credit risk is the carrying value presented in the statement of financial position. The risk of non-collectability is mainly restricted by the multitude and diversity of parties owing to the Group.

The ageing of trade receivables and provisions for impairment are included in note 3.3. Impairment risks of trade receivables are assessed on an individual basis and provisions are set-up accordingly. Unbilled receivables are typically billed within a month after arising and invoices are generally payable between 14 and 90 days after presentation. For accounts receivable we have provided for expected credit losses bases on the information at hand, including forward looking information. In order to mitigate the risk of credit losses in receivables we are monitoring developments in our accounts receivable positions. In case of an expected increased collection risk, a client specific provision is recognised. Currently we have not seen a noteworthy delay in allowed payment terms.

The Group has no agreements that in the case of default the Group is only required to pay or receive the net amount of the various contracts that are owed to and due from the counterparty. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies.

5.4.2 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its financial liabilities as they fall due. Liquidity risks arises from the ongoing financial obligations of the Group, including settlement of financial liabilities such as trade and other payables, as well as bank loans and subordinated loans of members. The Group's liquidity management policy is to ensure as far as possible that there are sufficient liquid funds available to be able to meet its liabilities when due without incurring unacceptable losses or damaging its reputation.

Credit facilities

Deloitte Holding B.V.

Deloitte Holding B.V. has a credit agreement with ING Bank and Rabobank. In the latest amendment (May 30, 2022) the additional commitments were increased from €50 million to €80 million. The facility enables the Group to respond to the negative effects of adverse economic conditions, but also opportunities and to invest in new plans and ventures based on the strategy of the Group. The facility includes current account facilities and is partly used to provide guarantees. As a security for the amounts owed to credit institutions, the current account facility and the bank loans various covenants have been agreed regarding the balance sheet and the result.

	May 31, 2024		May 31, 2023	
In € thousands	Total facility	Used [1]	Total facility	Used
Revolving Facility A (termination date May 30, 2027)	105,000	5,000	105,000	5,000
Accordion Increase Revolving Facility A (termination date May 30, 2027)	80,000	0	80,000	0
Total Facilities Deloitte Holding B.V.	**185,000**	**5,000**	**185,000**	**5,000**

1 €5 million is reserved for guarantees of which €4,291 is used.

Deloitte Dutch Caribbean B.V.

Deloitte Dutch Caribbean B.V. has a credit agreement of ANG300 (€150) with Madura & Curiel's Bank and a credit agreement of AWG200 (€100) with Aruba Bank until December 31, 2024.

Financial Covenants and securities

Deloitte Holding B.V.

For the credit facilities and loans provided by ING Bank and Rabobank covenants are agreed and in place.

The securities consist of the joint and several liability of Coöperatief Deloitte U.A., Deloitte Holding B.V., Deloitte Accountants B.V., Deloitte Belastingadviseurs B.V., Deloitte Consultancy Holding B.V., Deloitte Consulting B.V., Deloitte Financial Advisory B.V., Deloitte Group Support Center B.V., Deloitte Forensic & Dispute Services B.V., Deloitte Risk Advisory B.V., Deloitte Benefits & Pension Advisory B.V., Deloitte Legal B.V. and Deloitte Accountancy & Advies B.V.

Based on the agreement as of May 30, 2022 the Group will ensure that the following financial and non-financial ratios are met:

- The tangible Net Worth shall exceed €10,000 in the first three Quarters of each Financial Year and shall exceed €25,000 in the last Quarter of each of Financial Year.

- The Quarterly measured leverage basis of Total Net Debt on each Quarter Date and rolling 12 Months EBITDA shall be lower than 2 to 1 at all times.
- In case the additional facility is called, additional covenant requirements will apply including a minimum liquidity position of €13,000.
- Based on the achievement of agreed Sustainability KPI targets (base year 2019) the interest margin will be either reduced (maximum 5 basis points) or increased (maximum 5 basis points).
  - Reducing absolute Scope 1 and 2 Greenhouse Gas (GHG) emissions 70% by 2030 from a 2019 base year
  - Reducing Scope 3 GHG emissions from business travel 50% per FTE by 2030
  - Sourcing 100% renewable energy for Deloitte's buildings

1 "Tangible Net Worth" means the sum of all paid-up capital, free reserves and Subordinated Debt of the Group, less all intangible assets.

As of May 31, 2024 the Group is in compliance with the covenants in the credit agreements.

Maturity analyses

The following tables detail the Group's remaining contractual maturity for its financial and tax liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

In € thousands	< 1 year	to 2 years	2 to 5 years	>5 years	Total
May 31, 2024					
Non-interest bearing	202,592	575	1,725	2,875	207,767
Variable interest rate instruments [1]	25,026	32,823	88,413	116,053	262,315
Lease liabilities	40,829	40,638	74,938	156,478	312,883
	268,447	74,036	165,076	275,406	782,965
Taxes	76,019	0	0	0	76,019
Total	**344,466**	**74,036**	**165,076**	**275,406**	**858,984**

In € thousands	< 1 year	to 2 years	2 to 5 years	>5 years	Total
May 31, 2023					
Non-interest bearing	171,951	575	1,725	2,875	177,126
Variable interest rate instruments [1]	18,146	22,543	61,504	80,135	182,328
Lease liabilities	41,716	37,627	76,460	23,894	179,697
	231,813	60,745	139,689	106,904	539,151
Taxes	73,015	0	0	0	73,015
Total	**304,828**	**60,745**	**139,689**	**106,904**	**612,166**

1 It is assumed that there is a repayment of subordinated loans of €16.7 million per annum.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

5.4.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risks mainly relate to:

- Short-term debit and credit facilities carrying variable Euribor based interest with a surcharge;
- Subordinated loans, carrying variable Euribor-based interest with a surcharge capped at a minimum of 4% and a maximum of 8% for the compulsory subordinated loans;

A reasonable change in the interest rate would have an immaterial impact on pre-tax profits and equity of the Group.

5.4.4 Foreign currency risk
Foreign currency risks, mainly dollar risks, arising from future operational cash flows and financing activities in foreign currencies may be hedged by means of forward exchange contracts if considered necessary. No hedging activities took place in the year under review. A reasonable change in the exchange rates would have an immaterial impact on pre-tax profits and equity of the Group.

5.4.5 Fair value measurements
The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group has participating interest. Participating interests are measured at fair value. This value is equal to or approximately the cost of the investment, except for the investment in Deloitte NSE Investments Limited (refer to note 6.2).

6. Governance and related parties

6.1 Key management remuneration

The members of the Executive Board and the Supervisory Board are the key management of the Group. The remuneration of members of the Executive Board consist of a fixed part, determined by the Supervisory Board at the beginning of the financial year in accordance with the remuneration policy, plus a fixed expense allowance, and a variable part. The variable part of the remuneration shall not exceed a maximum of 20 percent of the fixed part of the remuneration. Payment thereof is subject to the fulfillment of long term objectives. For the NSE business all Executive Board members have been involved and contributed in their respective capacity to various management work streams for NSE.

Total remuneration of the members of the Executive Board in the year under review was as follows:

in € thousands	2023/2024	2022/2023
W.F.J. Honig	1,493	1,542
D.H. Enklaar	1,262	0
C.H.L.J. Bergmans (till October 15, 2023)	392	0
H. Christophers (from January 26, 2024)	404	0
O. Snijders (till May 31, 2023)	0	1,248
E. Mol (till May 31, 2023)	0	1,249
Total	**3,551**	**4,039**
Number of members of the Executive Board in FTE's	3	3

Harvey Christophers joined the Executive Board as of January 26, 2024. Harvey Christophers succeeded Rob Bergmans in the role of Chief People & Quality Officer (CPQO).

The members of the Supervisory Board were remunerated only short-term benefits as follows:

in € thousands	2023/2024	2022/2023
H. van der Noordaa	112	108
V.G. Moolenaar	99	79
D.J. Larnder	76	74
S.E. Verhart	71	71
E.C. Meijer (till December 31, 2023)	43	74
C.M. Wortmann (as of May 26, 2024)	1	0
Total	**402**	**406**
Number of members of the Supervisory Board per May 31	5	5

6.2 Related party transactions

Trading transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. All transactions were made on terms equivalent to those that prevail in arm's length. Please refer to notes 1, 3.4, 4 and 5 for details on transactions of the Group and the Group's shareholder. We also refer to note 1 regarding international relationships of Deloitte Holding B.V.

	Provision of services to related parties **2023/2024**	Purchases of services from related parties **2023/2024**	Amounts due from related parties **2023/2024**	Amounts due to related parties **2023/2024**
Deloitte NSE LLP group subsidiaries	104,477	56,098	24,064	8,395
Deloitte NSE LLP group associates	36,058	83,177	7,941	5,403
	140,535	**139,275**	**32,005**	**13,798**

	Provision of services to related parties **2022/2023**	Purchases of services from related parties **2022/2023**	Amounts due from related parties **2022/2023**	Amounts due to related parties **2022/2023**
Deloitte NSE LLP group subsidiaries	82,491	52,643	15,678	7,888
Deloitte NSE LLP group associates	30,842	89,309	8,512	5,857
	113,333	**141,952**	**24,190**	**13,745**

Deloitte NSE Investments Limited ("DNSEI")

The Group subscribed to different classes of non-voting redeemable shares in Deloitte NSE Investments Limited ("DNSEI"), an NSE group entity set up to hold NSE group investments in strategic projects. The total cumulative amount subscribed was €6,654 (2023: €6,138). For the purposes of these financial statements, a cumulative amount of €5,776 (2023: €5,260) is accounted for as a deemed distribution and movement in net fair value on investments in equity instruments classified as at fair value through OCI to Deloitte NSE LLP. The remaining cumulative amount of €838 (2023: €878) is the fair value of this equity investment. See note 4.5 Investments

6.3 Fees paid to the independent auditor

The independent auditor's fee included in the office costs can be specified as follows:

In € thousands	2023/2024	2022/2023
Audit of the financial statements	524	474
Other audits	177	128
Tax advisory services	0	0
Other non-audit services	0	0
	701	**602**

The independent auditor's fee is based on the agreed upon fees for the audit and other engagements for the year under review and any additional fees for out of scope work regarding the prior year.

7. Income and deferred taxes

7.1 Income taxes

Accounting policies

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

The amendments to IAS 12 introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The group has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes. The group has no current tax expense (income) related to Pillar Two income taxes.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Income tax recognised in profit or loss

In € thousands	2023/2024	2022/2023
Current tax		
In respect of the current year	8,158	5,368
In respect of prior year	263	86
	8,421	5,454
Deferred tax		
In respect of the current year	1,704	1,751
	1,704	1,751
Total income tax expense recognised in the current year	**10,125**	**7,205**

The income tax expense for the year can be reconciled to the accounting profit as follows:

In € thousands	2023/2024	2022/2023
Result before taxation	13,854	8,500
Income tax expense calculated at 25,8% (2022/2023: 25,8%)	3,574	2,193
Effect of income that is exempt from taxation	(566)	(84)
Tax losses not recognised	217	0
Effect of expenses that are not deductible in determining taxable profit [1]	6,651	5,041
Application local, nominal rates (higher/lower rates)	(14)	(31)
Income tax prior year	263	86
Income tax expense recognised in profit or loss	**10,125**	**7,205**

1 The management fee will be taxed at the member level and compensation is taxed at Group level. The Group has an agreement with the tax authorities regarding a minimum taxable amount of 7% of the membership capital of the members of Coöperatief Deloitte U.A.

Coöperatief Deloitte U.A. and its wholly-owned subsidiaries in the Netherlands form one tax group for company tax purposes. There are no losses available for set off against tax liabilities.

Current tax assets and liabilities

In € thousands	May 31, 2024	May 31, 2023
Current tax receivable	1,375	271
Current tax liabilities	0	(20)
	1,375	**251**

7.2 Deferred taxes

Deferred tax assets and liabilities

In € thousands	May 31, 2024	May 31, 2023
Deferred tax assets	6,164	8,078
Deferred tax liabilities	(1,592)	(1,519)
	4,572	**6,559**

Of the deferred tax assets €2.2 million is expected to expire next year, €2.0 million is expected to expire in 2025/2026. €0.3 million is expected to expire on regular yearly basis after 2025/2026. The deferred tax liabilities are expected to be carried forward indefinitely.

Movement deferred tax in the year ended May 31, 2024

In € thousands	Opening balance	Recognised in the profit or loss	Exchange differences	Closing balance
Deferred tax assets/(liabilities) in relation to:				
Goodwill and intangibles [1]	4,096	(1,878)	0	2,218
Property, plant and equipment	2,211	176	1	2,388
Provisions	(52)	17	1	(34)
Tax losses	304	(298)	(6)	0
	6,559	**(1,983)**	**(4)**	**4,572**

Movement deferred tax in the year ended May 31, 2023

In € thousands	Opening balance	Recognised in the profit or loss	Exchange differences	Closing balance
Deferred tax assets/(liabilities) in relation to:				
Goodwill and intangibles [1]	5,969	(1,873)	0	4,096
Property, plant and equipment	2,055	156	0	2,211
Provisions	(41)	(11)	0	(52)
Tax losses	105	198	1	304
	8,088	**(1,530)**	**1**	**6,559**

1 Goodwill and intangibles relates to goodwill which is amortised and is deductible for tax purposes but not under IFRS.

Deferred tax assets not recognised in the Consolidated statement of financial position

In 2024 the amount of €354 (2023 €0) of carryforward losses which was not been recognised as a deferred tax assets per May 31, 2024 was recognised because it is deemed probable that sufficient taxable profit will be available to utilise the deferred tax asset in time.

8. Other disclosures

8.1 Other non-current assets

Accounting policies

Software-as-a-Service (SaaS) arrangements

SaaS arrangements (service contracts) provide the Group with the right to access the cloud provider's application software over the contract period. The Group does not receive a software intangible asset at the contract commencement date. Access to the supplier's software does not, at the contract commencement date, gives the Group the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits.

The configuration and customisation costs do not result in an intangible asset of the Group. Instead, the Group recognises the costs as an expense when the configuration or customisation services are received. If the Group pays the supplier before receiving those services, the prepayment is recognised as an asset. The amortisation of the prepayment is recognised as an operating expense over the term of the service contract.

Costs incurred for the development that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

The movement of the other non-current assets is as follows:

In € thousands	2023/2024	2022/2023
Cost price	5,688	6,174
Accumulated impairments	0	0
Book value as of June 1	5,688	6,174
Movements:		
Amortisation	(485)	(485)
Issued loans	1,320	0
Repayments	(8)	(1)
Book value as of May 31	**6,515**	**5,688**
Cost price	6,515	5,688
Accumulated impairments	0	0
Book value as of May 31	**6,515**	**5,688**

The balance can be broken down as follows:

In € thousands	2023/2024	2022/2023
Software-as-a-Services (SaaS) arrangements	4,078	4,562
Loans to associate companies	2,059	750
Other	378	376
Book value as of May 31	**6,515**	**5,688**

8.2 Provisions

Accounting policies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. If the expected outflow of the obligation is within one year the provision will be recognised as current liability.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Professional liability

The provision for professional liability relates to the liabilities from claims. Claims have been submitted against the legal entities that belong to the Group. A strong defence will be mounted against these claims. The Group has professional indemnity insurance for claim coverage. If a present obligation exists for which it is probable there will be a transfer of benefits, and a reliable estimate can be made of the amount of the obligation, then a provision is recognised. Reimbursements from the professional indemnity insurance are also recognised when, and only when, it is virtually certain that reimbursement will be received when settling the obligation.

Occupational liability

The provision occupational disability relates to liabilities existing as at balance sheet date regarding own risk for continued payment of the salaries (including employer's contribution) of personnel that as at the balance sheet date are expected stay totally or partial disabled regarding the Return to Work (Partially Disabled) Regulation ("WGA") for which the Group is covering its own-risk, and regarding own-risk for the Health Law, former personnel who left disabled or were disabled within 28 days after leaving the company. A provision has been formed for the amount expected to be due in the future, and the provision includes an estimated future annual increase of the disability entitlements by 2.0% (prior year 2.0%). A discount rate is set at 3.26% (prior year 3.65%). Amounts paid concerning disabled personnel are deducted from this provision.

Dismantling cost

The present value of estimated future costs related to the contractual obligation to restore leased office buildings is recorded as an asset in property, plant and equipment until May 31, 2019 and in Right-of-Use assets since June 1, 2019 and depreciated in a straight line over the term of the lease, with recognition of the liability as a provision. Each reporting period the present value is reassessed, and changes resulting from the unwinding of the discount are recognised in financial income and expense.

Key accounting estimates and judgments

Professional liability provision

The professional liability provision is based on assumptions of, the existence of a present obligation and measurement of the expected amount to settle the claim. Furthermore an assessment is made if the estimated provision falls inside the scope of insurance policies or if the amount exceeds the maximum coverage of the insurance policies.

Provision investigation into answer sharing

In estimating the provision, management have made assumptions about the range of the potential outcomes and have estimated the provision based on currently available information.

Movement in provisions

in € thousands	Professional liability [2]	Dismantling cost [1]	Occupational disability	**Total**
Balance as of June 1, 2023	750	1,259	397	2,406
Additions	75	0	182	257
Charged	(450)	0	(10)	(460)
Released	(275)	(612)	(179)	(1,066)
Unwinding of discount and effect of changes in the discount rate	0	(11)	(9)	(20)
Balance as of May 31, 2024	**100**	**636**	**381**	**1,117**

in € thousands	Professional liability [2]	Dismantling cost [1]	Occupational disability	**Total**
Balance as of June 1, 2022	755	1,304	515	2,574
Additions	750	0	0	750
Charged	(720)	0	(42)	(762)
Released	(35)	(8)	(63)	(106)
Unwinding of discount and effect of changes in the discount rate	0	(37)	(13)	(50)
Balance as of May 31, 2023	**750**	**1,259**	**397**	**2,406**

The breakdown of provision in current and non-current is as follows:

in € thousands			**May 31, 2024**			May 31, 2023
	Current	Non-current	Total	Current	Non-current	Total
Professional liability	100	0	100	750	0	750
Dismantling costs	61	575	636	568	691	1,259
Occupational disability	187	194	381	149	248	397
Balance as of May 31	**348**	**769**	**1,117**	**1,467**	**939**	**2,406**

1 The provision for unoccupied premises and dismantling cost is related to the reduction of the office network and future dismantling cost.

2 The difference between provision and own risk is recognised as receivables from insurers.

Professional liability

The Group is involved in a number of disputes in the ordinary course of business which may give rise to claims. A provision for professional liability is made for all claims where costs are probable to be incurred and can be measured reliably. The Group carries professional indemnity insurance and no separate disclosure is made of the detail of claims as to do so could seriously prejudice the position of the Group. Substantially all the recognised provision for professional liability is covered by this type of insurance resulting in an impact on the results that is limited to the own risk amount per insured claim. The corresponding receivable on the insurance company is recognised separately under the other receivables. Management assesses provisions for claims and litigation on an ongoing and individual basis. The proceedings are normally long-term in nature and estimates may be revised by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. These uncertain events can have an effect on the amount and timing of the outflows of both the provision and the related insurance receivable. Variations in outcome will not have a significant net impact on the financial position of the Group given that the Group is deemed to carry sufficient professional indemnity insurance to cover negative scenario's.

Provision investigation into answer sharing

As a result of incidents involving misconduct on exams at audit firms and at the request of AFM, Deloitte initiated an investigation into answer sharing, the internal learning culture and learning behaviours of its professionals. This investigation focuses on all mandatory internal and external learning activities over the past five years (period: 2018-2023) across the organisation. The investigation covers approximately 500,000 learning activities involving around 8,000 current employees and nearly 6,000 former employees. The governance of the project safeguards the independence, objectivity and mandate of the investigation. This includes oversight by our Supervisory Board.

The investigation is ongoing per July 2024 with continuous conversation and sharing of information with the regulators. Based on the current observations from the investigations, Deloitte evaluated and concluded a provision should be recognised. The evaluation includes current facts, the status of the ongoing investigation, and other facts and circumstances as deemed relevant including but not limited to publicly available information from investigations conducted at other global professional services firms on learning culture and behaviours. Based on the assessment it was concluded that in accordance with applicable accounting rules a provision should be recognised, within a defined range of potential financial outcomes.

In estimating the amount of the provision, management made certain assumptions about the range of the potential outcomes based on currently available information. Owing to the associated uncertainty, the evolving nature of the investigation and the complexity of the matter, it is possible that estimates may need to be revised in future reporting periods as new information becomes available. While a range of outcomes is possible, management believes that the reasonably possible range used is adequate to make a sufficiently reliable estimate.

Consequently Deloitte is recognising a provision in the financial statements. The details of the amount of the provision are not disclosed in the financial statements.

Potential financial penalties related to the investigation are neither reimbursable nor tax deductible.
Given the progress of the ongoing investigation, we anticipate the provision will be short-term.

8.3 Commitments and guarantees

Fiscal unity

The legal entity is part of a fiscal unity for corporate income tax and VAT purposes and for that reason it is jointly and severally liable for the tax liabilities of the fiscal unity as a whole.

Lease and rental obligations

The Group has entered into long-term rental agreements for offices, operational lease contracts for cars and copying/printing machines and facility services. The Group does not have an option to purchase the leased assets at the expiry of the lease periods. Leases are negotiated for an average term of 5 years and rentals are indexed annually. Some contracts have renewal options, these are taken into account when it is reasonably certain the Group will exercise the option to extend the term of the lease.

Non-cancellable commitments related to operational leases

In € thousands	May 31, 2024	May 31, 2023
Not later than 1 year	17,753	14,049
Between 1 and 5 years	37,116	30,712
Later than 5 years	24,232	4,230
	79,101	**48,991**

The amounts comprise other costs related to non-lease components included in the IFRS 16 contracts such as fuel and service costs for the vehicles and service costs for buildings.

Non-cancellable sublease commitment

In € thousands	May 31, 2024	May 31, 2023
Not later than 1 year	1,008	2,990
Between 1 and 5 years	614	1,463
Later than 5 years	0	102
	1,622	**4,555**

Other obligations

Other obligations are related to ICT, facility services and marketing contracts.

In € thousands	May 31, 2024	May 31, 2023
Not later than 1 year	20,498	21,313
Between 1 and 5 years	2,333	1,556
Later than 5 years	0	0
	22,831	**22,869**

Facility services

As of December 1, 2006 the Group outsourced facility services to a third party. Related staff was transferred to the new service provider. The contract will be yearly renewed for 12 months. The Group has undertaken to re-employ the former employees (approx. 20) or to employ them with a succeeding facility supplier if the contract is not renewed.

Membership

The Group is the Dutch Affiliate of Deloitte NSE LLP, Deloitte Touche Tohmatsu Limited and Deloitte EMEA Co-operation Limited. The Group is obliged to pay annual subscription and services fees.

Guarantees

Stichting Financiering Deloitte

Members who enter into an Associate Agreement with the Group are obliged to provide a subordinated loan to Stichting Financiering Deloitte. In turn this foundation provides a subordinated loan for the same amount and under the same conditions to Coöperatief Deloitte U.A. The subordination relates to all third party creditors and banks. The loans amount to €184,927 as per May 31, 2024 (May 31, 2023: €131,952) and are subordinated to all existing and future liabilities of the Group and, together with the membership capital and equity, make up the capital base of the Group. Coöperatief Deloitte U.A. and its subsidiaries are jointly and severally liable to members for what is owed to them by Stichting Financiering Deloitte with regard to the financial resources borrowed from the members by Stichting Financiering Deloitte and re-issued to Coöperatief Deloitte U.A. The Group has agreed certain security covenants with Stichting Financiering Deloitte, including a negative pledge covenant as well as the granting of securities at the first request of Stichting Financiering Deloitte. With respect to the ranking of these securities rights, covenants have been agreed between the Group, Stichting Financiering Deloitte, ING Bank and Rabobank (as lenders under Deloitte's credit facility). This entails that the rights of Stichting Financiering Deloitte are subordinated to those of third party creditors and the lender banks.

The Supervisory Board

The Group has indemnified the members of the Supervisory Board from the financial consequences of claims from third parties (including defence costs) resulting from or related to the supervisory task of the members of the Supervisory Board and to the extent the insurance of the Group does not cover matters concerned.

Bank guarantees

Bank guarantees amounting to approximately €4,291 (May 31, 2023 €4,291) have been issued to third parties.

Other guarantees

Liberty Mutual Surety issued guarantees on behalf of the material subsidiaries of Deloitte Holding B.V. to Tax-authorities covering the own-risk of the Return to Work (Partially Disabled) Regulation ("WGA") related to the calendar years 2014, 2015 and 2016. As security for these guarantees the material subsidiaries of Deloitte Holding B.V. issued a joint and several liability undertaking.

Claims

The Group also has other contingencies, for which, in the opinion of management, the risk of loss is possible but not probable. Contingencies involve inherent uncertainties including, but not limited to, court rulings and negotiations between affected parties. We cannot currently predict yet the outcome of claims and litigations with sufficient reliability. However, based on available information it is not expected that they will have a significant impact on the financial position of the Group. Furthermore, the Group is deemed to carry sufficient professional indemnity insurance.

8.4 Application of new and revised International Financial Reporting Standards (IFRSs)

There are no new IFRS accounting standards, amendments to existing standards or new IFRIC interpretations published that are not yet effective that are expected to have a material impact on the Group in future reporting periods and on foreseeable future transactions.

8.5 Subsequent events

There are no subsequent events.

Company financial statements

Company statement of profit or loss and other comprehensive income for the year ended May 31, 2024

In € thousands	Note	2023/2024	2022/2023
Share of result from participating interests	3.	**3,729**	**1,295**
Other income and expenses after taxation	2.	12,481	14,228
Result after taxation and before compensation		**16,210**	**15,523**
Compensation members of Coöperatief Deloitte U.A.		(12,479)	(14,228)
Profit for the year		**3,731**	**1,295**
Item that may be reclassified subsequently to profit or loss			
Other comprehensive income, net of income tax		(18)	(481)
Total comprehensive income for the year		**3,713**	**814**

Company statement of financial position at May 31, 2024

(before appropriation of result)

Assets (In € thousands)	Note	May 31, 2024	May 31, 2023
Non-current assets			
Investments	3.	6,478	10,283
Other non-current assets	3.	185,477	125,278
Total non-current assets		**191,955**	**135,561**
Current assets			
Trade and other receivables	5.	26,981	24,800
Total current assets		**26,981**	**24,800**
Total assets		**218,936**	**160,361**

Equity and liabilities (in € thousands)	Note	May 31, 2024	May 31, 2023
Equity	6.	**195**	**(2,836)**
Non-current liabilities			
Membership capital	9.	6,700	6,475
Interest bearing loans and borrowings	8.	184,927	131,952
Total non-current liabilties		**191,627**	**138,427**
Current liabilities			
Trade and other payables	10.	17,266	17,937
Interest bearing loans and borrowings	8.	9,848	6,833
Total current liabilities		**27,114**	**24,770**
Total liabilities		**218,741**	**163,197**
Total Equity and liabilities		**218,936**	**160,361**

Notes to the company financial statements

Statutory financial statements

The sections Group financial statements and Company financial statements contain the statutory financial statements of Coöperatief Deloitte U.A. A description of the Company's activities and Group structure is included in the Consolidated financial statements.

1. Accounting policies

Accounting policies applied

The company financial statements of Coöperatief Deloitte U.A. have been prepared in accordance with the requirements in Title 9 Book 2 of the Dutch Civil Code. Coöperatief Deloitte U.A. prepares its consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU IFRS). Coöperatief Deloitte U.A. applies the exemption as included in section 2:362 paragraph 8. Participating interests in Group companies are valued at net asset value determined on the basis of Title 9 Book 2 of the Dutch Civil Code. The share in the results of participating interests in Group companies is reported in accordance with the principles of valuation and profit determination that apply to the consolidated financial statements. In accordance with article 2:402 of the Dutch Civil Code, the company financial statements only contain an abridged profit and loss account. Reference is made to the accounting policies section in the consolidated financial statements and the respective notes.

Other income and expenses

The other income and expenses includes the annual fees received from the various Group companies for providing the partners work force for the company.

Taxation

The company and its wholly-owned subsidiaries make up a fiscal unity and therefore jointly and severally liable for the tax liabilities of the fiscal unity as a whole. The corporate income tax is calculated as if the company and its subsidiaries were individually separately liable for tax and is offset against the current account of the parent company, Coöperatief Deloitte U.A. Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets (if applicable) are only valued insofar as their realisation is likely. Deferred tax assets are recognised on the balance sheet of the company until they are realised.

Notes to the specific items of the balance sheet

2. Other income and expenses after taxation

Other income and expenses after taxation are specified as follows:

In € thousands	2023/2024	2022/2023
Intercompany charges	12,517	14,355
Net of financial income and expenses	(87)	(90)
Taxation	51	(37)
	12,481	**14,228**

3. Receivables from Group companies

Amounts owed by Group companies are unsecured subordinated loans.

In € thousands	Interests in Group companies	Receivables from Group companies	Total
Gross value	10,283	125,278	135,561
Accumulated depreciation and impairments	0	0	0
Book value as of June 1, 2023	10,283	125,278	135,561
Movements:			
Issued loans	0	67,228	67,228
Conversion share premium to loan	(7,000)	7,000	0
Share in result of participating interests	3,729	0	3,729
Movement in net fair value on investments in equity instruments classified as at fair value through OCI [1]	(40)	0	(40)
Deemed distribution [1]	(516)	0	(516)
Movement legal reserve foreign currency translation	22	0	22
Repayments	0	(14,029)	(14,029)
Book value as of May 31, 2024	**6,478**	**185,477**	**191,955**
Gross value	6,478	185,477	191,955
Accumulated depreciation and impairments	0	0	0
Book value as of May 31, 2024	**6,478**	**185,477**	**191,955**

In € thousands	Interests in Group companies	Receivables from Group companies	Total
Gross value	10,414	118,006	128,420
Accumulated depreciation and impairments	0	0	0
Book value as of June 1, 2022	10,414	118,006	128,420
Movements:			
Issued loans	0	15,757	15,757
Conversion share premium to loan	0	0	0
Share in result of participating interests	1,295	0	1,295
Movement in net fair value on investments in equity instruments classified as at fair value through OCI [1]	(471)	0	(471)
Deemed distribution [1]	(945)	0	(945)
Movement legal reserve foreign currency translation	(10)	0	(10)
Repayments	0	(8,485)	(8,485)
Book value as of May 31, 2023	**10,283**	**125,278**	**135,561**
Gross value	10,283	125,278	135,561
Accumulated depreciation and impairments	0	0	0
Book value as of May 31, 2023	**10,283**	**125,278**	**135,561**

1 See note 4.5 and note 6.2 of the consolidated financial statement

4. Consolidated Group companies

The following subsidiaries are included in the consolidated financial statements and recognised as interest in Group companies for the company financial statements:

Name	Registered office	Share in the issued capital May 31, 2024	Share in the issued capital May 31, 2023
Deloitte Holding B.V.	Rotterdam	100%	100%
Deloitte Accountants B.V.	Rotterdam	100%	100%
Deloitte Belastingadviseurs B.V.	Rotterdam	100%	100%
- Deloitte Belastingadviseurs New York B.V.	Rotterdam	100%	100%
- Deloitte Legal B.V.	Rotterdam	100%	100%
- Innovative Trade Services B.V.	Rotterdam	100%	100%
Deloitte Consultancy Holding B.V.	Rotterdam	100%	100%
- Deloitte & Touche Acquistion B.V.	Rotterdam	100%	100%
- Deloitte Consulting B.V.	Amsterdam	100%	100%
- MarketRedesign Scientific B.V.	Amsterdam	100%	100%
- Integration Holding B.V.	Rotterdam	100%	100%
- G MS B.V.	Rotterdam	100%	100%
- G Hosting B.V.	Rotterdam	100%	100%
- G Consultancy B.V.	Rotterdam	100%	100%
Deloitte Financial Advisory B.V.	Rotterdam	100%	100%
- Deloitte Benefits & Pension Advisory B.V.	Rotterdam	100%	100%
- Deloitte Forensic & Dispute Services B.V.	Amsterdam	100%	100%
Deloitte Group Support Center B.V.	Rotterdam	100%	100%
- Deloitte Education B.V.	Rotterdam	100%	100%
- Deloitte Group Support Center Overseas Services B.V.	Rotterdam	100%	100%
Deloitte Risk Advisory B.V.	Rotterdam	100%	100%
- IP Consultancy Holding B.V.	Vlijmen	100%	100%
- IP-CON B.V.	Vlijmen	100%	100%
- Pacer B.V.	Rotterdam	100%	100%
- Africa Talent by Deloitte (pty) ltd	South Africa	50%	50%
Deloitte Accountancy & Advies B.V.	Rotterdam	100%	100%
Deloitte Innovation B.V.	Rotterdam	100%	100%
Deloitte Overseas Projects I B.V.	Rotterdam	100%	100%
Deloitte Overseas Projects II B.V.	Rotterdam	100%	100%
Deloitte Overseas Projects III B.V.	Rotterdam	100%	100%
Deloitte Dutch Caribbean B.V.	Curaçao	100%	100%
Stichting Deloitte Impact Foundation	Rotterdam		
Stichting Deloitte Herstel Mangrove	Curaçao		

5. Trade and other receivables

Trade and other receivables are specified as follows:

In € thousands	May 31, 2024	May 31, 2023
Current account owed by Group companies	3,133	3,575
Other receivables, prepayments and accrued income	23,848	21,225
	26,981	**24,800**

6. Shareholders' Equity

For breakdown reference is made to the consolidated statement of changes in equity.

Other reserves

Deloitte Holding B.V. assumed the assets and liabilities of Stichting InterNos at December 31, 2016 with approximately €53,403 (net of deferred tax) being written-off to equity. This former goodwill of Stichting InterNos is considered a prepayment to members regarding their capital (goodwill) repayments to former partners and is therefore stated as prepayment of equity resulting in negative other reserves.

Legal reserves

The legal reserves are related to foreign exchange differences on translation of foreign operations from a subsidiary.

7. Non-current liabilities

Non-current interest bearing loans and borrowings are specified as follows:

In € thousands	May 31, 2024	May 31, 2023
Subordinated loans Stichting Financiering Deloitte	184,605	127,501
Non-subordinated loans Stichting Financiering Deloitte	322	4,451
	184,927	**131,952**

Repayment obligations falling due within one year are included in current liabilities:

In € thousands	May 31, 2024	May 31, 2023
Membership Capital	375	325
Subordinated loans Stichting Financiering Deloitte	9,118	6,120
Non-subordinated loans Stichting Financiering Deloitte	355	388
	9,848	**6,833**

The movements during the year of liabilities arising from finance activities are as follows:

In € thousands	Subordinated loans Stichting Financiering Deloitte	Non-subordinated loans Stichting Financiering Deloitte	Total
Balance June 1, 2023	133,621	4,839	138,460
Additional borrowing	60,447	93	60,540
Conversion settlement prior year to subordinated loan	5,913	0	5,913
Conversion non-subordinated loan to subordinated loan	3,867	(3,867)	0
Repayments	(10,125)	(388)	(10,513)
Repayments in the following year	(9,118)	(355)	(9,473)
Balance as of May 31, 2024	**184,605**	**322**	**184,927**

In € thousands	Subordinated loans Stichting Financiering Deloitte	Non-subordinated loans Stichting Financiering Deloitte	Total
Balance June 1, 2022	125,935	3,356	129,291
Additional borrowing	13,300	1,756	15,056
Repayments	(5,614)	(273)	(5,887)
Repayments in the following year	(6,120)	(388)	(6,508)
Balance as of May 31, 2023	**127,501**	**4,451**	**131,952**

8. Subordinated and non-subordinated loans Stichting Financiering Deloitte

Subordinated loans

Members who enter into an Associate Agreement with the Group are obliged to provide a subordinated loan to Stichting Financiering Deloitte. In turn this foundation provides a subordinated loan for the same amount and under the same conditions to Coöperatief Deloitte U.A. On its turn Coöperatief Deloitte U.A. provides a subordinated loan for the same amount less share premium of €0 (May 31, 2023: €7 million) and under the same conditions to Deloitte Holding B.V. The subordination relates to all third party creditors and banks. The loans amount to €184,605 as per May 31, 2024 (May 31, 2023: €127,501) and are subordinated to all existing and future liabilities of the Group and, together with the membership capital and equity, make up the capital base of the Group. The interest paid is equal to a 3-month Euribor plus 4% with a minimum of 4% and a maximum of 8%. The loans are repaid at the termination of the Associate Agreement. The maturity date of these loans depends on joining and leaving of members and therefore cannot be expressed in years.

Non-subordinated loans

In 2023/2024 some of the calculated claw-back reserves of active partners exceeds the amount of the provided subordinated loan. These partners provided a non-subordinated loan to Stichting Financiering Deloitte for the amount above the subordinated loan. In turn the foundation provides a non-subordinated loan for the same amount and under the same conditions to Coöperatief Deloitte U.A. On its turn Coöperatief Deloitte U.A. provides a non-subordinated loan for the same amount and under the same conditions to Deloitte Holding B.V. The interest paid is equal to a 3-month Euribor plus 4% with a minimum of 4% and a maximum of 8%. At the termination of the Associate Agreements these loans will been repaid within a six year term.

9. Membership capital

See note 5.1 of the consolidated financial statements.

10. Trade and other payables

In € thousands	May 31, 2024	May 31, 2023
Management fees to be paid to members Coöperatief Deloitte U.A.	12,852	15,200
Tax	1	1
Other liabilities and accruals	4,413	2,736
	17,266	**17,937**

11. Off-balance sheet commitments

Fiscal unity

The legal entity is part of a fiscal unity for corporate income tax and VAT purposes and for that reason it is jointly and severally liable for the tax liabilities of the fiscal unity as a whole.

Stichting Financiering Deloitte

Coöperatief Deloitte U.A. and its subsidiaries are jointly and severally liable to members for what is owed to them by Stichting Financiering Deloitte with regard to the financial resources borrowed from the members by Stichting Financiering Deloitte and re-issued to Coöperatief Deloitte U.A. The Group has agreed certain security covenants with Stichting Financiering Deloitte, including a negative pledge covenant as well as the granting of securities at the first request of Stichting Financiering Deloitte. With respect to the ranking of these securities rights, covenants have been agreed between the Group, Stichting Financiering Deloitte, ING Bank and Rabobank (as lenders under Deloitte's credit facility). This entails that the rights of Stichting Financiering Deloitte are subordinated to those of third party creditors and the lender banks.

The Supervisory Board

The company has indemnified the members of the Supervisory Board from the financial consequences of claims from third parties (including defence costs) resulting from or related to the supervisory task of the members of the Supervisory Board and to the extent the insurance of the company does not cover matters concerned.

Guarantees

The company has issued a joint and several liability statement to the provisions of Section 2:403 of the Dutch Civil Code with respect to Deloitte Accountancy & Advies B.V. and Deloitte Group Support Center B.V.

12. Other notes to the financial statements

Average number of employees

During 2023/2024, 0 employees were employed on a full-time basis (2022/2023: 0).

Remuneration of members of the Executive Board and the Supervisory Board

For the remuneration of members of the Executive Board and the Supervisory Board reference is made to note 6.1 in the consolidated financial statements.

Appropriation of result for the financial year June 1, 2022 until May 31, 2023

The annual report 2022/2023 was adopted in the general meeting held on September 15, 2023. The general meeting has determined the appropriation of result in accordance with the proposal being made to that end.

Proposed appropriation of result for the financial year June 1, 2023 until May 31, 2024

The Executive Board proposes, with the approval of the Supervisory Board, that the result for the financial year 2023/2024 amounting to €3,729 will be added to the other reserves. The financial statements do not yet reflect this proposal.

Rotterdam, July 18, 2024

Executive Board

W.F.J. Honig (Chair)

H. Christophers

D.H. Enklaar

Supervisory Board

H. van der Noordaa (Chair)

D.J. Larnder

V.G. Moolenaar

S.E. Verhart

C.M. Wortmann

Annex 2: Sustainability statement

Summary of performance

Description of metrics	Note	2023/2024	2022/2023
ENVIRONMENTAL IMPACTS			
CO2 emissions	2.1		
Scope 1 CO2 emissions		6,668 tonnes	9,042 tonnes
Scope 2 CO2 emissions (market based)		3,113 tonnes	3,346 tonnes
Scope 3 CO2 emissions business travel**		6,173 tonnes	5,832 tonnes
Other Scope 3 CO2 emissions		7,092 tonnes	34,597 tonnes
Total CO2 emissions (Scope 1,2 and 3)		23,046 tonnes	52,817 tonnes
SOCIAL IMPACTS			
Employee value proposition	3.1		
% employees receiving regular performance reviews		92%	90%
Inclusion and diversity	3.2		
Female positions in leadership roles		33%*	26%*
Female partners as % of total partners		24%	22%
Learning and development	3.3		
Training hours per headcount		79.1	N/A
Wellbeing	3.4		
Sickness leave		3.8%	3.7%
Social impact	3.5		
# Hours spent on DIF projects		30,733	39,413
Monetary value of hours spent on DIF projects		€5.3 million	€6.4 million
GOVERNANCE IMPACTS			
Quality of services	4.1		
NPS at C-level among strategic clients		39	75
Client satisfaction (engagement)		8.7	8.5
Regulatory reviews that are satisfactory		97%	100%
Ethics & Integrity	4.2		
# ethical incidents reported		181	135
Data security	4.3		
# data leaks discovered		76	63

* % female Supervisory Board members: 40%; % female Executive Board members: 33%
** To allow for comparison with previous years, this figure only relates to international flights and rail

1. Basis of preparation

Introduction

This Report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) as set out in the Annex 1 to the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council. An ESRS Content index is included in this report (see pages 200-211). In this table, we provide an overview of our compliance and non-compliance with the ESRS. As Deloitte is a member of UN Global Compact the Netherlands, we connecy our impacts with the UN Sustainable Development Goals that we deem most relevant to Deloitte.

Deloitte aims to be at the forefront of public reporting and has a long-standing practice of voluntarily disclosing audited, financial and non-financial information. Reporting to us is an evolutionary process where every year, we aim to improve on what we have done before and implement the latest reporting insights and requirements.

Disclosures incorporated by reference

The following information is incorporated by reference to other parts of the management report:

- The role of the administrative, management and supervisory bodies (ESRS 2 GOV-1): Roles and responsibilities, Report of the Supervisory Board, Profile Supervisory Board Deloitte Netherlands;
- Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (ESRS 2 GOV-2): Report of the Supervisory Board;
- Strategy, business model and value chain (ESRS 2 SBM-1): Our businesses and industries, About Deloitte, Our purpose and strategy, Our strategy in action, Value creation;
- Interests and views of stakeholders (ESRS 2 SBM-2): Our strategy in action;
- Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3): Value creation model, Our Purpose and Strategy;
- Description of the process to identify and assess material impacts, risks and opportunities (ESRS 2 IRO-1): Risk Management;
- Disclosure Requirements in ESRS covered by the undertaking's sustainability statement (ESRS 2 IRO-2): ESRS Content Index (Annex 3).

The Executive Board and Supervisory Board are actively involved with the execution of our business and strategy. Impacts, risks and opportunities related to our business and strategy, such as our Employee Value Proposition, Diversity, equity and inclusion, Learning & development, Quality, and Climate and CO_2, are frequently discussed between the topic owners and the Board. For some other material topics, there is periodic quantitative and qualitative reporting (such as DIF and Social return). For Ethics & integrity, all reported cases are discussed with the Executive Board. Data security (including privacy) is discussed with the Board when needed (for example in the case of major incidents).

The evolution of our reporting

- **2011** — Deloitte publishes its first Sustainability Report (using the GRI 3.0 Guidelines), alongside the Annual Report that primarily covers our financial performance
- GRI G4 implemented in our Sustainability Report
- **2016** — Deloitte publishes its first Integrated Report (using the GRI G4 Guidelines and the IIRC Framework
- **2018** — Deloitte transitions from Dutch GAAP to IFRS for financial reporting and from GRI G4 Guidelines to the GRI Standards
- IFRS 15 implemented in financial reporting
- **2020** — Connect for Impact strategy published integrating financial and non-financial performance; IFRS 16 implemented in financial reporting
- Digital reporting platform introduced allowing for improved navigation
- **2022** — CSRD readiness analysis performed and qualitative analysis for EU Taxonomy concluded. Started implementation of GRI Universal Standards
- **2023** — Announcing new Deloitte strategy (September). Full implementation of GRI Universal Standards. Implementation of CSRD well under way; qualitative reporting on EU Taxonomy
- **2024** — Full implementation of ESRS. Value Creation Model aligned with Deloitte strategy.
- Reporting in conformity with EU Taxonomy. Continuous, real-time reporting on most relevant KPIs

EU Taxonomy
Following the EU Taxonomy, Deloitte will be required to report the percentage of eligible and aligned turnover, CAPEX, and OPEX (contributing to the six environmental objectives from the EU Green Deal) for our financial year 2024/2025. To this end, we have identified the eligible and possibly aligned activities contributing to the first two environmental objectives of as part of future reporting.

In general, the main areas of our revenue comes from providing professional services that are not classified as 'eligible turnover' by the EU Taxonomy. An exception is activity 9.3 ‘Professional services related to energy performance of buildings’ as Deloitte is an accredited auditor for the energy performance of buildings, and provides performance assessments for real estate clients. This is, however, a relatively small part of our total revenue.

The most notable eligible capital expenditure (CAPEX) refers to the lease of our buildings, classified under the activity 7.7 “Buying real estate and exercising ownership of that real estate”, as four of our buildings in the Netherlands have at least an Energy Performance Certificate (EPC) class A.

The most notable eligible operating expenditure (OPEX) refers to Activity 6.5 ‘Transport by motor bikes, passenger cars, and light commercial vehicles’, as a substantial amount of the passenger cars leased by Deloitte have tailpipe CO_2 emissions equal to 0g CO_2 e/km.

We present an overview of eligible activities that we have identified below:

OPEX and CAPEX

- 6.5. Transport by motorbikes, passenger cars and light commercial vehicles (OPEX)
- 7.7. Acquisition and ownership of buildings (CAPEX/ OPEX)
- 1.1 Afforestation (OPEX)
- 1.3 Forest management (OPEX)
- 6.4. Operation of personal mobility devices, cycle logistics (OPEX)
- 5.5. Collection and transport of non hazardous waste (OPEX)
- 7.2, 7.3, 7.5, 7.6. Renovation of buildings, maintenance of energy efficiency equipment, energy performance devices, renewable energy technologies (CAPEX/ OPEX)
- 7.4. EV charging stations in buildings and parking spaces (CAPEX/ OPEX)
- 8.1. Data processing, hosting and related activities (OPEX)
- 11.1. Education (OPEX)

Revenues

- 8.2. Computer programming, consultancy and related activities
- 9.1. Engineering activities and related technical consultancy dedicated to adaptation to climate change
- 9.1. Close to market research, development and innovation
- 8.2. Data driven solutions for GHG emissions reductions
- 9.2. Research, development and innovation for direct air capture of CO2
- 9.3. Professional services related to energy performance of buildings
- 11.1. Education

In 2024/2025, in close cooperation with other Deloitte geographies in the European Union, we will assess whether these activities can be aligned. One of the elements we need to investigate further is the ability for our systems to generate sufficient and reliable data on the activities now identified. In addition, we will continue to work towards strengething compliance with the minimum safeguards as required by the EU Taxonomy regulation.

1.1 Scope

In this Report, 'Deloitte' refers to Coöperatief Deloitte U.A. and its subsidiaries as listed in the 'Notes to the specific items on the financial statements' in Annex 1. The performance of Deloitte Dutch Caribbean (DDC) is integrated in our non-financial data, unless otherwise indicated.

For the purpose of this report, we apply the following definitions regarding the scoping of time:

- Short-term: one year;
- Middle-term: one to four years (in line with our strategic planning cycle);
- Long-term: over four years.

1.2 Materiality

Process to assess materiality

The starting point of our materiality assessment is the long list with the Sustainability matters covered in topical ESRS. We assess these topics for potential material impacts, risks and opportunities throughout our value chain and on that basis, decide which matters deserve further consideration. To this list, we add the matters that come out of our peer benchmark analysis, thus creating a short-list. To identify matters material to Deloitte, we consult with our stakeholders. While this occurs during our materiality assessment, we regularly engage with them throughout the year as well. Sometimes, our engagement involves desk research, such as reviewing the material topics relevant to our industry peers. The methods of our stakeholder engagement are detailed in the table below. These interactions offer valuable perspectives on the environmental, social, and governance issues that shape stakeholders' perceptions of us.

Once we have an initial idea of possible topics to be included in our materiality assessment, we seek input from our due diligence process owners. Specifically, we interact with our Client & Engagement acceptance teams, our Business Relationship Assessment team and the Responsible Business Committee. On the basis of our stakeholder engagement and the input from our due diligence processes, we define a shortlist of expected sustainability impacts, risks and opportunities. The impacts are assessed through a Strategic Impact Assessment, where the social cost per impact is calculated to determine the scale and scope of the impacts and facilitate ranking. We use social impact as this methodology assesses the full social costs across and beyond our value chain and takes aspects such as remediability of impacts into account. In addition, it makes various impacts comparable as it monetises them. We believe that using social impacts is in line with our purpose 'To make an impact that matters'. Impact materiality occurs when calculated social costs are greater than €25 million, representing around 2% of our revenues.

Consequently, we seek to connect the sustainability matters with our Enterprise Risk Framework. Impacts that are part of the ERF (such as Quality and Ethics & integrity) are plotted directly in our materiality assessment on the basis of the exposure as defined in our Risk Radar (please see pages 50-51). For topics that are not part of our Risk Radar, we interact with the topic owners to determine and quantify associated risks and opportunities. To this end, we plot risks and opportunities on financial impact and likelihood. The threshold value for financial impact is the same as for impact materiality. The outcome of this process is used to plot the topics against both impact and financial materiality.

On the basis of this representation, a defined list of key material impacts, risks and opportunities is proposed to the Executive Board and, after their approval, shared with our Supervisory Board.

Stakeholder interaction

We interact with our stakeholders to seek their opinions and their expectations. This process allows us to define a timely and adequate response to the issues they deem important for our business and for our ability to make an impact that matters.

Graph: Stakeholders in our value chain

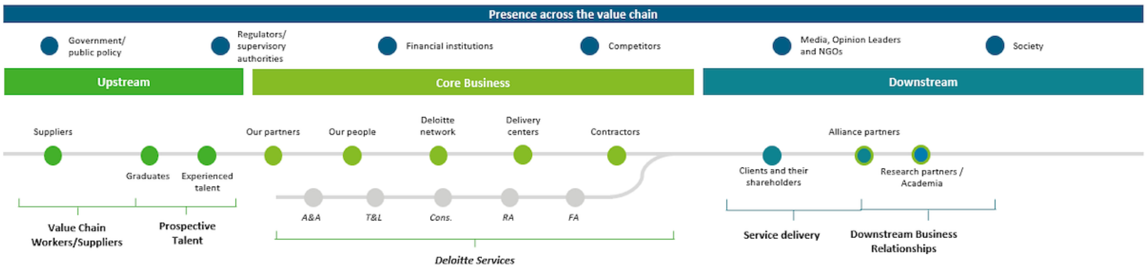


Table 01: Means of stakeholder engagement

Stakeholder groups	How we seek their interest and views	Frequency
Clients & their shareholders	Client Service Assessments	Continuous
	Engagement quality assessments	Continuous
	Client meetings and (digital) events	Continuous
	Requests for proposals	Continuous
	Clients & Industries research	Continuous
	External research and ratings	Continuous
	Media scanning	Continuous
Our people	Talent surveys	> 6 times per year
	Sustainability survey and focus groups	Bi-annually
	Discussions with Works Council	
	Formal and informal meetings, including virtual townhalls	Continuous
	Feedback / comments from individuals	Continuous
Our partners	Formal and informal partner meetings	
	Partner strategy sessions	Annually
	Partnership Council	
	Receiving feedback	Continuous
Graduates and experienced talent	Surveys and research	Continuous
	Job interviews	Continuous
	LinkedIn profiles	Continuous
	Participation in campus events	Continuous
	Recruitment sessions	Continuous
Deloitte network	Active participation in key DTTL and NSE governance bodies	Continuous
	International cooperation around issues or engagements	Continuous
Regulators	Formal and informal meetings	> 4 times per year
	Media scanning	Continuous
Media, Opinion leaders & NGOs	One-on-one engagements	Throughout the year
	Cooperation with knowledge institutes such as universities	Continuous
	Media scanning	Continuous
Society	Active participation of Deloitters in society	Continuous
	Media scanning	Continuous
Peers	Active participation in trade and industry platforms	Continuous
	One-on-one sessions around themes or issues	Throughout the year
	Media scanning	Continuous
Suppliers	Contract management	> once per year
	Media scanning	Annually
Financial institutions	One-on-one meetings	Regularly, when needed
	Media scanning	Continuous

Downstream Business Relationships are not yet in scope of our structured stakeholder engagement and are, therefore, excluded from our materiality assessment. We will work to obtain relevant insights in 2024/2025 and will include their perspectives in the update of our DMA that we will prepare for our 2024/2025 reporting.

Our engagement in 2023/2024

Following our extensive stakeholder dialogue in 2022/2023, this year we have updated our insights whereby we have focused on the following stakeholder groups:

- Clients and their shareholders
- Deloitte network
- Peers

- Media, Opinion leaders & NGOs
- Financial institutions (banks)
- Suppliers
- Graduates and experienced talent

For the stakeholders listed above, we provide an overview of the insights that we gained for updating our materiality matrix. For stakeholder groups not specifically engaged with on materiality in 2023/2024, we provide the conclusions of our 2022/2023 activities.

Our partners and our people

In February 2023, we conducted an internal sustainability survey in which 422 of our partners and employees participated. One of the aims of this survey was to obtain better insights into the sustainability matters that our employees deem relevant to Deloitte. To assess their views as input for our (double) materiality analysis, we asked them to select the five topics where they believed Deloitte has the biggest impact. We also asked our people to select five topics they believed that have the greatest impact on Deloitte's operations, reputation and financial success in the short and medium term. Combining this inside-out and outside-in perspective, we came to the following list of topics our people believe are material for Deloitte:

- CO_2 emissions
- Energy
- Innovation
- Data security
- Ethics & Integrity
- Vitality & wellbeing
- Biodiversity
- Quality
- Social impact & social return
- Economic growth
- Inclusion & diversity
- Sustainable procurement

Clients and their shareholders

Our clients turn to Deloitte for relevant insights and high quality professional services that help their businesses become more responsible and sustainable. Quality, in all its aspects, is the key driver for our success, as is our ability to quickly adapt to the changing needs of our clients regarding the expertise they seek from us. To ensure both quality and adaptability, continuous learning, development of our people, and the ability to innovate are key requirements, as is international cooperation to deliver high quality engagements across borders.

To perform our services, in many cases our clients entrust us with sensitive data. The integrity of our IT systems and the prevention of data leaks is of vital importance to the trust that our clients have in Deloitte. Privacy and data security are therefore highly important topics to us.

Larger corporate clients and public sector clients are especially aware that their responsibility reaches beyond their direct operations and also involves parts of their value chain. Typical topics that these clients are interested in are: climate impact and GHG emissions, environmental management and certification, human rights in general, labour rights, public commitments in the area of sustainability, and human trafficking and slavery.

Deloitte network

DTTL has its own process for determining materiality in accordance with the GRI Standards. The outcome of this process provides input for our materiality assessment. The material topics from DTTL relevant to their 2022/2023 reporting are depicted in the graph below:

Government / policy makers

We have formal and informal engagements with our regulators and public policy makers. The focus of our regulators/public policy continued to be on the following themes: quality (fraud, continuity), implementation of ISQM1, independence, learning, attractiveness of profession, IKO (the results of internal engagement quality reviews and results of system of quality review), use of data analytics and data-driven supervision.

Key themes for public policy work, financial health, digital and sustainability. In addition, policy makers expect Deloitte to contribute to the solution of complex social challenges and we experience a great interest in our 'Future of' agenda. For more information on our public policy activities, please see page 181).

Peers

We have benchmarked our material topics and related performance against eight (including Deloitte Netherlands) national and international peers on the basis of their most recent public reports. Material matters that were mentioned by the majority of our peers were:

- Inclusion and diversity (8 mentions);
- Data security (7);
- Wellbeing (7);
- Climate & CO2 emissions (7);
- Quality of services (6);
- Ethics & integrity (6);
- Employee value proposition (6);
- Learning and development (6);
- Social impact (6);
- Innovation (5).

Media, Opinion leaders & NGOs

We constantly monitor public opinion and actively scan media for emerging topics. Our efforts in 2023/2024 show that the following topics have the most hits on Google in relation to Deloitte: learning, inclusiveness and diversity, wellbeing, customer satisfaction, ethics, career development, environmental care, and climate.

Suppliers

In addition to our regular due dilligence activities vis-a-vis suppliers (also see "Sustainable procurement" on pages 188-189), we have launched an initiative in which we want to stimulate our suppliers to become committed to Science Based Targets for the reduction of greenhouse gasses. This initiative results in conversations with suppliers about sustainability matters which helps us to better understand impacts, risks and opportunities vis-a-vis our suppliers.

Graduates and experienced talent

By nature, our business is characterised by a high employee turnover and changing skill sets. Combined with the growth of our business, this means that we are constantly recruiting new talent. Deloitte's Global 2023 GenZ & Millennial Survey provides a wealth of insights into the desires and expectations from our (future) colleagues. Analysis of the Survey shows that the following topics are of specific interest to new hires:

- High cost of living / employment / income
- Work-life balance
- Mental health
- Work-related pressures
- Harassment or microaggressions in the workplace
- Visible climate action
- Inclusiveness, diversity and equality
- Social impact / purpose
- Learning / development opportunity
- Hybrid working
- Healthcare / disease prevention

The stakeholder groups that are not included in the overview above, were not in scope for this year's reporting as we deemed our sustainability impact on them not likely to be material or not sufficiently attributable. We will re-assess our choices in this respect in 2024/2025.

Assessing impacts

After identifying relevant topics, we have assessed the actual and potential impacts of the topics both from an inside-out and an outside-in perspective. For the sake of this materiality assessment, financial materiality includes reputational materiality as defined in our Enterprise Risk Framework (ERF). Topics that are not included in our ERF have been subject to their own assessment of risks and opportunities for the short (<1 year), medium (1-4 years) and long (>4 years) term. We disclose the associated risks and opportunities for each material impact in sections 2-4 of Annex 2. Impact materiality has been determined by the Strategic Impacts Assessment (SIA) that was performed in 2023 based on our 2021/2022 data, and that will be updated in 2024/2025. We have assessed the following topics (in alphabetical order):

① Biodiversity

② Climate and CO2

③ Data security (incl. privacy)

④ Diversity, equity & inclusion

⑤ Employee value proposition

⑥ Energy transition

⑦ Ethics & integrity (incl. corruption)

⑧ Human rights

⑨ Learning & development

⑩ Quality

⑪ Responsible supply chain

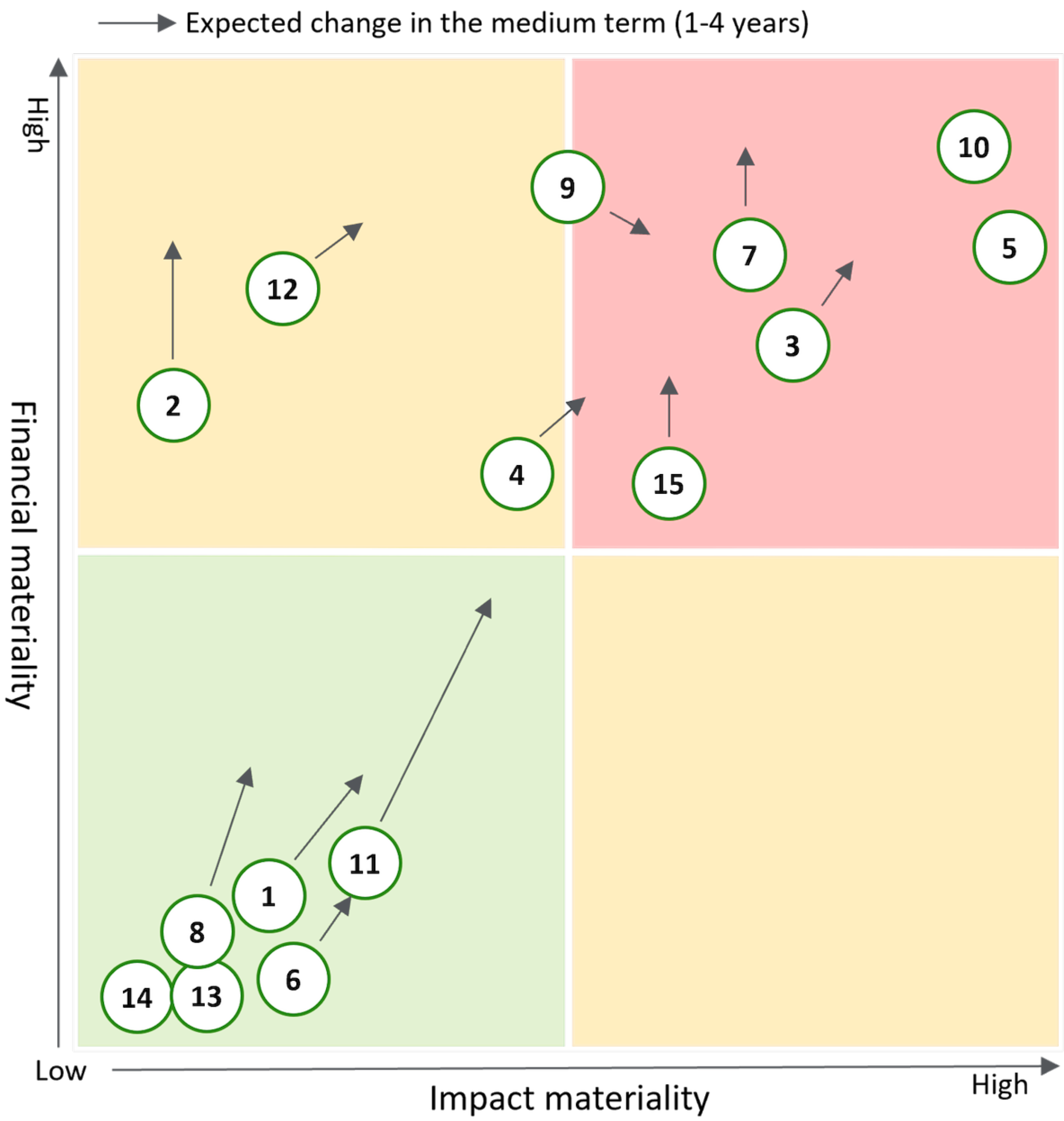
⑫ Social impact & social return

⑬ Waste

⑭ Water

⑮ Well-being

Graph 01: materiality assessment



Consequently, we have discussed our selection with internal experts in the area of sustainability and impact. In March 2024, we presented our conclusions to the Executive Board, which has ultimately determined the material topics for our financial year 2023/2024.

Fundamental material impacts	• Quality • Data security • Ethics & integrity
Significant impacts	• Climate and CO2 • Diversity, equity and inclusion • Employee value proposition • Training & education • Wellbeing • Social impact / social return
Emerging impacts	• Nature / biodiversity • Sustainable procurement • Energy transition • Human rights

Fundamental material impacts are those that are overarching requirements that we must meet in order to establish trust, strengthen market leadership and make an impact on clients, our people and society. Significant impacts are topics where our impact is significant and/or that have a (potential) significant impact on our firm and the way we do business. All material topics are disclosed in accordance with the European Sustainability Reporting Standards. Emerging impacts are topics that as such do not yet meet the thresholds we have defined for materiality, but we believe will gain traction over the mid to longer term. These topics are disclosed in a qualitative way in our reporting.

We intend to update our Double Materiality Assessment for our 2024/2025 reporting, to include the conclusions of the Double Materiality Assessment that is currently performed by NSE.

Material topics
Following our assessment, we have identified the following material topics for our 2023/2024 reporting:

Table 02: Material topics

Area	Topics 2022/2023	Topics 2023/2024	Pages
1. Quality	- Quality of services	- Quality of services	178-181
	- Data security	- Data security	184-186
2. Ethics	- Ethics & integrity	- Ethics & integrity	181-184
3. Talent	- Employee value proposition	- Employee value proposition	157-161
	- Inclusion and diversity	- Diversity, equity and inclusion	162-165
	- Learning and development	- Learning and development	165-169
	- Wellbeing	- Wellbeing	169-171
4. Innovation	- Innovation		
5. Impact on society	- Climate & CO2 emissions	- Climate & CO2 emissions	135-155
	- Social impact (a.o. DIF)	- Social impact / social return	171-177

Compared to the previous year, we have removed 'Innovation' as a material topic as innovation is outside of the domain of sustainability as defined by the ESRS and is not part of the ESG landscape. Innovation, however, remains one of the cornerstones of our strategy. We have relabelled 'Inclusion & diversity' to 'Diversity, equity and inclusion' to do justice to the objectives and scope of our activities.

Many of our material topics relate to one or more sustainability matters as identified by the European Sustainability Reporting Standards (ESRS). Please see the table below for an overview.

Table 03: Connection between ESRS and Deloitte material topics

Deloitte material impact	Includes ESRS sustainability matter(s)
Climate & CO2 emissions	Climate change adaptation (ESRS-E1)
	Climate change mitigation (ESRS-E1)
	Energy (ESRS-E1)
Employee Value Proposition	Training and skills development (ESRS-S1)
Diversity, equity and inclusion	Gender equality and equal pay for work of equal value (ESRS-S1)
	Training and skills development (ESRS-S1)
	Employment and inclusion of persons with disabilities (ESRS-S1)
	Measures against violence and harassment in the workplace (ESRS-S1)
	Diversity (ESRS-S1)
Learning & development	Training and skills development (ESRS-S1)
Wellbeing	Work-life balance (ESRS-S1)
	Health (and safety) (ESRS-S1)
Social impact / social return	-
Quality of services	-
Ethics and integrity	Corporate culture (ESRS-G1)
	Protection of whistle-blowers (ESRS-G1)
	Corruption and bribery (ESRS-G1)
Data security	-

Affected stakeholder groups

For our material impacts, the following stakeholder groups are considered to be affected and/or users of our sustainability statements:

Table 04: Affected stakeholders

Material impact	Affected stakeholders	Users of information
Quality	Our people, clients, regulators	Clients, regulators, public opinion, peers, financial institutions
Data security	Clients, regulators	Clients, regulators, public opinion
Ethics & integrity	Our people, clients, regulators, suppliers	Our people, clients, regulators, public opinion, peers, financial institutions, suppliers
Climate and CO2	Our people, clients	Our people, clients, public opinion, peers, financial institutions
Diversity, equity and inclusion	Our people	Our people, clients, public opinion
Employees value proposition	Our people	Our people, graduates and experienced talent, peers
Training & education	Our people, clients, regulators, peers	Public opinion
Wellbeing	Our people	Our people, peers, regulators
Social impact / social return	Our people, clients, society	Our people, clients, public opinion, peers, financial institutions

Please see Table 01 above for a description on how we engage with our stakeholders.

1.3 Reporting boundaries

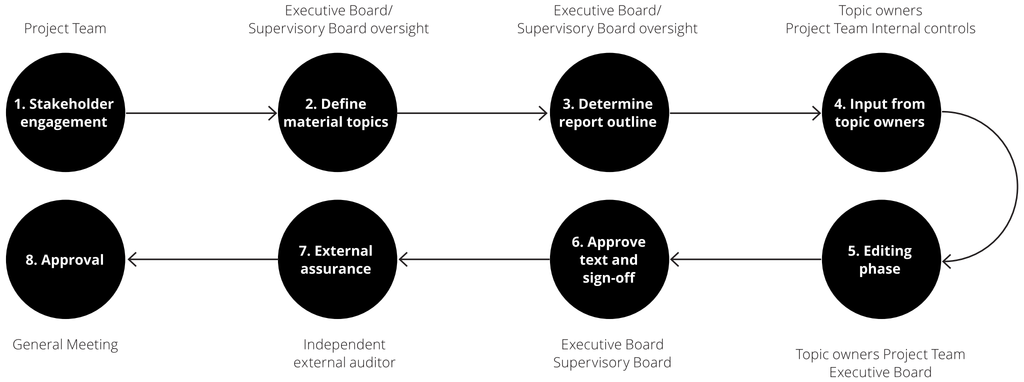
There is an overlap of topics and related opportunities noted by our internal and external stakeholders. Most of these topics relate to our internal organisation. For this reason, our reporting on these topics is limited to our performance within our direct sphere of influence, unless indicated otherwise. This is the case for our Scope 3 emissions upstream and where we discuss our due dilligence processes upstream and downstream.

1.4 Reliability and completeness

We have collected the relevant performance data from our business information systems as supported by our internal control and monitoring systems, and from suppliers and other sources. This is centrally recorded and thereafter reviewed by our Finance & Control department and the KPI owners.

1.5 Reporting process

Process for defining report content



Central to our approach to reporting is the IAR Project team. This team is headed by our Chief Financial Officer and consists of representatives from Finance & Control and Finance & Accounting, combined with specialists from our Risk Advisory business's Sustainability Group and supported by Brand and Communication. Content planning and development takes place under the supervision of the Executive Board, with internal oversight by the Audit & Finance Committee and the Supervisory Board. We have engaged our independent external auditor, BDO Audit & Assurance B.V., to provide reasonable assurance on our financial data (Annex 1) and limited assurance on our sustainability statement (Annex 2) in the PDF version of this report. The assurance report of BDO Audit & Assurance B.V. can be found in Annex 4 of the PDF. The Report is published after approval by the General Meeting.

2. Environmental impacts

This section covers the effects, risks, opportunities, governance, strategies, actions, and results of Deloitte's identified material environmental impacts (refer to page 132 for a summary of our material impacts).

In line with the ESRS, we will describe the processes to identify and assess material impacts, risks and opportunities for the environmental sustainability matters not in scope of our reporting due to a lack of materiality.

Table 05: materiality processes and considerations with regard to non-material environmental sustainability matters

ESRS	Topic	Processes and considerations
E2	Polution	Offices screened for possible use of polutants in cleaning processes Social impact of exhaust gasses ot ICE vehicles calculated Spend analysis conducted for upstream business activities Assumption that our downstream activities (audit and business advisory) will not materially affect polution by our clients Due to very low level of impact, affected communicties were not consulted
E3	Water and marine resources	Water consumption in offices is measured on a monthly basis Social impact of water consumption calculated Spend analysis conducted for upstream business activities Assumption that our downstream activities (audit and business advisory) will not causally or materially affect water and marine resources by our clients Due to very low level of impact, affected communicties were not consulted
E4	Biodiversity and ecosystem	We have identified and assessed actual and potential impacts on biodiversity and ecosystems at own site locations and in the upstream and downstream value chain, using social impact calculations and spend analysis for upstream activities as well as an impact study we performed in 2022 on biodiversity and nature. Our assumption is that there is no causal or material effect of our our downstream activities (audit and business advisory) that affect biodiversity and ecosystems There is limited dependency of our services on biodiversity and ecosystems throughout our value chain On the basis of our analysis (spend, review of own sites) we have concluded that in the short to medium term there are no material transition and physical risks, nor systemic risks that affect Deloitte. We do not operate sites located in or near biodiversity-sensitive areas It has not been concluded that it is necessary to implement biodiversity mitigation measures, such as those identified in: Directive 2009/147/EC of the European Parliament and of the Council on the conservation of wild birds; Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora Due to low level of impact, affected communicties were not consulted
E5	Resource use and circular economy	Waste generation in offices is measured on a monthly basis Social impact of waste generation calculated Spend analysis conducted for upstream business activities; initiatives in IT have started Assumption that our downstream activities (audit and business advisory) will not causally or materially affect resource use and circular economy by our clients Due to very low level of impact, affected communicties were not consulted

2.1 Climate and CO_2

Impacts, risks and opportunities
Our day-to-day activities result in CO_2 emissions. We burn fuels to heat our buildings and power our car fleet, purchase electricity to charge our cars and we buy airline and railway tickets to travel to clients and attend international network meetings. We also have suppliers who emit CO_2 to produce and transport their goods or render their services to us. The CO_2 we emit contributes to global warming, which results in widely known environmental impacts such as accelerated sea level rise, more intense heat waves, loss of biodiversity, and much more. This indirectly impacts the wellbeing and safety of people around the globe, but also the continuity of organisations. Extreme weather can significantly impact sites and supply chains. This climate-related physical risk can not only jeopardise the continuity of our clients and thus our engagements, but it also affects suppliers that provide goods and services for the operations of our own organisation.

Due to the nature of our business, the material impact of our CO_2 emissions is relatively small. This is confirmed by the Strategic Impact Assessment that we have conducted in 2022/2023. However, the financial implications of climate change and CO_2 emissions can be significant. In the short to medium term, not meeting stakeholder expectations could lead to loss of business and difficulty attracting top talent, which we consider to be a climate-related transition risk. Proactively managing our Climate & CO_2 impacts can enhance Deloitte's appeal as a business partner and an employer, ensuring ongoing access to the labour market.

In the longer term, Climate & CO_2 potentially can hurt our clients' businesses and with that, our ability to service them. Clients who are asset-heavy or who have invested heavily in asset-heavy industries (such as banks and institutional investors) can especially be affected by the consequences of climate change. They stand to lose both production capacity and value in case their installations are damaged or destroyed by climate-related natural disasters, such as floods or storms. On a larger scale, this can lead to a business continuity risk and with that, a climate-related transition risk to the continuity of our services to such clients.

Many companies are becoming actively aware of climate-related risks and want to move away from a fossil fuel-based economy. This poses a good opportunity for Deloitte to help clients in mitigating climate risks and helping them to become more responsible and adaptive businesses. We help an increasing number of clients with the environmental challenges through our Strategic Growth Opportunity (SGO) Sustainability, a cross-business cooperation that brings together the necessary experience and competences from our audit and advisory businesses.

Climate risk

In December 2023, Deloitte NSE has published a report describing the Climate-related financial disclosures for NSE and its geographies, including the Netherlands. It contains a comprehensive overview of our global climate ambitions, impacts and the risks that apply to our business. Our assessment of financial risks and opportunities in determining materiality is informed by this publication.

NSE climate risk process

Deloitte has a robust process for identifying, assessing, managing and monitoring all risks through the Enterprise Risk Framework (ERF) at both the NSE and local National Practice levels.

The ERF sets out the assessment of principal and emerging risks facing the firm, specifically those that could impact Deloitte's ability to achieve its strategic priorities, meet its public interest obligations and protect its reputation and people. Climate change and sustainability matters, alongside other business risks and opportunities, are considered and embedded within the ERF.

The ERF prioritises risks based on residual exposure. This is achieved through the 'risk dashboard,' which assesses the residual exposure of risks and opportunities, including those related to climate. Residual risk exposure describes the likelihood of a risk crystallising, and its impact on Deloitte given the current ability to mitigate or manage it, and is categorised as very high, high or medium. Risks and opportunities are considered against four impact dimensions: strategy and market differentiation, brand and reputation, operational and financial resilience, and people and purpose.

Material climate-related risks and opportunities include consideration of both physical and transition risks. These include consideration of existing and emerging regulatory requirements, such as jurisdictional policies that are being introduced to deliver against jurisdictional commitments, as well as changes to client behaviour and threats to reputation.

The risks and opportunities are assessed in line with Deloitte's risk methodology and governance processes and are informed by qualitative scenario analysis. As such, climate change is integrated into decision-making through consideration alongside other business risks within the ERF.

The Enterprise Risk Management (ERM) Team facilitates the ERF and, along with other enterprise risks, climate-related risks are assigned an Executive Risk Owner who oversees work carried out by management teams within the organisation to manage those risks. Executive Risk Owners are responsible for continually monitoring the effectiveness of the risk management and mitigation plan. Residual exposure is discussed and assessed during regular meetings between the ERM team and each Executive Risk Owner. These meetings also focus on the internal and external drivers of the risks and the work required to manage them, alongside the effectiveness of existing mitigations and the status of any actions deemed necessary to further enhance these mitigations. Outcomes are reviewed by both the ERM team and Executive Risk Owners, then updates are included within the ERF.

The ERM team uses a risk dashboard to enable ongoing assessment of climate-related risks and other business risks. It is used to inform, refresh and validate the status of each risk with the respective Executive Risk Owners and the NSE CRO twice a year on a mandatory basis. At these reviews, the Executive Risk Owners and the NSE CRO assess whether current risk management activities are sufficient. If additional action may be or is required for climate-related risks, these are prioritised and given 'special focus' (requires more detailed management monitoring) or 'action required' (immediate additional mitigating actions are required) status, and more detailed management and monitoring will be carried out as a result. Management teams are accountable for implementing risk management and mitigation plans. The NSE World Climate team (which manages the firm's own sustainability transformation, including its climate response) holds regular discussions with the Executive Risk Owners and the NSE CRO to gain insight and consult on progress relating to climate-related risks.

Executive Risk Owners' residual risk assessment for each climate-related risk and opportunity, is presented to the NSE Executive for approval and NSE ARC for review and oversight, with plans to manage and monitor the risks communicated to the NSE ARC twice a year.

As outlined above, the process for identifying, assessing and managing climate-related risks and opportunities is fully integrated into Deloitte NSE's overall risk management process. The end-to-end climate-related risk management process is owned by the Climate SteerCo to ensure progress against identified climate-related risks and opportunities is monitored, outcomes are evaluated and a holistic view of climate-related impacts on Deloitte is provided to the NSE Executive.

Time Horizons

For the purpose of defining climate-related risks and opportunities, Deloitte maintains time-horizons that deviate from the definitions provided in section 1.1 of this Annex:

- Short-term: the next fours years, which alligns with Deloitte's internal planning and forecasting frameworks;
- Medium-term: 4-7 years, in line with our World*Climate* near-term 2030 targets;
- Long-term: greater than 7 years (up to 2050), in line with UK and EU jurisdictional net zero targets.

Climate Scenarios

Deloitte has identified the Network for Greening the Financial System (NGFS) Climate Scenarios as the publicly available resource most relevant to Deloitte NSE when it comes to understanding how climate change, climate policy and technology trends could evolve in different futures. Deloitte is not a financial services provider or institution; it is a professional services organisation with diverse geographic and sectoral exposure similar to that experienced in the financial services sector. It was therefore decided that the NGFS scenarios, rather than, for example, the World Business Council for Sustainable Development (WBCSD) scenarios, which are designed for energy companies, would be most suitable to better understand Deloitte NSE's future possible climate risk and resilience.

Deloitte selected three scenarios – Current Policies (3°C), Divergent Net Zero and Orderly Net Zero by 2050 – to assess the impacts of climate-related risks and opportunities across the applicable short, medium, and long-term time horizons. Choosing two net zero scenarios with similar policy ambitions (below 1.5°C) but different policy reactions enable a range of risks and opportunities to be captured in a transition scenario, factoring in the market and regulatory drivers to which Deloitte NSE is most exposed to. This is particularly true given the comparable climate policies and net zero ambitions of the UK and EU, and the relative financial importance of these markets to NSE's overall revenue. The Current Policies scenario captures the extreme warming future where physical climate impacts could put business operations and continuity at risk.

Analysis was performed using the firm's internal scenario modelling, which assessed each climate scenario's potential positive and negative implications. The selected scenarios enable Deloitte to assess robustly the impacts of climate change over the short, medium, and long-term under three possible pathways, with global warming ranging from 1.5°C to 3°C.

Process for defining climate-related risks and opportunities

The climate-related risks and opportunities assessment used the same likelihood and impact risk criteria as the firm's ERF, which is described in the Risk management section above.

Identified climate-related risks and opportunities were assessed by members of the Climate SteerCo (as well as other key stakeholders across NSE's operations) by scoring the likelihood and impact for each risk and opportunity. Together with qualitative analysis based on market data, an average combined score was then calculated for each risk and opportunity to understand the significance to Deloitte. Following consideration and approval by the Climate SteerCo, the climate-related risks and opportunities that were determined to have a potential impact on the business have been disclosed below.

Two types of climate-related risks and opportunities have been determined as having a potential impact: physical (acute and chronic) and transition (market, reputation, policy and legal). Further analysis has been performed for these, including impact assessments and scenario modelling (against the three scenarios identified above), analysis of the firm's strategy and business model resilience and corresponding strategic responses. The results have been included in the table below.

Climate-related risks and opportunities are considered in Deloitte's strategic, operational, and financial planning process and this ensures decisions not only align to the firm's purpose but contribute to the economy-wide low-carbon transition. Deloitte's strategic response to climate-related risks and opportunities is founded on its World Climate strategy and its transition to a sustainable business – please refer to the Policy section in this report.

Summary of Material Climate-Related Risks and Opportunities

The table below shows the list of climate-related risks and opportunities identified as having a potentially material impact on Deloitte NSE.

As a professional services organisation, the firm considers the impact of climate-related risks and opportunities to be consistent across its primary service offerings (Consulting, Financial Advisory, Risk Advisory, Audit & Assurance, Tax and Legal), so has not performed sector-specific analysis. Similarly, due to the global nature of Deloitte's operations, geographic impact has not been considered for the below transition risks and opportunities as the firm expects these to be largely consistent across all NSE National Practices. On the opposite, geographic impact for physical risks is considered in this report for Deloitte NL and complement the analysis, performed on NSE level.

Due to the limited availability of public data and the extensive number of assumptions involved, Deloitte has not quantified the financial impact of these risks and opportunities at this time. Instead, Deloitte has performed a qualitative impact assessment through narrative alone. Quantification of the financial impact (e.g., revenues and costs) on all climate-related risks and opportunities will be further developed in future reporting periods.

Table 06: Material climate-related risks and opportunities

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Physical: Acute and Chronic **Risk: Disruption to business operations and service delivery due to extreme weather events impacting infrastructure (e.g., data and delivery centres) and employee productivity.**	Climate-related physical risks could impact Deloitte's infrastructure and employees, and could result in reduced revenue caused by business disruption and productivity loss. These impacts could be driven by acute (e.g., increased severity of storms, floods and wildfires) or chronic (e.g., rising mean temperatures) physical risks	In all scenarios, physical risks to Deloitte will increase from the short to medium-term. Physical risks are expected to be identical in the short-term due to 'committed warming' (emissions already released). In the medium term, under the Net Zero scenarios, physical risk impact should plateau. Under a 3°C scenario, the frequency and severity of extreme weather events will continue to increase over the medium and long-term. The risk to NSE infrastructure and employees and corresponding revenues over the long-term aligns accordingly. **Geographic impac**t: Deloitte NL operates as a company with a relatively low investment in physical assets. According to the notes in the financial statements, sections 4.3 and 4.4, there is a clear differentiation between assets owned by Deloitte and those owned by others, which Deloitte has the right to utilise. The value of assets owned by Deloitte is € 57 million, primarily comprising office furnishings and (portable) IT equipment. The only Deloitte-owned asset that might be susceptible to the physical impacts of climate change is our data centre located in Amsterdam. However, as there are plans to decommission this facility within the 2024/2025 timeframe, we do not consider physical climate risks to be significant for this asset. Similarly, mobile data devices such as laptops and mobile phones are not considered to be at material risk from climate change. Depreciation of office-related assets is always in line with the duration of the specific office rental contracts, meaning that physical risks are mitigated to a level that we do not deem them to be material.	Deloitte is exploring a range of mitigants to respond to climate-related physical risks, for example through the firm's agile and flexible working approach. This helps mitigate productivity loss resulting from acute physical risk events given many Deloitte employees can carry out a significant proportion of their work remotely at a time that is convenient to them. While the flexibility in working location and pattern reduces the impact of disruption caused by acute physical risks on productivity and corresponding revenues, it does not mitigate longer-term chronic physical risks (such as rising mean temperatures) impacting employees' health, wellbeing and ongoing productivity. Further options are being explored to respond to such longer-term risks. As part of Deloitte's World*Climate* strategy, the firm plans to embed climate-smart considerations into office operations and real estate decisions. In the longer term, as severe weather event impacts are better understood, these will be incorporated in real estate strategies. Work is under way to understand the physical risks to data centres, particularly considering the impacts on system-wide regional infrastructure. In addition, the firm is exploring plans to move to the cloud to diversify the potential impact of extreme weather events.

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Transition: Market **Risk: Change in revenue from clients in sectors that are highly exposed to climate change and/or that are unable to transition.**	The firm recognises that it will be impacted in some way by the policy, market and technological changes brought by a transition towards a low-carbon economy. The precise nature and scale of the impact for certain sectors and companies is currently unclear. However, due to the size of Deloitte's client base, it is inevitable that some clients will be negatively impacted, which could have a knock-on effect on Deloitte's ability to provide services to those clients and, therefore, generate revenues.	Exposure to climate change is of a different nature under each scenario and will inevitably impact the services Deloitte provides. Under a 3°C scenario, companies will face ever-increasing impacts from physical risks in the medium to long term but less so from transition risks. In the Divergent Net Zero scenario, companies are less likely to be impacted in the short term as neither physical nor transition risks are prevalent but may experience growing transition risks in the medium term and acceleration of these in the long term. Meanwhile, under the Orderly Net Zero scenario, companies are expected to face transition risks concentrated in the short and medium term but less so in the longer term as they adapt. Using the energy sector as an example, and the demand for fossil fuels in particular, the Net Zero transition scenarios will likely see a faster decline in fossil fuel use as a total percentage of energy use, compared with the 3°C scenario, but on differing timelines. A Divergent Net Zero transition may see a steep decline in fossil fuel dependency in the longer term, while the Net Zero scenario will likely experience a more gradual decline due to a higher use of carbon removal technologies. The 3°C scenario may see a relatively high and growing share of fossil fuels as a percentage of total energy use across all time horizons.	Deloitte's ability to work across multiple sectors and geographies, and with numerous organisations from listed to entrepreneurs, results in a diversified business and acts as a form of mitigation against the risk. As a result of this diversified portfolio, the firm is well equipped to identify, adapt and pivot its client portfolio in line with a low-carbon economy.

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Transition: Market **Opportunity: Increased revenue and growth by offering new climate-related services, and expanding existing ones, to support clients in their response to climate change and contribute to the economy-wide, low-carbon transition.**	Deloitte benefits from being a global business with a breadth of skills, resources and experience developed through its long-standing relationships with companies across multiple industries. The firm has an opportunity to grow its climate service offerings and corresponding revenues while contributing to economy-wide, low-carbon transition across its geographies, as well as creating an impact that matters for clients. These services include, but are not limited to, climate adaptation (e.g., value chain resilience) and net zero transformation advice, assessment of climate-related risks and opportunities, as well as climate and sustainability-related reporting and assurance services.	All three scenarios are anticipated to provide opportunities to increase revenues from climate and sustainability services, but these may vary in nature and timing of service demanded. Net Zero transition scenarios are expected to result in a higher demand from clients in most, if not all, industries for transition services as new climate policies are introduced. The Orderly Net Zero is more likely to impact in the short term, whilst Divergent Net Zero is in the medium to long term. Under the 3°C scenario, increased demand for adaptation and mitigation services due to physical risk exposure is more likely to arise in the medium to long term due to the slower introduction of regulations.	Deloitte is already responding to this demand. In 2022, the firm announced a global investment (including NSE) of US$1 billion in client-related services, data-driven research and other capabilities focused on sustainability and climate change. Deloitte has since developed sustainable technology capabilities (e.g., RegHub, GreenSpace Tech and GreenLight) to support clients with specific ESG reporting requirements and business model changes. Deloitte will continue to innovate and expand these offerings to meet the demand and changes in requirements to achieve a low-carbon economy. Deloitte will continue to make a difference to its clients, offering tailored climate and sustainability services and supporting their response to climate-related issues and regulatory changes.

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Transition: Reputation **Risk: Reduced potential to attract and retain talent across the business because of a perceived inadequate response to climate change.** **Opportunity: Increased ability to attract and retain talent by implementing and demonstrating a robust climate response.**	People are at the heart of Deloitte's operations and service offerings. In the Deloitte Global 2023 Gen Z and Millennial Survey, professionals reported strong views on the importance of employers acting on climate change, with over half of Gen Zs (55%) and millennials (54%) saying they research a brand's environmental impact and policies before accepting a job. Approximately half of Deloitte's employees are aged below 30 (Gen Z or millennial), indicating that its response to climate change may impact perceptions of the firm's current and future workforce, driving attrition and retention trends. As a professional services business, any change in attrition or retention of talent is expected to have a corresponding impact on future operating costs and revenues, as well as on the firm's ability to provide services to its clients.	Under all three scenarios, the awareness of climate issues and the need to embrace action will influence employment decisions and depending on the firm's performance and credentials, could result in a risk or opportunity. Within this, it is reasonable to expect that a more significant proportion of the population will make choices driven by an awareness of climate change and a desire to contribute to the transition through, for example, employment choices in the short, medium and long term. Similarly, this risk and opportunity would only be expected to materialise in the medium to longer term under the Divergent Net Zero or 3°C scenarios. Under a 3°C scenario, employees (both current and future) will expect action and hence show greater interest in the firm's climate credentials in the long term, as the physical climate impact increases.	Deloitte is committed to achieving the near-term (2030) carbon reduction goals defined in its World*Climate* strategy. These cover the firm's operations and its value chain, with commitments to decarbonise, also helping clients to reduce their own scope 3 footprint and support the economy-wide low-carbon transition. It showcases the work it does with clients and partners to accelerate the low-carbon transition in its annual reports. Deloitte obtains external limited assurance over Scopes 1 and 2 and relevant Scope 3 emissions to ensure the reliability of environmental and greenhouse gas (GHG) emissions data. This enables Deloitte to monitor progress more reliably against its targets and make sure it continues to act credibly in response to climate impacts across its operations and value chain. The World*Climate* strategy is also designed to drive responsible climate choices and helps both current and future employees to understand how the firm is acting against climate change. Initiatives such as dedicated climate learning modules for new starters, a sustainability learning week, sector climate and sustainability workshops and tools like Giki Zero (a personal carbon footprint calculator) inform employees worldwide about the impacts of climate change and empower them to make more sustainable choices at home and at work.

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Transition: Reputation **Risk: Damage to reputation and client relationships by failing to act credibly to manage the climate impacts of Deloitte's operations and value chain.**	As a leading professional services organisation, Deloitte NSE is highly dependent on its brand and public perception. These contribute to the firm's ability to continue to act in the public interest, as well as build new, and strengthen existing, client and stakeholder relationships. If Deloitte is perceived to have inadequately addressed climate change within its own operations and value chain, there is a risk that the public will lose confidence in the services Deloitte provides, and clients may choose to limit, or not engage in, business with the firm. Any damage to reputation and client relationships is expected to affect the firm's revenues and business growth. Furthermore, an increasing number of Deloitte clients now set minimum standards for climate-related pledges/ progress as a basic requirement before engaging any suppliers. For example, some clients may only work with suppliers who have set Net Zero targets. These requirements will likely become more stringent over time, and a failure by Deloitte to keep pace and demonstrate suitable credentials could again result in a loss of contracts and revenues	Under the Net Zero scenarios this risk increases from the short-term onwards. This is as a result of increased policy requirements and increased client action or expectation. Deloitte will need to match or exceed this pace of change to avoid losing contracts and revenues. Under the 3°C scenario, the risk will only increase in the longer term as the expectations to transition in response to climate change will be lower.	Deloitte is committed to achieving the near-term (2030) carbon reduction goals defined in its World*Climate* strategy. These cover the firm's operations and its value chain, with commitments to decarbonise, also helping clients to reduce their own scope 3 footprint and support the economy-wide low-carbon transition. It showcases the work it does with clients and partners to accelerate the low-carbon transition in its annual reports. Deloitte obtains external limited assurance over Scopes 1 and 2 and relevant Scope 3 emissions (see the Targets and KPIs section below) to ensure the reliability of environmental and greenhouse gas (GHG) emissions data. This enables Deloitte to monitor progress more reliably against its targets and make sure it continues to act credibly in response to climate impacts across its operations and value chain. The World*Climate* strategy is also designed to drive responsible climate choices and helps both current and future employees to understand how the firm is acting against climate change. Initiatives such as dedicated climate learning modules for new starters, a sustainability learning week, sector climate and sustainability workshops and tools like Giki Zero (a personal carbon footprint calculator) inform employees worldwide about the impacts of climate change and empower them to make more sustainable choices at home and at work.

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Transition: Reputation **Risk: Reputational damage from providing services to (and therefore being associated with) clients perceived as having an inadequate response to climate change and inadequate climate credentials.**	Deloitte's brand and reputation is driven in part by the clients it serves. As such, providing services to (or being associated with) companies or sectors that are perceived as having unfavourable climate credentials or that are not willing to respond to climate, have not articulated a credible transition plan or are not transparent about their actions to address climate change could damage Deloitte's reputation. As a global organisation, reputational damage from providing services to clients across any of Deloitte's business offerings or National Practices could impact growth and revenue associated with future client services.	Climate-related litigation is expected to rise under all three scenarios, but the phasing of the increase will vary. This risk is expected to materialise fastest in the short term under the Orderly Net Zero scenario as stricter climate and greenwashing regulations would be introduced sooner. Climate-related litigation claims are still expected to increase for the Divergent Net Zero and 3°C scenarios, but over the medium and long terms in response to more delayed regulatory transition scenarios.	To mitigate potential impact on its reputation, the firm is diligent in deciding which clients it works with and the work it does for them. For example, its client and engagement acceptance procedures enable Deloitte to assess, and be resilient to, potential reputational damage, with escalation to National Practice or NSE Public Interest and Consistency Groups in particularly challenging cases. Such groups consist of firm partners who meet regularly to review and challenge client opportunities with a public interest element. Discussions include the type of clients involved and the nature of the service and are designed to reduce reputational damage to the firm.

Risk or Opportunity	Description and Potential Impact to Deloitte NSE	Potential Impact under Climate Scenarios and Time Horizons	Strategic Response and Resilience
Transition: Policy & Legal **Risk: Increased costs and reputational damage arising because of climate litigation (and/or accusations of greenwashing) including from inadequate provision of climate-related services.**	The desire of organisations to consider climate-related impacts and respond to related legislation has increased, and is likely to continue increasing, the demand for Deloitte's services. This could result in Deloitte facing a corresponding increase in the frequency and severity of climate-related litigation, and/or accusations of greenwashing if the firm fails to deliver on quality. Such an increase in the frequency and severity of climate-related litigation claims could impact future costs incurred by Deloitte and lead to reputational damage.	Climate-related litigation is expected to rise under all three scenarios, but the phasing of the increase will vary. This risk is expected to materialise fastest in the short term under the Orderly Net Zero scenario as stricter climate and greenwashing regulations would be introduced sooner. Climate-related litigation claims are still expected to increase for the Divergent Net Zero and 3°C scenarios, but over the medium and long terms in response to more delayed regulatory transition scenarios.	Deloitte ensures a robust, proactive and effective approach to quality management throughout each of its services (e.g., Deloitte's Audit & Assurance practice complies with the International Standard on Quality Management ("ISQM") 1). The firm also provides its practitioners with mandatory training to understand the policies, practices, and standards they must follow while performing work both internally and for clients. Similarly, the firm conducts internal reviews of climate-related engagements to ensure high quality and reduce the risk of reputational damage to Deloitte due to climate-related matters. Quality is at the forefront of all Deloitte's services and although climate litigation and/or accusations of greenwashing are risks inherent to its business, its quality processes manage and significantly mitigate this risk.

Considerations and conclusions from Deloitte Netherlands

Deloitte NL operates as a company with a relatively low investment in physical assets. According to the notes in the financial statements, sections 4.3 and 4.4, there is a clear differentiation between assets owned by Deloitte and those owned by others, which Deloitte has the right to utilise. The value of assets owned by Deloitte is € 57 million, primarily comprising office furnishings and (portable) IT equipment. The only Deloitte-owned asset that might be susceptible to the physical impacts of climate change is our data centre located in Amsterdam. However, as there are plans to decommission this facility within the 2024/2025 timeframe, we do not consider physical climate risks to be significant for this asset. Similarly, mobile data devices such as laptops and mobile phones are not considered to be at material risk from climate change. Depreciation of office-related assets is always in line with the duration of the specific office rental contracts, meaning that physical risks are mitigated to a level that we do not deem them to be material.

Assets owned by others mainly consist of rented office buildings and leased vehicles. Transition risks for vehicles are mitigated by our fleet's progressive transition to electric vehicles. An uncertainty in this area is the installed capacity of the national grid in the Netherlands: in certain areas of the country there is already an overload of the electricity infrastructure. We do not perceive to have any material physical climate risks to our leased vehicles, partly because the maximum lease duration is set at five years. Regarding office spaces, we engage in temporary lease agreements, which afford a level of adaptability in our portfolio of offices should there be shifts in business conditions prompted by climate change. As a result of our approach, we do not regard transition or physical climate risks to assets owned by third parties as material.

As we don't have many own assets and have flexibility in our leased ones, none of our assets are at material transition risk. An exception may be our fossil fuel powered lease cars which are already planned to be completely phased out in 2025/2026. None of our assets are at material physical risk as a result of the climate change adaptation actions that we defined in the context of our World*Climate* programme (see pages 146-147).

In terms of revenue, we do not believe our revenue to be at risk due to physical climate risks in the short or medium term as our business is volatile and climate opportunities exceed climate risks. For the longer term, together with our NSE partners, we will further investigate what our clients' exposure is to physical climate risks and we will assess what the potential impact is on their business continuity.

Governance
We have set up a robust governance structure to manage our GHG emissions along with other sustainability matters. We have a dedicated Internal Sustainability Team in place that reports to the Executive Board, and have created a Sustainable Operations Team that consists of various topic owners (housing, fleet, travel, IT, procurement, talent and communications) to design and implement policies. Our businesses are connected through a Climate Champions Network, a group of passionate sustainability adepts from across our businesses. We have also assigned senior leaders from each business to form a group of Sustainability Operational Excellence Leads. This group is responsible for embedding sustainable practices in the daily operations of their businesses.

On an international level, we are part of the Deloitte NSE *WorldClimate* structure and thus take part in collaborative efforts to move our strategy to reduce our CO_2 emissions forward and report in to the NSE Chief Sustainability Officer on progress and performance. We are also part of the Deloitte Global network that provides up with extensive guidelines on our material topics and through which we account for our progress and metrics.

Policies

Overall
Deloitte feels responsible to do what is necessary to halt climate change. To reduce the negative impact from our business on global warming, DTTL has adopted the World*Climate* strategy. World*Climate* drives responsible climate choices within our organisation and beyond. We are committed to transforming our business to reach net zero, and using our skills and influence to inspire change by others.

This ambition is to be achieved by reducing where we can, and compensating in a meaningful way where we must, and is supported by a number of near-term science-based targets to be achieved by 2030 that have been verified by Science Based Targets initiative (SBTi) as being aligned with the 1.5º C path set out in the Paris Agreement:

- Reducing our business travel emissions (flights and international rail) by 50% per FTE from 2019 levels (realisation 2023/2024: 61.7% reduction/FTE);
- Sourcing 100% renewable energy for our buildings (realisation 2023/2024: 88.7% for buildings where we are responsible for energy purchasing, 86.7% for buildings where we are not);
- Converting 100% of our fleet to electric vehicles (realisation 2023/2024: 60.3% fully electric);
- Engaging with our major suppliers with the goal of having two-thirds of them adopt science-based targets for carbon reduction within five years;
- Investing in meaningful market solutions for emissions we cannot eliminate.

Other elements of World*Climate* are:

- Embed sustainability: We align our climate policies, practices, and actions across our organisation with our sustainability ambitions.

- Empower individuals: We will empower our people to be better informed about professional and personal climate change impacts.
- Engage ecosystems: We will collaborate with clients, alliance partners, NGOs, industry groups, suppliers, and others to accelerate the sustainability transition.

We have also committed to set long-term emissions reduction targets using the SBTi's Net Zero Standard.

As Deloitte NL, we have fully embraced the World*Climate* programme and have committed to reach our operational reduction targets (housing, mobility and travel) by 2025, five years ahead of the DTTL target. For other indirect emissions we follow the timeline defined by DTTL.

Mobility

Our mobility policy offers our employees the choice between Mobility+, a leased car (including the option to travel to work by public transport), a cash option or unlimited public transport through the Shuttel card. Through our Mobility Policy, we are phasing out the use of fossil fuel powered vehicles and transitioning to fully electric or hydrogen powered cars in our lease fleet. Until April 2024, we did so by:

1. Lowering the own contribution for private use of the electric car by 50%;
2. Determining that all contracts for fossil fuel cars, including hybrid ones, shall not extend beyond 2025 making it increasingly expensive to lease non-electric vehicles.

Since May 1, 2024, it is no longer possible to order a new leased car that is not fully electric.

The scope of our policy is our own organisation and therefore it applies to all partners and employees. For some employees or apprentices, another scheme (the Mobility Scheme) applies. Within this mobility arrangement, employees are encouraged to use public transport or shared mobility options. They can also apply for an allowance per travelled kilometre with their own means of transportation. With our mobility policies, we aim to mitigate climate change by making our people choose more sustainable ways of transport.

We implemented a new mobility card and application (Shuttel). This card and app help our people to easily manage their mobility needs in a sustainable way. The Shuttel app provides the option to view all available transport options for a specific route, provides access to all public transport, including shared mobility options, and facilitates the comparison of CO_2 emissions of all the alternatives proovided by the app. In line with government's climate agreement goals for 2030, this allows all employees to keep track of their business travel movements and expenses, and help us take measurable and decisive actions towards reducing our carbon emissions in line with our World*Climate* ambition and the Paris Agreement.

Business travel

Our business travel policy outlines the conditions that we have set for international travel. We encourage our people to travel for business only when necessary, for example by switching to virtual and or hybrid meetings or staff locally where we can. We expect that at least half of non-client meetings that were face-to-face in 2018/2019, to be conducted virtually. When a trip is necessary, the aim is to travel in a way that prevents unnecessary CO_2 emissions and costs. In line with our reduction ambitions, we prefer rail over flying for short international travel where practical. We have defined additional guidance concerning travel classes on international flights, encouraging employees and Partners who travel on intercontinental flights to choose Economy or Economy Premium class. For air travel under six hours only Economy class is allowed. With our business travel policy, we aim to mitigate climate change by reducing the amount of emissions from flights we take and the hotels we stay in.

Housing

Deloitte strives to utilise office spaces in energy-efficient buildings, such as our Amsterdam office, 'The Edge', which holds a BREEAM Outstanding certification, and our Rotterdam office in 'Maastoren'. We prioritise renting buildings that already support sustainable practices and collaborate with landlords to source renewable energy wherever possible. Where we buy energy ourselves, Deloitte is actively engaged with Groendus, an energy marketplace that matches supply and demand for sustainable energy sources. In instances where direct green energy procurement is not yet the standard practice, we leverage our position as tenant to encourage landlords to switch to sustainable energy sources. Meanwhile, to offset our emissions resulting from our energy consumption, we purchase Renewable Energy Certificates. This practice extends to the electricity used for powering our electric vehicle fleet.

Furthermore, we are committed to continually enhancing our building operations and energy efficiency by implementing the 'Better Buildings Toolkit' developed by DTTL. Our overarching goal with these initiatives, encapsulated in our Housing Policy, is to substantially reduce emissions from the energy used in heating and cooling our offices across the Netherlands. This policy is a crucial component of our broader strategy to combat climate change and applies specifically to our operations within the country.

Monitoring
In order to track our CO_2 emissions to determine the effectiveness of our actions and policies, we operate a CO_2 Emissions Dashboard for fleet and air travel. This dashboard is updated every quarter with the latest data we receive from our suppliers. It is accessible to all our employees not only in order to provide transparency but also to stimulate our employees to change their own behaviour and choices. We have also developed a Carbon Forecasting Tool to forecast the effects of our policies on our CO_2 emissions in the medium to long term. This tool is integrated with other planning tools of our organisation.

Through our monitoring, we aim to mitigate climate change by ensuring we have the right insights to purposefully steer our behaviour and, consequently, further reduce our emissions.

(Beyond) Value Chain Mitigation
Deloitte NSE has compensated the CO_2 emissions from 2022/2023 for all NSE geographies by investing in a number of certified carbon avoidance and renewable energy projects from third parties. In addition, Renewable Energy Certificates were acquired to 'green' all our non-renewable electricity consumption, including those to charge our electric fleet. Once total CO_2 emissions for Deloitte NSE in 2023/2024 have been verified, NSE will buy credits to compensate the majority of these. In addition, Deloitte NSE has started to participate in Beyond Value Chain Mitigation (BVCM) projects from around the NSE geographies, including in our own nature-based carbon storage project in the Dutch Caribbean, where we have piloted carbon sequestration by replanting mangroves (see paragraph 5.1 of this annex for more detail). BVCM is defined by SBTi as "mitigation action or investments that fall outside a company's value chain, including activities that avoid or reduce GHG emissions, or remove and store GHGs from the atmosphere". The compensation and BVCM investments by NSE have no impact on the reported emissions from Deloitte.

Empower individuals
To promote the sustainable delivery of our services, we have the Sustainable Delivery Framework (SDF) in place. The SDF is a set of tools that provide guidance and empowers our teams to adopt sustainable ways of working and reduce our travel emissions. This framework contains background information on climate change to help our people to start and conduct meaningful conversations with our clients, as well as a number of concrete tools to deliver their work in a sustainable way. It enables our people to educate themselves on climate change and guides them to drive the sustainability agenda at work and in their personal lives. Examples of tools in the SDF are the carbon calculator, which predicts engagement related carbon emissions so these can be discussed with the client, and the sustainable events guide, a tool that contains practical advice on how to organise sustainable client events.

As part of our 'Empower Individuals' strategy, we run GiKi Zero, a tool that enables our people to calculate, track and reduce their own personal carbon footprint, offering advice and examples of actions they can take to live more sustainably. Both the Sustainable Delivery Framework and GiKi Zero are facilitated by our Climate Champions Network.

Certification
Since April 2023, we have held a Level 3 certification under the CO2 Performance Ladder certification scheme. We have published the certificate and the supporting documentation on our public website .

We also maintain an EcoVadis company profile. Through this scorecard, we provide transparency about our management system to addresses sustainability criteria, as outlined in the EcoVadis methodology. Our scorecard is available to trading partners on request.

Activities in 2023/2024

Governance
In our previous annual report, we stated that we aimed to further integrate internal sustainability in the activities of the SGO Sustainability, capturing the learnings from our own journey to improve our client sustainability services. We have done so by bringing our Deloitte NL Internal Sustainability Team and the SGO Sustainability closer together by appointing a shared reporting line, creating shared overview.

We are working on setting and validating our long-term Science Based Target to reach Net Zero at a Deloitte NSE level and will be looking to start implementing our targets set within once validated.

Mobility
We updated our Mobility policy as of June 1, 2023 (see above under 'Policies'). In addition, we have continued the transformation of our fleet by phasing out fossil fuel powered vehicles, replacing them with fully electric or hydrogen powered cars. For standard fossil fuel leased cars however, the end date of the contract of use was set at December 31, 2025 at the latest, making it increasingly expensive for the employee to lease such a car. This approach has resulted in very few people still opting for new fossil fuel powered cars in 2023/2024.

Business Travel
We have continued to operate our Travel Policy with the aim of reducing our business travel emissions by 50% per FTE from 2019 levels. During 2023/2024, as a result of our continued focus on reducing international travel, related CO_2 emissions per FTE further decreased.

Furthermore, we have been working on enhancing our video conferencing facilities in our offices, as well as for people working from home, resulting in better virtual working experiences and allowing us to still engage in meaningful ways, but reducing the need to travel locally or internationally.

Housing
We extended a long-term lease for our Amsterdam The Edge office. The Edge is renowned worldwide for its ground-breaking sustainable design and smart technologies, which not only minimise our ecological footprint, but are also aimed to create a dynamic and healthy workspace for everyone at Deloitte. In the course of the extension, landlord Deka Immobilien and Deloitte have agreed on additional improvements to take sustainable building management to the next level and thus meet the highest future requirements, the BREEAM In Use Excellent standard, and Paris Proof. This renewal is a powerful affirmation of our collective dedication to sustainability and innovation.

Embed sustainability
Sustainability initiatives in IT
We have implemented several sustainability initiatives in IT that help us reducing our carbon footprint. We are implementing sustainable IT practices within procurement and vendor management practices. In addition, we use rechargeable accessories and USB-C adapters for iPhones made of recycled plastic. When employees leave, or hardware is retired, devices are centrally collected for reuse or recycling. We have been working towards full circularity for all hardware assets. The iPhones we use are renewed, our laptops and MFD fleet (printer and scanner devices) are EPEAT Gold certified. For data storage, we have reduced our carbon footprint by migrating solutions from our own on-premise data centres, to highly energy efficient data centres run by cloud service providers.

Sustainable renovation of our office facilities
Within The Edge we are expanding our workspace. This expansion will provide more than 400 desks and over 20 meeting rooms. The current floors will be optimised as former archiving spaces and printer rooms will be freed up, providing space for additional single focus, project, meditation and relaxation rooms. In addition, approximately 15 new meeting rooms will be realised on these floors. As part of this expansion, we calculated the carbon footprint of the office design and investigated how we can minimise our footprint by using more sustainable materials and products. We also applied this approach for the fit-out of our The Hague office in March 2023 and are embedding the learnings from that experience into our approach for The Edge.

Replacing computer monitors
In 2023, 1,369 monitors were replaced with new ones. The uninstalled monitors were sold to a third party buyer that cleaned and reused the old monitors. The reuse of these IT products implied savings on product carbon footprint of new products that, as calculated by the buyer, amount to 702 tonnes of CO_2.

Certification
We have renewed our certification under the CO_2 Performance Ladder certification scheme. The certificate and the supporting documentation is disclosed on our public website . Furthermore, we have renewed our EcoVadis assessment.

Empower individuals
We are empowering our people to be better informed about professional and personal climate change impacts through a number of activities that we highlight below.

Education and activation

We continued our engagement with the Climate Champions network to help create awareness of World*Climate* across Deloitte. This network was established in 2022 and is a platform for climate enthusiasts sharing experiences amongst likeminded people, providing ideas to leadership and helping spread information about sustainability at Deloitte. They do so, for example, by promoting the Sustainability Delivery Framework and GiKi tooling in their respective business areas. Despite our efforts, adoption of both SDF and GiKi throughout our firm can and should be further improved. The Climate Champions gather in person on a quarterly basis and are connected on an ongoing basis through online channels.

Furthermore, our people can connect internally and externally with sustainability related interest groups to expand their networks, learn about sustainability and how to integrate this in their personal and work life. Examples are the Growing Green Leaders and the Net Positive Network. Additionally, we have various online tools and learnings available to educate all our people on sustainability, including a learning catalogue, an internal website in which our people can find support towards sustainable leadership and how to deliver our work in a more sustainable way, the Sustainable Delivery Framework and GiKi Zero.

In close collaboration with the Rijksuniversiteit Groningen (RUG), we developed and offer a 2,5-day learning programme to equip our Partners and Directors with a sufficient level of sustainability knowledge to engage with clients on their sustainability journey. Last year, we conducted the third and fourth editions of this programme, training about 50 people. For the first time, we also invited clients to join the training sessions. We also held extensive CSRD trainings for senior consultants to senior managers and for partners and directors. More junior colleagues can participate in the NSE Sustainability Bootcamp, Springtij, the sustainability walking tours, the sustainability café, and the Sustainability Learning Platform or other opportunities for live learnings.

16 -20 October Global Sustainability learning week

In October 2023, DTTL hosted Sustainability learning week. In The Netherlands, we participated in this initiative by sharing the content, learning journeys and webinars. In addition we organised a screening of the documentary 'Beyond Zero' in cinema Pathe Tuschinski. 115 colleagues joined the screening, followed by sessions from leadership. The event marked the kick-off of sustainability learning week.

November Sustainability Month

In November 2024, we put the spotlight on sustainability within Deloitte Netherlands. We ran an internal campaign focusing on our sustainability activities involving both our internal sustainability efforts, sustainability client projects and sustainability collaborations with the Deloitte Impact Foundation. Throughout the month, we have posted client stories, employee stories, NSE World*Climate* updates, a Giki challenge and a message from our sustainability lead. We used our internal communication channels to reach our colleagues. In addition, we organised an exhibition about our Curacao-based Mangrove reforestation project. The exhibition was shown in our offices in Amsterdam, Rotterdam and Utrecht.

November – January: No more disposable cups

From November 2023 to January 2024, we executed an awareness campaign to phase out our disposable paper cups. The campaign's goal was to make our colleagues aware of the changes that were coming up and to motivate them to start bringing their own cup. In addition, in December we restricted access to paper cups to start making our colleagues familiar with the changes starting from January 1, 2024, the date that we removed all paper cups from our offices.

April Earth Month

In April 2024, we celebrated Earth Month at Deloitte. During this month, we ran a thorough campaign to emphasise how we are driving sustainability transformation within our organisation and beyond and teach our people how they can play a role in making lasting changes for a sustainable world. Activities included the NSE Sustainability Townhall and the Giki Earth Month Challenge. We published articles about our IT related sustainability initiatives, as well as an interview with Oscar Snijders, our Sustainability SGO.

GSC DIF day

Also in April 2024, we organised a Deloitte Impact Foundation (DIF) day for our Group Support Center (GSC) colleagues. For this Impact Day, we directed our attention towards our own internal sustainability challenges, objectives and targets. The main purpose of this day was to educate and engage as many GSC colleagues as possible on how their roles intersect with our environmental objectives, and how they can contribute to the bigger picture. Our GSC colleagues contributed to some of our objectives during workshops and activities, including further promoting the Sustainable Delivery Framework and Giki Zero and creating appealing communication outings on how colleagues can contribute to a more sustainable world.

Engage ecosystems
We are collaborating with clients, alliance partners, NGOs, industry groups, suppliers, and others to accelerate the sustainability transition.

Sustainability SGO
One of the biggest sustainability impacts we can have as an organisation is through the work we do with our clients. We have developed a sustainability SGO (previously MDM), which promotes an integrated approach to sustainability and a sustainable leadership mindset with regards to the delivery of our work with clients. We believe that the footprint of the work we do for clients in support of their transition to a more sustainable world, has increased exponentially this year.

Systemic challenges
With our clients, and through coalitions of the willing, we want to tackle and accelerate five of the most complex systemic challenges the world is facing today.

1. Accelerating the energy transition
The energy transition is one of the most significant transformations the Netherlands has seen in this generation. We are working to setting the transformation agenda and providing end-to-end support in helping clients defining and achieving their path to net-zero. Hydrogen is projected to play a key role in the future of energy. In The Netherlands, we have a global centre of excellence for hydrogen. This provides us with a key position in the energy transition globally.

2. Developing a sustainable food system
At Deloitte, we want to change how we grow, produce and consume food in the future. Our purpose is to drive the transformation of the entire food ecosystem by future proofing our clients and supporting them to align shifting nutritional needs within planetary boundaries. As part of this we are focusing on nature positive food systems, resilient & digital food supply chains, future of food production and zero food waste. We have set-up the Net Positive Network, a community of CEOs, business leaders, startups, opinion makers, experts and producers, all dedicated to revolutionising our food system and making a real difference by taking action on regenerative agriculture, food waste reduction and protein shift. This year, the Network hosted Net Positive Dinners, organised the second round of the Spring Parade (summit with 350+ young talent from the food ecosystem) and continued to operate the Young Academy (immersive learning program to become a net positive leader), to name a few activities.

3. Building a circular world
We are working to embed circularity into all industries and building sustainable and resilient supply chains. As part of our activities, we are partnering with Circle Economy Consulting, an impact consulting firm with whom we seek to drive systemic change by investigating tangible solutions and opportunities for collaboration between the private and public sectors to help analyse, shape and deliver circular solutions that deliver commercial, sustainable and societal value. For the second consecutive year we have collaborated with Circle Economy Foundation to create the Circularity Gap Report, which has provided crucial analysis and theory on the global state of circularity since 2019.

4. Nature positive business and society
Governments, clients, and competitors are taking significant actions to halt and reverse nature loss. Deloitte is committed to create a nature positive business and society throughout our own operation and business model and by collaborating with stakeholders and NGOs to increase awareness and knowledge on nature.

As part of our activities, we collaborated with WWF-NL and Rabobank on building knowledge and sharing experiences on nature-related disclosures using the Taskforce on Nature-related Financial Disclosures (TNFD) Framework. We have achieved this by bringing together industry stakeholders during three events in 2023 and continuing in 2024 with a TNFD Working Group. The TNFD working Group includes both financial service industry and corporates. Additionally, as part of our cooperation with WWF-NL, we are working on a follow-up of the "Nature is Next" research that was published in 2022. This study addresses how companies are currently integrating nature and biodiversity into their business operations. Based on the findings we will develop guidance and recommendation with practical examples, challenges, opportunities and solutions. Furthermore, we are supporting the Science Based Targets Network (SBTN) and the Accountability Accelerator with a data architecture and technology platform for validating the first science-based targets for nature, so that companies can comprehensively address their environmental impacts, first on land use and freshwater, later followed by impacts on oceans.

We have also launched a Private-Public sector Partnership (PPP) to assess biodiversity-related risks and opportunities for the financial sector. Wageningen University and Research (WUR) researchers led by Wageningen Economic Research and the Foundation for Sustainable Development (FSD) together with six private partners from the financial sector and Deloitte as lead private partner, will develop a state-of-the-art methodology for biodiversity impact assessments. The 'Biodiversity Related Risks and Opportunities to the Financial Sector' project is a groundbreaking initiative addressing a critical gap in biodiversity financing. Now, more than ever, the financial sector needs robust tools to understand and mitigate the impacts of biodiversity loss. This PPP's unique approach aligns science-based future biodiversity and financial scenarios, utilising advanced economic modelling techniques to provide comprehensive monetary estimates of biodiversity effects on the economy at the country and sector levels.

See Chapter 5.1 Nature and biodiversity for more information on our nature approach.

5. Achieving Climate Equity and a Just Transition
The transition to a net-zero economy does not impact all communities equally, and a just transition requires fairness, equity, and inclusion to be placed at the forefront of climate action. We help our clients evaluate the uneven impact of the transition, manage systemic risk, and harness opportunities to deliver value to their stakeholders.

Sustainability partner groups
Deloitte is a member of:

- Green Business Club
- UNGC, Board of Directors, and Peer Learning Groups for Climate, Human Rights and Diversity.
- MVO Nederland

Other systemic transformation networks
For the second time this year, Deloitte co-hosted the Growing Green Leaders event with three other companies. About 50 young professionals from each of the articipating companies attended the event, with the aim to better understand the challenges and dilemmas that businesses face in the context of the climate and sustainability crisis, and how they can contribute to change.

Suppliers
We are engaging with our major suppliers with the goal of having two-thirds of them adopt science-based targets for carbon reduction within five years. We are off-track for our target to reach 67% by 2025, and were on 20% in 2022/2023. We believe that the large number of suppliers to reach, their varied strategies towards carbon reduction, as well as the lengthy timeline needed to set and verify SBTs are contributing factors to our result. To regain momentum, we have increased our efforts to engage with our suppliers on this topic and are rolling out a renewed work programme to reach our target. We are actively approaching all our largest suppliers and are offering webinars "Setting SBT information for Deloitte suppliers" to educate suppliers on our expectations and the SBTi journey. We have also initiated the NSE Procurement Roundtable, which is a Deloitte NSE-wide platform on the establishment of shared sustainable procurement policies and tools going forward.

Results

We made the following considerations when determining which Scope 3 emissions are relevant to Deloitte:

Description	**Consideration**	**Conclusion**
Purchased goods and services	Is material on the basis of our spend	Included
Optional sub-category: Cloud computing and data centre services	Is part of Purchased goods and services	Excluded
Optional sub-category: Capital goods	Deloitte is asset-light hence emissions are limited	Excluded
Fuel and energy-related activities	Not applicable to Deloitte	Excluded
Upstream leased assets	We rent our offices and are not in control in most of them for heat and power	Included
Waste generated in operations	Waste generated is very low and therefore not deemed material	Excluded
Processing of sold products	We do not process sold products	Excluded
Use of sold products	We sell services and not products so not applicable	Excluded
End-of-life treatment of sold products	We sell services and not products so not applicable	Excluded
Downstream leased assets	We have no downstream leased assets	Excluded
Franchises	We have no franchises	Excluded
Upstream transportation and distribution	As we do not process or sell products, there is no upstrean transportation and distribution	Excluded
Downstream transportation and distribution	As we do not process or sell products, there is no downstream transportation and distribution	Excluded
Business travel	Business travel is a significant part of our GHG emissions	Included
Employee commuting	With over 8,000 employees, employee commuting has the potential of being a significant source of GHG emissions	Included
Financial investments	We do not have financial investments	Excluded

Table 07: Total Greenhouse Gas Emissions per scope

	Retrospective		**Base year****	
	2023/2024	**2022/2023**	**2018/2019**	**Δ previous year (%)**
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (tCO2eq)	6,668	9,042	15,046	-26.3%
% of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0.0%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO2eq)	3,900	4,174	4,921	-6.6%
Gross market-based Scope 2 GHG emissions (tCO2eq)	3,113	3,346	3,524	-7.0%
Significant scope 3 GHG emissions				
Purchased goods and services	5,547	33,318	17,244	-83.4%
Upstream leased assets	318	1,279	N/A	-75.1%
Business travel	7,293	5,832	11,889	25.1%
Employee commuting	108	N/A	N/A	N/A
Working from home	N/A	N/A	N/A	N/A
Total scope 3 GHG emissions	13,266	40,429	29,133	-67.2%
Total GHG emissions (location-based) (tCO2eq)	23,833	53,645	49,100	-55.6%
Total GHG emissions (market-based) (tCO2eq)	23,046	52,817	47,703	-56.4%

* We have selected 2028/2019 as our base year as this is the last year that was unaffected by the restrictions during the COVID pandemic and was therefore selected by DTTL as the baseyear for the World*Climate* strategy. We believe that 2018/2019 still is a valid year to measure progress against.

There is a considerable decrease in our reported Scope 3 Purchased Goods & Services emissions. These emissions are calculated by DTTL and NSE and will become final at a later date. The emissions figure we have included is based on preliminary data supplied by the DTTL team. In 2023/2024, significant data quality improvements took place, allowing for better determination of actual cost incurred for PG&S. Notably, Deloitte has transitioned to an activity-based emissions calculation methodology for contingent labour, focusing on the carbon-generating activities of contractors, such as business travel, commuting, and working from home, instead of using spend (which is also included the hourly rate charged for services delivered) as a proxy. For more detail, see the Basis of Reporting.

Table 08: Greenhouse gas intensity*

	2023/2024	2022/2023	2018/2019	Δ FY24 vs FY23*
GHG intensity per net revenue				
Total GHG emissions (location-based) per net revenue (tCO_2eq/1,000 euro)	0.017	0.039	0.051	-56.4%
Total GHG emissions (market-based) per net revenue (tCO_2eq/1,000 euro)	0.017	0.039	0.049	-56.4%

* Greenhouse gas intensity is calculated using 'Revenue' as included in the 'Consolidated statement of profit or loss and other comprehensive income for the year ended May 31, 2024' in Annex 1 of this report.

Table 09: Housing

	2023/2024		2022/2023	
Scope 1 thermal energy consumption	1,364	GJ	1,674	GJ
Scope 2 energy consumption	2,703,388	kWh	2,790,557	kWh
- renewable sources	2,398,693	kWh	2,457,724	kWh
- non-renewable sources or unknown	304,695	kWh	332,833	kWh
Scope 3 energy consumption	9,543,519	kWh	9,668,080	kWh
- renewable sources	8,280,943	kWh	5,422,284	kWh
- non-renewable sources or unknown	1,262,576	kWh	4,245,795	kWh
Specific electricity consumption	115.34	kWh/m2	110.0	kWh/m2
Specific thermal energy consumption	0.23	GJ/m2	0.242	GJ/m2

* We have restated our Housing data for 2022/2023 as a result of the introduction of an improved and more accurate methodology. The numbers reported in this table better reflect the energy consumed in our offices.

Table 10: Mobility

	2023/2024		2022/2023	
Number of lease cars	3,781		3,409	
- electric cars (incl. plug-in hybrids)	2,444		1,725	
Total kilometres travelled by leased cars	105,475,890		122,656,112	
Total emissions fossil fuels (Scope 1)	6,585	t	8,957	t
Total emissions electric cars (Scope 2)	3,086	t	3,315	t
Total kilometres travelled by air	21,052,928	km	22,163,371	km
Total emissions air travel (Scope 3)	6,173	t	4,800	t
Total emissions air travel per FTE	793.6	g CO2/FTE	622.8	g CO2/FTE
Total hotel nights	36,313		35,910	
Total emissions hotels (Scope 3)	1,115	t	1,002	t
Total kilometres international rail travel	909,368	km	8,736,978	km*
Total emissions international rail travel (Scope 3)	5	t	30	t*
Total kilometres employee commuting	13,443,132	km	N/A	km
Total emissions employee commuting (scope 3)	108	t	N/A	t
Total mobility related CO2 emissions	17,071	t	18,104	t
Total mobility CO2 emissions intensity	121.2	g CO2/km	117.9	g CO2/km

*The 2022/2023 figure includes national rail. In 2023/2024 national rail is included in Employee commuting.

Going forward
The firm recognises that there are currently no performance-related metrics for climate in place outside the Executive Board . In addition, an internal carbon pricing framework has not been set. However, in close cooperation with DTTL and NSE, the implementation of such policies and frameworks are being considered for future reporting periods.

Mobility
As described above, by December 31, 2025, all lease contracts for fossil fuel leased cars will have ended and we will meet our target of a 100% electric fleet. We do, however, note that the traceability of the power sources used for our electric cars is limited. We will be working on increasing traceability for types of energy used for our electric cars going forward with the goal of increasing the share of renewable energy in the electricity mix that powers our fleet.

Business Travel
We will further evolve in our business travel monitoring activities, enhancing our reporting against target with leadership in the coming reporting year. This will enable us to manage and steer our business travel related emissions more accurately, ensuring that we will continue to stay within a 50% reduction compared to our base year on the longer run. We also aim to facilitate monitoring of engagement related emissions.

Housing
We will end the lease in Eindhoven and move to a new non-gas office by the end of 2025.

IT strategy
We are looking into the potential IT related sustainability challenges for the future. One example is how Deloitte plans to deal with AI on a sustainability level. AI uses a significant amount of data, making it energy-intensive to host. We are investigating the impact of AI on total energy consumptions and how to mitigate a possible increase of emissions in our supply chain.

Procurement:
We will work to enhance environmental and social outcomes through our procurement practices. We plan to adopt and implement a responsible procurement policy to help us meet our business needs in a manner that delivers on our World*Climate* objectives and actively contributes to tackling the broader environmental and social challenges we collectively face.

2.2 Other environmental information

In this section, we disclose information about our generation and disposal of waste. We choose to do so because there is a clear connection between carbon emissions reduction and the prevention and recycling of waste. Although we do manage waste, we have not set targets for reduction or recycling yet as we do not deem our impacts as a result of waste management to be material at present.

In terms of activities, we have implemented our reusable cup strategy in January 2024. This means that we no longer use single paper cups in the Deloitte offices. This change is a positive step for the environment that aligns with the Deloitte sustainability strategy, as well as the Single Used Plastic (SUP) legislation. People are bringing their own reusable cups and for visitors we provide either porcelain/glass coffee cups, or the sustainable Huskee cup. To date, we have saved about one million paper cups and prevented over 4,000 kg of waste.

We have also reduced the number of printers available in our offices by 35 devices (from 105 to 70), a reduction of 33% and we have rolled out the printing campaign "Think Green, Keep on the Screen." This campaign aims to reduce our overall print volume, reminding our employees to print only when needed. This campaign has been rolled out in our Dutch offices.

Table 11: Waste

	2023/2024	2022/2023
Total waste generation	206 t	211 t
- waste offered for recycling	58 t	59 t
- waste offered for landfill	0 t	0 t
- waste offered for incineration	148 t	152 t
- hazardous waste	0 t	0 t
Waste recycling as % of total waste	28 %	28 %
Waste intensity per turnover	0.00015 t/€1,000	0.00016 t/€1,000

3. Social impacts

Introduction

This section covers the effects, risks, opportunities, governance, policies, actions, and results of Deloitte's identified material social impacts (refer to page 132 for a summary of our material impacts). Unless otherwise indicated, the information in paragraphs 3.1, 3.2, 3.3 and 3.4 pertains to all people in our own workforce.

With almost 8,200 people in Deloitte's own workforce, managing our social impacts is not a simple task.

Table 12: Employee head count in 2023/2024

	Male	Female	Other/Non-disclosed	Total
Deloitte Netherlands	4,614	3,496	N/A	8,110
Deloitte Dutch Caribbean	32	54	N/A	86
Total	4,646	3,550	N/A	8,196

Table 13a: Employees by contract type, broken down by gender (head count) in 2023/2024

	Male	Female	Total
Permanent employees	4,165	3,032	7,197
Temporary employees	481	518	999
Non-guaranteed hours employees	N/A	N/A	N/A

Table 13b: Part-time and full-time employees by region and gender (head count) in 2023/2024

Region	Female	Male	Total
Netherlands	3,496	4,614	8,110
Full-time	2,624	4,086	6,710
Part-time	871	528	1,399
Dutch Caribbean	54	32	86
Full-time	42	32	74
Part-time	12	1	13
Total	3,549	4,646	8,195

Table 14: Employee turnover

	2023/2024	2022/2023
Headcount	1,266	1,054
Turnover rate	15.5%	12.9%

Next to the 8,196 direct employees listed above, Deloitte also uses contractors. Most of the contractors that we use are independent specialists who contribute their knowledge and experience to our service delivery to clients. In addition, and on a much smaller scale, we also hire support staff through Dutch employment agencies. In 2023/2024, contractor and agency workers' hours for Deloitte excluding DDC amounted to 834,484 hours, the equivalent of 453.5 FTE based on 1,840 hours per FTE.

Our Global Principles of Business Conduct define our behaviours, including on how we approach each other within Deloitte. They contain provisions on many areas relevant to our social impacts, such as respect, diversity and fair treatment, and professional development and support. They equally apply to our own workforce and to contractors and staff hired through employment agencies.

There are no collective bargaining agreements that pertain to employees of Deloitte. For social dialogue, we have a Works Council next to other forms of employee engagement, such as focus groups, surveys and one-on-one conversation. The Works Council of Deloitte represents the interests of Deloitte employees during discussions with the Executive Board. For topics related to, for example, privacy legislation or working conditions, the Executive Board seeks approval from the Works Council. Our CHRO is responsible for dialogue on employment matters.

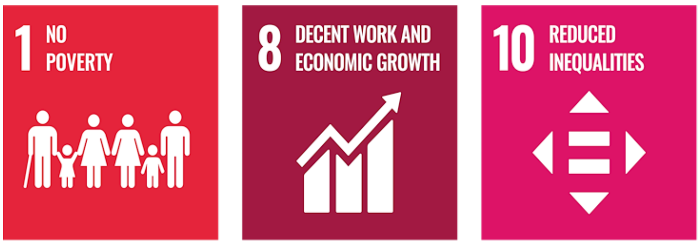
3.1 Employee value proposition

Impacts, risks and opportunities
For many of our people, Deloitte is the starting point of their career. On an annual basis, some 1,000 students and young graduates are given the opportunity to join our firm as practitioner, working student or intern. Through learning on the job, teaming, and continuous training and education, we facilitate both personal and professional growth.

Our people work on a wide variety of assignments with both emerging and leading local and international companies, as well as government and public sector. We believe that making an impact by helping clients solve complex challenges provides our people the opportunity to further develop, which in return strengthens their sense accomplishment.

During their careers at Deloitte, our people are offered a growth path that can eventually lead to them becoming a partner or director in the firm. At the same time, many of our colleagues find their way to successful and rewarding positions outside Deloitte. We believe that the insights and experiences gained at Deloitte over the years can be leveraged in their new job environment, creating a positive impact on their employer's organisation and business environment.

The Strategic Impact Assessment that we commissioned in 2023, identifies Employee benefits (which are part of our EVP) as one of the largest positive social impacts. Naturally, there are also financial risks associated with our Employee Value Proposition. The main risks are that – if we fail to get it right – we will not be the employer for all. That can lead to undesired turnover, reduced employee engagement, reduced impact on society, clients and people, lower productivity (profitability), and challenges in recruiting qualified and ambitious new colleagues. The opportunities are the reverse of our risks: doing things right will lead to higher levels of retention, a more beneficial impact on society, clients and people, higher employee satisfaction and engagement, higher productivity (profitability) and good recruitment practices.



Governance
As at June 1, 2023, Deloitte NL adopted a new Talent strategy:

1. Execution of Strategic Workforce Management: Drive the organisation to build a future-ready workforce with the right capabilities and the right mixture of local staff, contractors and Global Delivery Network staff. These teams enable our organisation to be agile and serve our clients in the best possible way. This also implies that we need to diversify our Employee Value Proposition to accommodate the new mix in our workforce and to be considering AI innovations.

2. Build a diverse Talent Base: Have a fair representation of gender and diversity parameters (such as LGBTQ+, neuro and cultures) across our workforce at all levels to meet the expectations of clients, demands from our talent and to deliver optimal quality.

3. Foster an inclusive culture: Create an inclusive and psychologically safe culture and build the required people leadership capabilities in our entire workforce.

4. Develop our (future) leaders: Enable our workforce at all levels to develop and show necessary people leadership capabilities (informed by the 3Cs: compassion, curiosity and courage,) to effectively collaborate and lead a diverse workforce. This will make an impact on our people, clients and society.

5. Operationalise a clear purpose ambition: Drive our leaders and employees to embed a purpose driven mindset in their daily work. In addition, create consistency in our story, style and substance as an organisation that makes a sustainable change.

6. Optimise the use of the Global Delivery Network: Fully integrate the Global Delivery Network in the way of working to improve our delivery capability and capacity, increasing our profitability.

Execution of the strategy falls under the responsibility of the CHRO. Enablers to the execution of the strategy are:

- HR Technology: Replace our HR Technology systems and therewith realise a future-fit integrated digital HR solution, offering a seamless employee and manager experience from hire to retire, ensuring efficient and cost-effective solutions;
- The Quantitative Organisation: Use quantitative data analytics and digital innovations to advice the business and have the best technology in place;
- Our Support Ambition: Continuously develop ourselves on the four behavioral building blocks of our Support Ambition (1. Collaborate towards success, 2. Great place to work with innovative mindset, 3. Proactively customer centric, and 4. Responsible end-to-end) to become the best 'professionals for professionals'.

The Talent / HR ambition 2023-2027 is to support Deloitte NL to become the preferred employer for all by being a Trusted Partner. To become the preferred employer for all, we are committed to our Employee Value Proposition.

Policies
The Employer Value proposition consists of three key elements:

Passion for Purpose ⇒ Experience a purpose our people can believe in, and an impact they can see (aligned with the Shared Values: Lead the way / Serve with integrity / Collaborate for measurable impact).

Be the True You ⇒ Experience the freedom to be yourself (aligned with the Shared Values: Take care of each other / Foster inclusion / Collaborate for measurable impact).

Never Stop Growing ⇒ Create a development culture that enables our people to drive growth & development, and offer suitable learnings (aligned with the Shared Values: Lead the way / Take care of each other).

The EVP is supported by the Employee Ambition, that consists of seven elements:

1. Meaningful and challenging work
We approach this from multiple angles. We try to understand what is meaningful to our employees, like work that is challenging but also has a social purpose and a greater meaning. In addition, we articulate the impact of a project or client. We are actively asking our employees about their experience after finishing a project. Did they experience the project as meaningful and energising?

2. Supported performance
Our performance management cycle is designed to have a fair and transparent performance experience for our talent. We want to maintain a culture that supports our people in achieving their full potential by focusing on their strengths. Our ongoing approach to performance is designed to give our people a better career experience, moving away from annual appraisals to regular conversations that provide continuous feedback and support throughout the year. In addition, our people should feel they have purpose, they belong and can learn, develop and grow every day. We aim to achieve this by supporting our people through ongoing coaching and creating opportunities for them to identify, use and build on their strengths. Our employees have a coach who is responsible for supporting colleagues to identify, grow and leverage strengths, and work towards their long-term career goals. The team leader is responsible for the performance and general wellbeing of the people who work for them.

In order to recognise the performance as delivered throughout the year, we assess several performance indicators including how our Shared Values have been observed in the performance as demonstrated. Our Shared Valued articulate the expectations we have towards one another and define how we, as stewards of Deloitte, should behave. They provide common ground to unite us across cultures and geographies, and importantly, they help us to earn the trust and respect of our key stakeholders.

Performance indicators track the performance shown towards qualitative and quantitative goals as set by the Business, which are linked to strategic objectives, such as impacts on projects, quality, finance and talent.

3. Positive work environment

We aim to have an inclusive, flexible and professional working environment. We do that by acting along guidelines like:

- We connect in person when it matters;
- We provide inspirational collaboration & meeting spaces
- We make good use of virtual working, in an inclusive way;
- We leverage innovative, collaborative technologies;
- We prioritise well-being;
- We travel and commute less, to reduce our carbon footprint;
- We trust employees to decide where tasks can best be

To advance these principles, we offer various tools to facilitate employees working from several locations. Work location guidelines are applicable to help employees make the right decision in choosing their work location. In general, we encourage our employees to work from home on average for two to three days per week. We encourage flexibility because it supports our employees in finding a better work-life balance and reduces CO2 emissions from commuting to the office or other locations.

4. Wide ranged development and growth opportunities
We offer continuous learning and development opportunities with varied career options supported by talent mobility.

Leadership and professional development are about continuous learning, not only through formal education, but also through environment, experience and exposure. We provide our colleagues with multiple learning options, so they can adjust their very learning journey based on their personalised needs and preferences. We offer and support cross-border collaboration and provide access to international developmental opportunities.

With the growth portfolio (GP), the Team Member has the opportunity to create and communicate performance objectives, career aspirations and plan for development. In the development part of the GP, the Team Member considers the applicable talent standards and identifies the capabilities they would like to develop during the financial year.

In the future development part, the Team Member describes their career aspirations and the support they need to fulfil this aspiration. The learning catalogue helps to navigate to the required learnings.

Several times per year, our employees have a conversation with their Coach on the basis of their personal growth portfolio. The coaching conversation is an essential part of future development and helps employees to drive their performance and development. The coach helps to identify and develop areas of strengths, connects feedback, and examines and understands the context of the performance and development.

To excel and find fulfilment in their roles, Team Members must gauge their influence and goal attainment within the workplace. Direct feedback is crucial for this insight and serves as a key learning tool. Engaging in both giving and receiving to-the-point feedback encourages personal development and propels Team Members to realise their utmost capabilities. We've implemented the My Feedback tool to enhance this process with comprehensive 360-degree feedback, which is integrated into the Growth Portfolio. This tool is designed exclusively for professional growth and is not tied to evaluations for rewards or performance, ensuring its use is focused purely on the individual's advancement.

Please see paragraph 3.3 below for an overview of our approach to Learning and Development.

5. Recognised and rewarded impact
Deloitte values a culture of recognition with fair and transparent total reward. We have put in place a reward programme that contains various reward elements, such as salary, allowances, variable pay, and benefits. In addition, our rewards package contains several provisions to promote wellbeing and connection in the broadest sense. Possible increase of base salary is dependent of individual development, whilst variable pay is based on performance.

Every year a benchmark is performed to compare our salaries within the other Big4 firms. As a result of this benchmark, on an annual basis, we determine what our minimum and maximum bandwidths are per job grade and per reward group.

6. Health and Well-Being

Next to physical health, mental and financial health and wellbeing are prioritised, and individuals are supported to be themselves. Please see paragraph 3.4 below for an overview of our approach to Wellbeing.

7. Leadership is trusted and transparent
We believe that leadership should be authentic, inspiring and inclusive, with open and honest communication.

Activities in 2023/2024
Throughout 2023/2024, Deloitte's HR organisation remained steadfast in its commitment to fostering employee growth, enhancing performance, and refining organisational culture. Highlights of our activities include:

Talent Acquisition and Development | In addition to recruiting new talent, significant emphasis was placed on nurturing the performance and development of our existing colleagues and leaders. Through targeted initiatives and personalised development plans, we aimed to unlock the full potential of our workforce.

Continuous Improvement | We remained vigilant in fine-tuning our policies, processes, and organisational culture to align with our Employee Value Proposition (EVP) and Employee Ambition objectives. This ongoing refinement ensures that we create an environment where employees can thrive and excel.

Enhanced Onboarding and Offboarding | We made efforts to optimise the onboarding and offboarding experiences for employees, streamlining processes and enhancing the overall journey from entry to exit.

Measuring Engagement and Employee Ambition | To gauge employee sentiment and aspirations, we conducted three comprehensive surveys throughout the year, capturing insights from the entire workforce. This valuable feedback informed our decision-making and strategic initiatives.

Feedback Tool Development | Recognising the importance of feedback in driving growth and development, we began developing a new feedback tool. This tool goes beyond traditional downward feedback, enabling upward and peer-to-peer feedback exchanges. Starting from 2024/2025, this tool will play a pivotal role in our performance evaluation process.

Digitise Project | As part of our digital transformation journey, we initiated the Digitise project aimed at replacing various HR systems. We commenced with the implementation of Assignment Pro and Service Now HR, while also exploring options for transitioning to SuccessFactors. Additionally, the agenda includes the digitisation of payroll processes and employee document management systems

These activities represent just a snapshot of our efforts throughout the year. Our HR organisation remains dedicated to empowering our employees, driving performance excellence, and shaping a culture of continuous growth and innovation.

Results
Throughout 2023/2024, Deloitte has remained an attractive employer for graduates. Among business students, we are even ranked #1 in the Universum's Employer Rankings (2022/2023: #2). For STEM students we rank #17 (2022/2023: #15 calculated on the basis of their new definitions).

Table 15: % of employees receiving regular performance & career development reviews*

	2023/2024	**2022/2023**
Total	92%	90%
By gender	**2023/2024**	**2022/2023**
Male	91%	89%
Female	92%	91%
By category	**2023/2024**	**2022/2023**
Directors	62%	57%
Senior managers	90%	87%
Managers	93%	92%
Aspirant / jr. managers	95%	94%
Supporting staff	88%	86%

* Our partners are not part of the regular performance cycle. For partners we maintain a performance management system that is also used to determine their annual profit share and that takes into account such aspects as quality, integrity, inclusive leadership, commercial performance and relationship management. Because partners have their own performance cycle, and do not define as 'employees', we have restated our results for 2022/2023.

Allthough we aim to have 100% of our employees receive regular performance and career development reviews, mainly due to employee turnover throughout the year, we will never achieve this. As a result we believe our EVP as such not to be suitable to establish targets. We track the effectiveness of our EVP mainly through engagement, such as dialogue with our Works Council and the outcomes of our Engage for change surveys.

3.2 Diversity, equity and inclusion

Impacts, risks and opportunities

The imbalance in gender diversity has a negative systemic effect on our social impact ambition. For Deloitte, however, diversity, equity and inclusion (DEI) go beyond gender diversity. We aspire to be a company where everyone can be their authentic self and fulfil their potential, and to be a diverse and inclusive organisation: diverse in reflecting the clients and society we serve, and inclusive for all our employees and partners regardless of their gender, cultural background, ethnicity, age, sexual orientation, gender identity, neurodiversity or disability.

Until we reach this desired level of DEI, we are exposed to many risks, including but not limited to financial risks. The main risks associated with a lack of diversity for us are:

1. Sub optimal decision-making due to lack of diverse perspectives and monocultural bias (systemic risk);
2. Lack of talent attrition, because diversity is increasingly seen as a measure of an attractive employer by all groups in the labour market (individual risk);
3. A possible mismatch between our clients' teams and Deloitte teams leading to blockages in cooperation and missed opportunities as we face more diverse competitors (incidental).

We also see opportunities in reversing the identified risks. We believe in the business case for DEI. Welcoming diversity and enabling colleagues to thrive, enables Deloitte to leverage the well-researched and recognised business benefits of DEI.

According to our insights, organisations with a diverse talent base and inclusive cultures:

- are 35% more likely to outperform their competitors;
- are 70% more likely to capture new markets;
- see a 59% increase in innovation;
- are 6% more likely to see increased profitability and productivity;
- generate 3 times more cashflow per employee.

Governance

Over and above our moral obligations and the business benefits of DEI, we have a corporate responsibility to address the growing inequalities that are destabilising society. The Global SDGs challenge us to use our corporate position to influence the socio-political and corporate landscape within the Netherlands by challenging government, our clients and supply chain to reflect the vision of DEI we adhere to.

It is our mission to have an inclusive workplace and diverse talent base by 2027. To this end, we need to change our culture. We take a holistic and systemic approach, where DEI is fully integrated across the organisation's internal and external business and talent processes. After spending decades on putting targets in place, facilitating employee resource groups, organising bias trainings and implementing inclusive leadership programs, we now expand our efforts by:

- Focusing on data and measurement to have better insight in the representation of different groups, understand our employee experience, and measure progress;
- Holding our leadership accountable to be inclusive and to be leaders who are courageous, curious and compassionate;
- Fostering psychological safety to create a culture where people feel free to speak up and be themselves;
- Changing the system to allow a broader definition of success. Culture may seem to be all about people, but it's the policies and processes that drive their behaviour. Changing culture therefore takes time, strategic choices and bold moves.

With a committed Executive Board and Executive Committee, we believe in shared ownership and boosting entrepreneurship. Not only leadership, but all our colleagues play a role in a successful DEI strategy. Therefore, we encourage our talent base to speak up about DEI in keynotes, roundtable discussions, initiate internal activities and provide (upward) feedback. These gamechangers advocate DEI from intrinsic motivation, regardless of their job level or business unit. Next to that we have a strong and committed DEI governance model, with councils and ambassadors, contributing their time, energy and knowledge on a structural basis. Within Deloitte Netherlands we have five internal DEI Employee Resource Groups: Deloitte Women's Network, Neurodiversity Network, Proud at Deloitte, Cultural Diversity Network These groups provide valuable feedback and input on our progress and are a crucial voice to co-create an equal system.

This governance structure is led by our CEO and the Executive Board, and includes:

- Business Leads who are responsible for driving, amongst other initiatives, our gender diversity targets within their Business, and holding partners accountable for promoting Inclusive Leadership;
- DEI Ambassadors who are, both within the business and our DEI Councils, responsible to set and execute a Business specific DEI plan, aligned to our corporate ambition;
- Employee Resource Groups, including the Deloitte Women's Network, Proud (LGBTQ+), Neurodiversity Network, the Cultural Diversity Network and our Young Board, who represent the employee voice, and provide subject matter guidance of topics relevant to their target audience;
- A dedicated central DEI Team committed to setting and executing a companywide DEI strategy and plan, by working in close collaboration with all relevant stakeholders.

Policies
To support our DEI objectives, we have implemented several inclusive policies. Key to an inclusive culture is how these policies are being promoted and implemented.

Proud Parent Programme
Becoming a parent is an exciting new chapter in life with a lot of new experiences. We have multiple provisions for parents to help them adjust their working life to the new private circumstances.

The Panel and Proposal Promise
The Panel and Proposal promise commits to having a mix of 40% men, 40% women and 20% of an underrepresented group on speaker panels for internal and external events, and the same mix within the proposal team for must-win bids.

Flexible Public Holidays
The freedom to swap one or two designated public holidays for holiday(s) that have meaning to our employees' religious beliefs and/or cultural background, or another day that is important to them.

Gender Transition Support Policy
We recognise that not every individual identifies with the gender that they were assigned at birth and that for some, this may result in the decision to transition. At Deloitte, we want to support colleagues through this significant period in their life and our gender transition support policy has been designed specifically with this is mind.

Activities in 2023/2024
This fiscal year Deloitte drafted a new four-year strategy "strong roots reach far". One of the five pillars of this strategy is being a "preferred employer", defined as building a diverse talent base, fostering an inclusive culture and developing future and inclusive leaders.

We have developed three strategic quantitative KPIs to measure progress:

- Build diverse talent base & strategic workforce planning, gender balance targets for manager up;

- Inclusive culture by employee recognition questions via NPS in our engage for change survey;
- Develop (future and inclusive) leaders by Employee recognition questions via NPS in the engage for change survey.

The focus for 2023/2024 has been on (re)activating our organisation on these DEI pillars via a data driven approach and a DEI communication plan. This included continuing to raise awareness and facilitate open dialogues among our people and leaders through initiatives such as reverse mentoring and our DEI curriculum.

We realise though that inclusive leadership sometimes means challenging the status quo or holding colleagues accountable, and this can be hard if psychological safety is lacking. Moreover, people of underrepresented groups can feel included and still don't feel safe to be different, contributing or challenging ideas. This is why we continued embedding psychological safety as a strategic pillar to our DEI approach.

This year we've put our ambitions into practise by:

- Data driven DEI steering: Quarterly monitoring and accountability with DEI scorecard. Implementation of diversity dashboard to have more evidence-based insights translated into knowledge;
- Holistic approach towards fostering an inclusive culture: All Manager up completed the inclusive culture training programme, new Psychological Safety interventions available for all, and a renewed feedback culture;
- Develop future leaders by having the 3C awareness programme, and 3C learning and programmes for people roles in place, integration of the SCARF model;
- Renewed gender balance approach, including a new succession planning for senior leadership roles;
- Debiased and inclusive Talent and Business processes by analysis, practical interventions and training, results. We've introduced a new talent acquisition tool 'neurolympics', in order to debias our talent acquisition systems.

We have embedded DEI in our event management processes in line with our Inclusive events guide and Panel and Proposal Promise.

Results
We acknowledge that we are at a critical point of our DEI journey, where changes are being experienced by colleagues throughout the organisation. This has resulted in positive initiatives, such as our reversed mentoring programme and the successfully organising monthly DEI related internal and external events around different themes.

However, we also recognise that some individuals in the 'majority' population may have questions, feel isolated, or hindered by our DEI agenda (ethics surveys). It is important to address these emotions to enhance colleagues' understanding of the importance of DEI and what it means for them as individuals. DEI is about everyone, not a specific demographic group.

Although for Deloitte, diversity goes beyond gender, in line with the CSRD Standards, we monitor gender equality to ensure progress also in this area.

Table 16: Employment by age in 2023/2024 (average for financial year)

Category	Headcount	Percentage
Under 30 years old	3,675	44.9%
30-50 years old	3,816	46.6%
Over 50 years old	704	8.6%

Per May 31, 2024, our Executive Board consisted of two men and one women (33%). Our Supervisory Board included three men and two women (40%), meaning that top management consisted of three women (37.5%) and five men. On the basis of headcount, 33.2% of leadership roles (manager and above) were filled by women and 23.8% of our partner population is female.

Gender Pay Equity Analysis

Deloitte is committed to ensuring gender pay equity across its global network, aligning with our core values of fairness, equality, and diversity. In 2022/2023, Global Talent implemented a refined analytical methodology, utilising a multi-variant regression model, to scrutinise gender pay and performance bonus disparities. The analysis, specifically designed to compare employees performing very similar or identical roles, indicated no statistically significant gender pay or performance bonus disparities in the previous year. This underscores our effective strategies and zero-tolerance policy towards gender pay inequity.

Furthering our commitment, Deloitte includes a comprehensive pay equity analysis in this Integrated Annual Report in compliance with the European Sustainability Reporting Standards (ESRS). This standard mandates detailed disclosures on social and employee-related matters such as pay equity, fostering transparency and accountability. This rigorous analysis not only helps Deloitte address potential pay disparities, but also reinforces our reputation, supports strategic decision-making, and bolsters our efforts to attract and retain a diverse and skilled workforce.

Methodology
Despite the reported unadjusted pay-gap of 14.3%, it is essential to note that this figure alone does not reflect the full scope of gender pay equity within Deloitte. According to our data analysis, the pay-gap is caused by an underrepresentation of women in higher job grades—an issue we are actively addressing as part of our strategic objectives.

As demonstrated by the analysis performed by DTTL in 2022/2023 and in line with our own insights, employees of all genders, performing comparable jobs and having similar tenure within their job grades, receive equitable compensation.

To improve female representation across various levels within the firm and ensure equitable pay, Deloitte employs several strategic measures. These include targeted recruitment policies, career development programmes, leadership training, and mentoring initiatives specifically designed to enhance gender diversity in higher job grades. We will take immediate measurement to close pay gaps

Deloitte's proactive approach in addressing and auditing gender pay equity exemplifies our dedication to not only meeting regulatory requirements but also setting a benchmark in corporate social responsibility and workforce diversity.

In addition to the gender pay-gap analysis, we have also performed an analysis of the compensation ratio as defined by ESRS. Within Deloitte, this ratio currently stands at 23.9.

Going forward
In 2024/2025, we will continue to build a talent base that is representative of society, creating access to equal opportunities for everyone, and work towards a culture where everyone can be their true selves. We will do this via a data driven approach amongst others through increased monitoring of the diversity of our employees, and our gender targets. In the upcoming years, we want to move from a programmatic level to a leader-led and integrated level of DEI, via Bersin's DEI Maturity model. This means focusing on leadership accountability, behaviour and training, and addressing systemic barriers in the next financial year. We maintain our focus on a sustainable gender balance, drive further progress in embedding our plan into daily practice by fostering psychological safety, pay special attention to unconscious bias and inclusive leadership, and implement inclusive processes and policies.

3.3 Learning and development

Impacts, risks and opportunities

Deloitte is a knowledge rich firm. The value we create is driven by our talent, using their intellect. We acquire knowledge and experience by recruiting top graduates and experienced hires. To be able to offer outstanding value to our clients, we further develop their knowledge and skills, and aim to keep our talent's skills and knowledge up to standards through our formal and informal learning curriculum. We actively share our insights to elevate public knowledge and understanding of the complex challenges that we work on. By engaging in continuous learning, our professionals are able to develop themselves further, advancing their careers and strengthening their employability, elevating their impact.

Deloitte relies on renowned academic institutions to educate our future and current professionals and business leaders. Our external investment in learning and development amounts to €2.1 million. In addition to the time spent on learning activities by our people, the organisation invests an additional €11.9 million in leader led learning & development interventions. These costs help our employees develop and prepare them for their future careers within or outside Deloitte. From our Strategic Impact Assessment, we know that the social impact from our learning & development activities is significant, making it a material topic. In addition, we see it as our role to participate and actively contribute to the academic world and lead the debate:199 of our professionals are internally registered to hold additional positions in universities and colleges.

Knowledge is not only a key input for our business model, but it is also a key output. As an organisation, we partner with knowledge centres on a variety of complex topics. Examples of such partnerships are our associations with Singularity University Eindhoven and Nyenrode University Breukelen. Through our partnerships, we are able to further develop content that is mutually beneficial to both the universities involved as well as for Deloitte.

Through our 'Future of' agenda we create ecosystems to which we input our knowledge and insights for the benefit of our clients and society at large. Frequently, we publish in-depth articles to enrich public knowledge around current themes. Recent examples of such articles are our publication "Food and Energy: Addressing sustainable goals together" and a series of articles on decarbonisation of transport.

Deloitte actively participates in knowledge groups such as the Knowledge Group on Environmental Taxes of the Dutch Tax Authority and Dutch Association of Tax Advisers (de Nederlandse Orde van Belastingadviseurs or NOB). Furthermore, we cooperate with universities to jointly develop and transfer valuable academic insights to our client base.

In addition to the impacts described above, we have identified several financial risks associated with learning and development. The main risks that we have identified are:

1. A failure to meet statutory demands for specific groups of professionals;
2. Insufficiently trained workforce to execute increasingly complex client challenges which can lead to missing opportunities;
3. Learning curriculum not up-to-speed in incorporating the latest insights and responding to changes in market demand.

Through our governance and activities, we actively mitigate these risks. Apart from risks, of course there are also opportunities associated with learning and development. To us the main opportunity is that in our experience, a high level of training leads to increased quality and productivity, leading to a significant financial impact.

Governance

The Learning & Development (L&D) team, that falls under the responsibility of our CHRO, consists of almost 30 employees organised in business and cross- business teams assisted by two FTEs from our Global Delivery Network (GDN). We collaborate with many stakeholders, such as Deloitte University EMEA, NSE Learning Team, the Global Learning teams (per Business), local Talent teams and Business stakeholders and external vendors.

In our vision, learning is a continuous development approach that comprises formal education, environment, experience and blended-learning opportunities. 'Never Stop Growing', an important pillar within our Employee Value Proposition, underlines the importance of offering continuous learning and development opportunities with varied career options supported by talent mobility for our professionals.

Our vision is to grow leaders for the future, build world class capabilities for maximum client impact and consistently deliver an exceptional development experience for our people. The opportunity for the future is to improve the impact on our client engagements, to enhance the talent experience of our professionals and optimise learning investments and resources.

Deloitte University is one of the most visible and tangible investments in our people, a powerful lever to help deliver Deloitte's global strategy. A cornerstone of our culture, supporting our shared purpose: to make an impact that matters on our clients, our people, and society. Among seven Deloitte University facilities around the globe, Deloitte University EMEA (Europe, Middle East and Africa) was launched in 2013 with a vision to continuously create an exceptional and memorable development experience to grow our people for undisputed leadership in the marketplace. A new facility has recently been opened just outside Paris. It is a bespoke building consisting of 260 bedrooms and over 22,000m2 dedicated to learning, development and networking. The facility welcomes up to

500 daily delegated in contemporary, light-filled space inspired by the communal spirit of historic European town squared. The latter has been developed in close collaboration between Deloitte, the architect, and the developers and with sustainability and biodiversity in focus. It is a long-term investment in our people and our ability to deliver outstanding services to our clients. The facility is targeting BREEAM 'Excellent', WELL Building 'Gold' and BiodiverCity 'Excellent' with an AAAA score.

As stated in our vision, we are passionate about empowering our people through a culture of continuous learning. Our latest employee learning culture survey sparked a transformation of the digital learning experience at Deloitte through which we have launched business-specific learning paths, each tailored to our professionals' level and team. This has provided our professionals with the clarity and structure that they indicated to require from the organisation to be successful.

Our learning technology ecosystem has undergone an innovative redesign, optimising our usage of SBX and Cura as our global learning platforms, creating an intuitive and tailored learning experience. The new experience ensures our people not only fulfill their mandated training requirements but also are recommended development opportunities to advance the skills required for their roles and which are pivotal for their success in our ever-evolving professional landscape.

Looking ahead, Deloitte is excited by the prospects of generative AI and will initiate experiments and pilots to further personalise the (digital) learning experience at Deloitte.

Policies
Our guiding principles and policies are key enablers in the achievement of the aforementioned vision, strategies and ambitions. As a knowledge-intensive organisation, we firmly believe in knowledge-sharing amongst our professionals and leaders through our Leader Lead Principle. Thus, most of our learning and development interventions are facilitated by our own professionals, showing not only the highest level of knowledge mastery but also sharing their unique Deloitte perspective. We also recognise, however, that in certain cases our professionals may benefit from a different perspective and invite external experts and speakers to inspire and challenge our way of thinking.

Our delivery methods policy on the other hand is rooted in the right mix and balance of modalities; offering best in class online and digital learning whilst capitalising on the moments that matter during live-in-person session. Depending on the learning outcomes and experience required, these sessions may be facilitated at one of our offices or our new Deloitte University EMEA Facility in Paris. In accordance with our location and venue policy, these are the preferred locations, yet other venues or third-party locations may also be used as long as these comply with our sustainability criteria.

In the design and curation of learnings, the L&D team is guided by the Deloitte's Continuous Learning Model. This model divides learning experiences into the following four contexts: Education, Experience, Exposure and Environment. These contexts are carefully implemented in the learning journeys of our employees. In addition, our model classifies the learning needs into the three major learning journeys for our employees:

- Immediate: performance support and other tools for point-of-need learning;
- Intermediate: current job development and competency expansion
- Transitional: development of skills and relationships that will help to meet long-term business goals.

Additionally, we are in the process of exploring the transition to a more skills-based organisational approach.

Deloitte makes a considerable annual investment in the external (professional) education of our employees and leaders through our Study Facilities Scheme. This policy provides Deloitte employees with the opportunity to receive study- and time budget required to participate in development programmes of renowned (academic) institutions.

Learning culture
Serve with integrity is one of our shared values and non-negotiable in the culture we nurture. In light of the current investigation into our internal learning culture, we want to emphasise that integrity extends to how seriously we take our professional development, our learning programmes and related assessments. Moving forward, our goal is to significantly enhance our learning culture. We foster an environment of integrity and open communication within a performance-driven organisation. This involves embedding cultural and change interventions into daily activities, with a focus on continuously improving our learning environment. At Deloitte, learning and growth are fundamental. The curiosity of our professionals, combined with a commitment to integrity, drives our efforts to redesign and elevate our professional learning environments.

Activities in 2023/2024
The Learning & Development team had several strategic ambitions supporting our Employee Value Proposition, specifically Never Stop Growing:

- Improving our Learning / Development / Growth culture to support the Employee Value Proposition.
- Improve the learning experience supporting the accessibility and searchability of growth opportunities, by implementation of new learning technology.
- Develop (future) leaders, by building future leadership capabilities at all levels. We leverage Global and NSE/EMEA offerings.
- Support optimal usage of Deloitte University EMEA as a differentiator in attraction and retention. We ensure a transparent and efficient nomination process.
- Execute our impact & measurement strategy (we define and develop clear KPI's for L&D, we review our reporting structure & governance, and we plan for improvement of data quality).
- Further professionalise our L&D team: upskilling, capability building, increased use of GLAS and execution of our branding & marketing strategy.

In 2023/2024, the Learning & Development products and services towards our business include, amongst others:

- Learning needs analysis and strategic advice to the business on the best-in-class learning solutions;
- Curricula management (i.e., keeping our professional, leadership, industry and technical curricula up to date);
- Design, development and deployment of high impact learning interventions, including faculty development;
- Yearly L&D process, such as the DU EMEA nominations and L&D budgeting process;
- Delivering strategic Learning & Development plans per business for 2023/2024.

Results

This year, we have transitioned from reporting on the basis of FTE to reporting on the basis of headcount as prescribed by the ESRS. This means that our 2023/2024 data cannot be compared to previous years and we have abstained from providing historical data.

Table 17: Average training hours based on headcount

	2023/2024
Total	79.1
By gender	
Male	85.1
Female	71.2
By category	
Partners	30.3
Directors	35.7
Senior managers	47.6
Managers	62.9
Aspirant / jr. managers	105.7
Supporting Staff	30.2
Interns	45.6
Average training hours per Business	
Audit	119.1
Consulting	85.3
Financial Advisory	62.1
Tax & Legal	61.5
Risk Advisory	84.5
Others	16.3

We have assessed our learning culture which resulted in a transformation project (Learning & Development 2.0) including the following concrete deliverables:

- Learning Operating model | In 2023/2024 we have successfully implemented initiatives that streamline workflow and enhance decision-making. Our focus shifts toward the implementation of the faculty plan, the external Study agreement and implementing a Learning Quality Framework to further refine our operations.
- Learning Professionals | We worked on building a cohesive team with skilled learning professionals through various initiatives to upskill the L&D team. Going forward we will be focusing on individual development.
- Learning Technology | Our Learning Technology landscape now offers an integrated and user-friendly ecosystem, significantly enhancing learner experiences.
- Curriculum & Content | After a thorough review, we have curated a centralised repository of business-specific curricula, ensuring our offerings deliver high-impact learning experiences.
- Branding & Marketing | Initiatives have been undertaken to elevate the profile of L&D, leading to improved employee engagement. This year, we will execute the L&D communication plan to further enhance our visibility and impact.
- Resource Optimisation | Our GLASS/USI resource optimisation initiative is underway, leveraging Deloitte Global Delivery Network to enhance operational efficiency.
- Impact & Measurement | Together with NSE Learning & Development we are exploring new ways of measuring the learning impact. This holistic measurement framework includes metrics on efficient:

    - Costs: €14 million;
    - Time: total of 79.1 learning hours per headcount.

In addition, we plan to introduce new metrics in 2024/2025 on 'Effectiveness and business alignment'. The latter will include compliance related metrics.

3.4 Wellbeing

Impacts, risks and opportunities
Having meaningful work in a positive and stimulating work environment contributes significantly to the quality of life. By paying attention to topics such as inclusiveness, work-life balance, lifestyle, physical fitness, mindfulness and financial health, we aim to keep our people happy and healthy. There are considerable positive impacts when people are physically and mentally fit: in general, productivity is higher, and attrition and absenteeism due to illness lower.

Unfortunately, in individual cases, our high-performance culture can also have a negative impact at times, for example through excessive workload, stress and pressure to perform. This is first and foremost an impactful situation for those directly involved but also comes at a considerable cost to Deloitte and society. As a consequence, Deloitte is hugely committed to promoting wellbeing in the workplace. Apart from the negative impacts as a result of long-term absenteeism, there are also financial risks associated with a lack of wellbeing. The most important risks that we have identified in this area are the costs of long-term sick-leave caused by an unbalanced workload and reduced attractiveness as an employer causing challenges in the area of recruitment and retention.

Governance and policies
The responsibility for wellbeing lies within our Talent organisation that is headed by our CHRO. Our approach to wellbeing has five main focus areas:

Mental health | We recognise that mental health influences the quality of life of our people in a high-performance culture like ours, and a world dealing with geopolitical conflicts and climate change, which can cause anxiety and stress. In order to promote good mental health, we offer various programmes, interventions, tools and tips that our people can use to stay connected and engaged, and maintain their mental balance. We also train our business leaders in early recognition of signals and how to conduct discussions to regain balance in the workload.

Physical health | Deloitte has a company fitness scheme that offers employees the opportunity to exercise at a relatively low cost. Our Deloitte FIT programme and app offer our people challenges and the possibility to try out new sports, stimulating our people to connect with each other through sports.

Illness and recovery | When an employee is absent due to illness for a longer period, a self-directed treatment plan is drawn up. This means that if an employee becomes ill or incapacitated for work, the manager and their employee make customised arrangements. They are supported in making these arrangements by the Case Manager Health, as well as the Company Doctor for medical advice. The Case Manager Health plays an important central and coordinating role in the deployment of external professionals, such as company doctors, labour experts and other external providers who can assist in promoting employability. Employees receive 100% of their compensation during the first year of illness. If the absence unexpectedly lasts longer, 100% will be paid for the hours worked and 70% for the sickness hours in the second year of illness.

Working from home | We are convinced that hybrid working - where our people make conscious decisions as to where they work - is here to stay. Working from home is an integral part of hybrid working and has proven benefits for work-life balance. We provide each employee with a personal budget every seven years to establish an ergonomic home office. Deloitte staff also receive a monthly internet allowance to offset the cost of internet used to working from home. On the other hand, we ask teams to make agreements with each other about the joint presence in the office. This contributes to development and creating a positive working atmosphere.

Financial health | In the changing economic environment, we understand that the topic of financial health is becoming more important. An individual's financial health influences their physical and mental health, and concentration. Deloitte is committed to support employees in maximising their financial health by creating an environment in which financial stress and health is an approachable subject, providing support for colleagues experiencing financial uncertainty or financial stress, and offering resources for those seeking information or interventions.

We have a Deloitte's Health and Safety management System in place. Thankfully, in 2023/2024, there were no fatalities as a result of work-related injuries and work-related illness.

Maternity leave
If a Deloitte Netherlands employee is pregnant, they are entitled under Dutch law to a total of 16 weeks of leave. During this period the employee receives 100% of their salary. An employee is entitled to 20 weeks of leave in case of twins (or more).

For pregnancy leave, maternity leave and birth leave (for the partner of the mother), there is an entitlement of 100% of the last-earned salary. All types of beforementioned leaves do not affect the accrual of vacation days or allowance, entitlement to the lease car scheme, profit sharing or any other employment conditions (e.g. laptop, phone). The pension accrual and the premium contribution for both the employer and employee part are continued in full during this period.

Parental leave
In addition to this pregnancy and maternity leave new parents can also apply for paid parental leave. Legally, parents are entitled to a period of 26 week of unpaid parental leave. Government will compensate parental leave for a maximum of 9 weeks (9 times the working hours per week). This compensation amounts to 70% of the salary, with a maximum of 70% of the maximum daily wage.

Leave for rainbow families
Deloitte Netherlands has inclusive leave policies for all parents, to create a more inclusive workplace for LGBTIQ+ employees at Deloitte. All parents at Deloitte should be able to take leave to take care of their new child or children. Therefore, we have more extensive policies than the rights defined in the legal framework on additional birth leave, parental leave, care leave, special leave and urgent leave, accommodating to 'rainbow families'. With the phrase 'rainbow families', all family forms other than the traditional one biological father + one biological mother families are meant.

Leave for informal care givers
To support informal care givers, if an employee in Deloitte needs to take on care duties, they can apply for legal Short-Term Care Leave. In addition to the legal regulation, whereby an employee can then use leave at 70% of the maximum daily wage for two times the weekly working hours in a year, Deloitte supplements the salary payment for the first one time of the weekly working hours to 100% of the actual salary.

Alle employees of Deloitte are entitled to family-related leave. This means that family-related leave is not open to self-employed persons, interns, secondees/temporary workers. The scheme also does not apply to expat outbounds sent on host package to a foreign member Firm and for expat inbounds sent on home package to Deloitte Netherlands. This means that 93.3% of our own workforce has access to our family-related leave options: 6.7% of male and 6.1% of female employees took family-related leave in 2023/2024.

Activities in 2023/2024
We have strategically assessed the risks associated with work through the Risk Inventory and Evaluation Psychosocial Workload (hereinafter referred to as RI&E PSA). From the RI&E PSA, an action plan was developed, which was independently reviewed and validated by the experts at 'Zorg van de zaak', our external health advisor. Utilising the findings from this report, the HR lead of each business unit made an action plan aimed at mitigating the risks identified. To ensure timely adjustments, Deloitte has opted for a cyclical evaluation (PDCA cycle) of these plans twice a year, adjusting where necessary.

The prioritisation from the RI&E PSA report guided the development of the action plan. The findings indicated a high risk in development opportunities, a medium-high risk in inappropriate conduct, excessive and compulsive working, and a low risk in the areas of work pressure, mental load and flexible thinking.

The operational action plan is managed by the business units with support from HR advisory. Depending on the business, actions have been implemented at three levels: organisational, team, and individual.

High Risk | Deloitte offers extensive development opportunities; however, the report indicates these are underutilised. By focusing on and implementing actions regarding development opportunities, we anticipate a mitigating effect on other identified risks.

Medium-High Risk | Inappropriate conduct has been identified as a medium-high risk in the RI&E PSA report, and it is continuously addressed. The business unit receives guidance from Ethics, HR advisory, Learning, Leadership Development, and Ethical Ambassadors. In 2023, two external confidential counselors were added to the Ethics team.

Regarding excessive and compulsive working, HR advisory counsels the business on various levels from the organisation to the individual.

Low Risk | Regarding flexible thinking, the performance experience includes attention to giving and receiving feedback. This performance experience encourages employees to actively seek and provide feedback.

Mental load and work pressure are addressed at the organisational, team, and individual levels, with HR advisory supporting the business units. We aim to integrate this as much as possible into the existing performance experience framework.

Results
Table 18: Sickness leave

	2023/2024	2022/2023
Sickness leave	3.8%	3.7%

We are working on developing metrics that better reflect our focus points for wellbeing. When we have developed these metrics, we also plan to set appropriate targets in line with our ambitions. We expect to develop these metrics and targets in the course of 2024/2025.

3.5 Social impact and social return

Impacts, risks and opportunities
As an external auditor of both financial and non-financial information, we help build the trust that is necessary to facilitate informed decisions on financial and non-financial transactions, e.g. decisions to invest, divest or grant a government subsidy. Through our advisory work, we enable organisations to better understand their business and operating environment, thereby creating value for their stakeholders. We believe the societal impact of our assurance and advisory work to be greater than the revenues received.

We realise that, increasingly, we can only tackle complex challenges in partnership with others. To this end, creating effective ecosystems is a fundamental principle of our 'Future of' agenda. Together with our partners, we want to find solutions to social challenges around food, energy and mobility. In addition, we want to help our clients transform their business models to more responsible ones.

The social contribution of Deloitte is completed by the Deloitte Impact Foundation and our activities on social return. For both areas we see a possible failure to meet expectations on social return as a financial risk as this can lead to a less favourable position within the public sector.

On the other hand, we also see opportunities caused by the recognition of Deloitte as a specialist in complex transitional projects in the context of our future of agenda, as well as a high sense of pride for the social impact that employees make that can lead to improved recruitment and retention rates.

Deloitte Impact Foundation

Governance

The Deloitte Impact Foundation is part of the Executive Office (EO), which falls directly under the Executive Board of Deloitte the Netherlands (DNL). The Executive Office is led by the Chief of Staff to the Executive Board. As part of this team, the Deloitte Impact Foundation needs to ultimately report back to the Executive Board – responsible for the strategic and policy frameworks and objectives, monitoring the implementation of policy, and the collaboration between the different markets and businesses. The ambition of the Deloitte Impact Foundation is a part of the Strategy of Deloitte the Netherlands.

The Deloitte Impact Foundation itself consists of various layers of responsibility and is organised in the following manner:

On the highest level, the Foundation is led by the Deloitte Impact Foundation Board, comprising of a chair (a member of the Executive Board) and two members (partners within Deloitte). Together, they are responsible for defining and maintaining the strategic direction of the Deloitte Impact Foundation. They also grant approvals for employee-led initiative submissions. Each Board member is responsible for one of the three themes the Foundation focuses on (i.e., World*Class*, Sustainability, and Inclusive Society).

The Advisory Board consists of colleagues from various levels and businesses across Deloitte. They advise the Deloitte Impact Foundation Board on the strategic direction of the foundation. Additionally, they provide an advice on each initiative submission, after which the Deloitte Impact Foundation Board takes a final decision of approving or denying the submission.

Following these (strategic) decisions, the Deloitte Impact Foundation PMO (Project Management Organisation) team governs the strategy roll-out, communication, day-to-day activities and all activities related to employee engagement. The team is led by the Director of the Deloitte Impact Foundation. The Director ensures these processes to run smoothly, upholds the governance code, and positions the foundation to be more visible and fitting towards our people, regulators, clients and general public.

The Deloitte Impact Foundation aims to allocate 1% of Deloitte Netherlands' direct hours for pro bono work, translated in a target of 78,447 hours for this year. Every year, a new number of hours will be determined based on the 1% of Deloitte Netherlands' direct hours. The Deloitte Impact Foundation likes to see an increase per year of employee involvement in its projects. This year, a target was set for 1,000 employees.

Policies
In terms of reputation risk, pro-bono work does not differ from client projects. This means that pro-bono initiatives are assessed via the same process as other client engagements:

- All initiatives must have a sponsoring Deloitte partner involved, who is responsible for the execution and quality reviews;
- All initiatives and partnerships are checked for possible independence issues by RRL before continuing the approval process of the initiative;
- An engagement letter is required. This has to be approved by the sponsoring partner of the function leading the initiative;
- The initiative contributes positively to the Deloitte reputation. For example, it does not aim to convert people's faiths, does not involve any sort of activism, religious or political, and cannot fund any criminal or any illegal activity.

Pillars
To amplify the impact of our Deloitte Impact Foundation, we concentrate our efforts in three key areas and work together with partners in ecosystems:

- World*Class* | A global Deloitte initiative with the ambition of supporting 100 million people worldwide by 2030;

- Sustainability | Through our sustainability-related initiatives we protect our natural environment by addressing the root causes and effects of global warming and degradation of land, water, and air. This focus area aims to support future generations on our planet to live in a healthy and sustainable environment;

- Inclusive society | This broad theme allows our colleagues to start employee-led initiatives that are close to their hearts and contributes to an inclusive and diverse society. These initiatives provide support for challenges related to the quality of life in the Netherlands such as concerning poverty, safety, health, loneliness, and/or happiness of Dutch inhabitants.

There is a two-way approach in place to run initiatives within these three key areas: via employee-led initiatives and via top- down programmes. The employee-led initiatives aim to encourage every Deloitte NL employee to get involved in causes that are close to their hearts. Each employee can spend 1% on average of their working hours to start or join initiatives that create societal impact. The top-down programmes are the World*Class* programme and the Financial Health programme, which are large programmes that run for a longer period of time and to which more employees across Deloitte can devote their time.

In the Netherlands, the World*Class* programme focuses on improving the equality of opportunity of vulnerable young people in education, especially in primary, secondary, and middle-level vocational education in the larger cities of the Netherlands.

The Financial Health programme, a top-down programme of the Deloitte Impact Foundation's pillar 'Inclusive Society', is working with VNO-NCW, SchuldenLabNL, ING, Her Majesty Queen Máxima and about 40 other organisations, and has launched a national coalition (on November 29, 2022) on financial health (Nationale Coalitie Financiële Gezondheid or NCFG). In this coalition employers (including Deloitte) vow to take a comprehensive approach to support their employees in their financial health. The common goal is that by 2030, the number of people who experience financial stress is reduced by 50% (compared to 2015), and people are in control of their finances, now and in the future.

Together with our partners (NIBUD "National Institute for Family Finance Information.", Leiden University and Tilburg University), we also provide annual insight into the financial health of Dutch households. We developed a methodology for measuring financial health to score Dutch households on a financial health scale. With 5,000 households participating in the survey, we provide a snapshot of the current situation, and we monitor the development of financial health in the Netherlands.

Process

Via the platform “Make an Impact”, the Deloitte Impact Foundation invites colleagues to either join an open vacancy, or to start their own initiative. To stimulate the involvement, we work together with a changemakers network that is represented in all of our businesses. The changemakers are the first point of contact for our colleagues.

To join an initiative, colleagues can search for vacancies in initiatives through the platform. Some vacancies require a motivation text that needs to be reviewed by the team or activity manager, who will get notified via the platform and will reach out to approve and share the DIF-hours code related to the project.

To start an initiative, colleagues are encouraged to find a cause they care about which fits the Deloitte Impact Foundation criteria (e.g., primary scope must be the Netherlands , alignment with the themes, impact should be clear) and to fill-out the Application Template with their project details in order to apply via the PMO team. All applications are assessed by the Advisory Board within 4-6 weeks. The applications are assessed during the monthly Advisory Board meetings in which the Advisory Board provides their preliminary advise, to ultimately be approved/disapproved by the Board.

Activities in 2023/2024

As it is impossible to highlight all our activities in 2023/2024, we want to highlight the following two projects in addition to the three projects featured earlier in this report:

Partnership The Ocean Cleanup

Deloitte is proud to continue its partnership with The Ocean Cleanup through the Deloitte Impact Foundation, extending our collaboration for another three years. Our joint efforts have led to meaningful projects aimed at addressing environmental issues. For instance, Deloitte contributed to the Global Economic Impact Assessment, enabling a clearer understanding of plastic pollution's economic impact on essential industries and public sector activities. Additionally, our involvement in creating the River Plastic Market Place has helped establish a system to facilitate the trade of plastics collected by interceptor initiatives. Deloitte's role was centred on providing analysis for the types and values of recovered plastics, identifying strategic locations for collection, and defining key marketplace functionalities. This groundwork was essential in setting up a responsible and well-governed trading platform. These projects are a few examples of our continued commitment to applying our expertise where it can make a difference in conserving marine environments. In the upcoming year, our partnership with The Ocean Cleanup, supported by Deloitte, is set to undertake a range of strategic and operational projects. These endeavours will encompass the development of a logistics strategy, the formulation of a spare parts management strategy, the creation of an ocean pitch for the plastics treaty, and the provision of ongoing tax support, among other initiatives.

Opportunity School

The Opportunity School (OS), an initiative supported by the Deloitte Impact Foundation, aims to bridge the gap between the existing expertise of highly-skilled refugees and the demands of the Dutch and European job markets. The programme not only enhances employment prospects, but also empowers refugees to thrive professionally in their new environments.
In the first edition this year, OS collaborated with New Dutch Connections, engaging 25 participants from 12 different countries. Over three weeks, participants underwent 25 comprehensive training sessions, facilitated by over 30 Deloitte professionals specialising in IT and Business Consulting.
The impact of this programme is evident in the participants' testimonials:
"The programme gave me more confidence in myself and gave me the opportunity to find myself again in the job market."
To maximise its impact, the initiative plans to expand across all Deloitte business lines in Financial Year 2024/2025, further empowering refugees and strengthening our commitment to inclusive growth.

Results

Table 19: Performance metrics Deloitte Impact Foundation

	Performance	Target
# hours spent on DIF projects	30,733	78,447
# of DIF projects	87	107
# employees involved in DIF projects	1,009	1,000

We fell short of achieving our targeted allocation of 78,447 hours as a result of a shortage in qualified projects and available hours in the businesses.

Social return

Governance
Since 2011, the public sector has been using its purchasing power to help people with a distance to the labour market to find work. This means that as a supplier to the government, in appropriate tenders for work and services in excess of €250,000, we must also involve people with a distance to the labour market when performing the engagement or initiate initiatives for this target group. This is called Social Return on Investment 1.0 (SROI 1.0). Since early 2018, in order to create more social impact, there has been more flexibility within the social return obligation, and the new working methodology 'Maatwerk voor Mensen' (Tailor-made for People) has taken effect: social return obligations can now also be fulfilled in other places than directly through the engagement concerned, and under different circumstances. Most parties agree that maximum social impact can be created with customisation, cooperation and leveraging existing supplier initiatives. This is called SROI 2.0 and a supplier can choose to apply either SROI 1.0 or SROI 2.0.

Central and local governments encourage linking social return as much as possible with the contractor's own objectives and those of the government. The reasoning is that in this way, suppliers can shape social return from their own strengths and skills, and hence are better equiped and motivated to do so with enthusiasm. At the same time, there is a trend within governmental organisations to increasingly have specific wishes and requirements on this topic, with a greater focus on accountability. Furthermore, the number of tenders where social return is included as a special performance condition, is increasing.

Deloitte has long been committed and intrinsically driven to contribute to solving societal issues and fully embraces the aim of social return. This is embedded in Deloitte's corporate strategy and purpose to make an impact that matters. In line with the strategy, Deloitte started its own programme years ago to tie in with this. The programme consists of four pillars and each pillar has its own characteristics and dynamics led by a dedicated programme director and sponsoring partner from the G&PS industry. The programme director is responsible for the structural assurance of social return, determining in advance in which contracts social return will be deployed and, after being awarded the contract, ensuring the proper implementation or requirements. The director consults with clients to ensure that social return budgets are spent according to their demands, as they have various requirements and wishes on how they prefer to achieve social return. This governance, underpinned with our social return dashboard and social return programme, is a solid foundation to ensure that Deloitte is able to comply with future social return obligations.

Policies and activities in 2023/2024

Two pillars of the programme, social buying and social hiring, also reflect on our own organisation and enhance our social footprint. Specifically for social hiring, as part of our DE&I strategy and strategic objective to build a more diverse talent base, we determine a bold ambition including target setting to be implemented in our next financial year. So far approximately 12% of our total social return obligations per ultimo 2023 are fulfilled via social hiring. We expect to grow to 20%.

As a result of contracts obtained upto 2023, in 2024, a minimum of €1.5 million (2023: €1.2 million) has to be allocated as fulfilment for social return obligations. The estimated maximum amount for 2025 is €2.2 M. To manage all current and future obligations in combination with all the social initiatives we have in place, as well as we have fulfilled obligations on a client and contract level, we have built an integrated cross-functional dashboard and we report our status and achievement internally twice per year.

Programme Scaling Social Enterprises

Launched at the end of 2019 during the national Impact Days, we started with seven social enterprises to support them pro bono with our full breadth of services to achieve their strategic growth objectives. The rationale behind this programme is that if they succeed in scaling up, they will increase their workforce. Because a minimum of 30% of their workforce consists of people with a distance to the labour market, we jointly create a more inclusive society. Next to the labour participation effect, some of these enterprises built their business on circular economic principles as well. Since the start, this programme has grown and now includes 16 enterprises (last year: 14). We launched a booklet with inspiring stories of employees showing the added value to have a job, to inspire other people and organisations to create more jobs for people with a distance to the labour market.

'City Deal Impact Ondernemen '

This city deal, initiated by Agendastad (ministry of Internal Affairs), objective is to mitigate barriers in the ecosystem to strengthen impact entrepreneurship in general and stimulate developments to increase the 'brede welvaart' (broad prosperity) from a labour participation perspective as well as sustainability. We participated from the start three years ago and now there are 100+ participants. In the next two years, Deloitte will continue as national coordinator for one of the defined tracks called 'impactful purchasing'.

Central Government method 'Maatwerk voor Mensen'

Since the start of this innovative programme, Deloitte has been one of the pioneers. Together with other parties in the ecosystem, we created twelve jobs for people with a distance to the labour market, and in November 2023, we concluded an initiative that aimed to educate 30 people, of which 26 graduated with a certified diploma. Some of the participants have already moved up in their careers and the subsequent vacancies will be fulfilled by new jobless people with a distance to the labour market. In the beginning of 2024, we started developing a new initiative and we foresee to start execution in Q3 2024. The responsible ministry sees our sustainable cooperation as a good practice for others as published on their website .

Social Buying

In the area of purchasing, increasingly we consciously select social impact enterprises in our procurement choices and further embed this in our social return programme. Together with the purchasing department, we will develop a future proof social buying approach with a focus on enterprises with a strong footprint in labour participation and sustainability. This will also lead to a more diverse and inclusive vendor base. So far approximately 10% of our total social return obligations are fulfilled via social buying.

Cooperation between caterer and impact entrepreneur

In November 2023, a long-term cooperation officially started between an impact entrepreneur and our caterer to create learning positions at our office restaurant in 'The Edge' for 15-25 people per year, giving them a headstart to find a regular job. It is too early to report final results, but the first insights are positive.

Cooperation between social impact enterprise and Deloitte business

The European Commission is stimulating cooperation between social enterprises and corporates. Deloitte has several cooperations in this area. One of these cooperation, where we offered our client a close collaboration with a social enterprise as subcontractor for the work we delivered, has been selected as best practice and will be included in a report together with 39 other examples within Europe.

Client example: Social Return fulfillment UWV and Deloitte; bringing impactful purchasing in practice.

The Public Employment Services organisation (UWV) also makes an impact on the labour market by pro-actively using their purchase volume. UWV sees social return on investment (SROI) not as an objective, but as a mechanism to achieve social value and encourage intrinsically driven suppliers that contribute to labour participation for people with a distance to the labour market, thus creating a more inclusive society.

As proud supplier for the master service agreement delivering Strategic Advisory Services, UWV and Deloitte had constructive and open conversations on how to fulfill social return within UWV's social return policy, and how to fit this into Deloitte's social return programme. Based on Deloitte's track record in the area of social return, both parties agreed that the four pillars of this programme will meet UWV's (contractual)requirements. As of the start of the agreement, Deloitte reports on a quarterly base on the results of their social return initiatives and so far has delivered €235 thousand social return value. This is achieved through social hiring (€60 thousand), social cohesion initiatives (€26 thousand), social buying at certified impact enterprises and contribution to Social Innovation Fund (€129 thousand), as well as the programme Scaling Social Enterprises (€20 thousand). All pillars are focused on increasing labour participation primarily for people within the job agreement / participation law.

Besides our partnership on social return, both Deloitte and UWV are participants of the national initiative 'City Deal Impact Ondernemen' as described above and are convinced that these kinds of collaborations give the opportunity to make an impact that matters.

4. Governance impacts

This section covers the effects, risks, opportunities, governance, strategies, actions, and results of Deloitte's identified material governance impacts (refer to page 132 for a summary of our material impacts). The ultimate responsibility for the topics in this section of the report rests with our Chief Quality Officer.

4.1 Quality of services

Impacts, risks and opportunities
High quality audit and advisory services are imperative to our license to operate. Without high levels of quality, we would be unable to make an impact on our clients and society. To this end, Quality of services is an important focus area in our 'Strong Roots Reach Far' strategy.

Providing social trust by delivering high quality services is crucial for the functioning of reliable economic and social ecosystems, such as financial markets. Hence, our quality ambitions are closely linked to SDG16 (Peace, justice and strong institutions) and are part and parcel of our 'Strong Roots Reach Far' strategy. Failure to deliver high quality services to our clients can lead to major economic damage and fines and ultimately, to a loss of social trust in our firm.

We believe the path to undisputed leadership in quality is through high consistent quality of our service delivery, our people and of our unique and integrated transformation solutions. The only way to create this is through differentiation. Differentiating on quality goes beyond technical quality and asks for unique propositions delivered in Deloitte's own unmatched multidisciplinary model. Through our client work we want to have a tangible impact on the key societal challenges in the Netherlands and beyond. The societal challenges are translated in the 'Future of' themes. We build multidisciplinary products and services around the 'Future of' themes through which we are able to bring our combined knowledge to the market and make impact. Through our 'trade corridors' we aspire to have an impact beyond the Netherlands, as a leading firm within the Deloitte network and as transformation partner in the global business eco-system.

To be leading in quality also presents an opportunity. By being known for high quality services, we are able to generate more business and become a preferred supplier of professional services to our clients. This is also instrumental for maintaining and protecting our Deloitte Brand.

Governance
Our ambition to be the undisputed leader in professional services goes beyond mere volume of our business and includes to be leading in audit and advisory quality, the impact we make, and the position we have in the minds of our clients, stakeholders and people.

We have an overarching system of quality control which incorporates the international quality management standard ISQM1. In addition, we have established a differentiated model around our central commitment to quality that has enabled our success. To achieve our business aspiration to become the undisputed leader and really differentiate on quality, we have initiatives across the different elements of our quality model. Progress on these initiatives is being measured based on a set of (strategic) KPIs.

The importance we place in quality is reflected in our governance, for example in having a Chief Quality & Risk Officer at Executive Board level and a Supervisory Board Quality, Integrity and Risk Committee which seats all supervisory board members. At business level, each business has quality departments which oversee and manage quality, and which operate within global policy frameworks and on the backdrop of quality monitoring and measurement practices and plan-do-check-act cycles. These include Engagement Quality Control and Practice Review procedures.

Policies

Deloitte's broad and deep advisory expertise in increasing the relevance of our audits, for example in ESG, cyber, fraud, continuity, non-financial information, analytics and artificial intelligence. The developments around ESG bring many challenges to our clients, both in audit and our advisory business. New legislation has brought more external reporting requirements for many companies, and audit requirements on non-financial information are increasing. We are constantly expanding our capabilities to help our clients comply with new regulatory requirements.

For our Advisory Businesses, our Multi Disciplinary Model (MDM) is and remains the preferred strategy for serving clients, bringing together breadth of capabilities aimed at increasing collaboration across all businesses to provide unique propositions across our designated growth platforms. It is a top priority to deliver the quality that both clients and society expect from us in these large and complex end-to-end transformation engagements. In order to guarantee the quality on these complex transformation engagements we have an active monitoring programme in place where periodic in-flight reviews are performed during engagement performance and additional risk mitigation is taken if needed. Additional monitoring of high-risk engagements ensures that the proper measures are taken to ensure these engagements deliver the quality that is expected. Besides that, we closely measure and monitor the client satisfaction scores.

It all comes down to Strong Roots that Reach Far, our call to action and an essential part of the success of our Deloitte strategy. This is more than connecting with clients, partners or suppliers. It also means the connection between our people. And to do so beyond boarders, across geographies and member firms.

At many of our large clients, we provided services from more than one business line. To further improve our collaboration, we continue to move towards an allocation system that stimulates collaboration between service lines, further strengthen training of our Lead Client Service Partners and their account teams, and increase collaboration between service lines through our MDM platforms.

To strengthen partner career management and development, we continued our Partner Life Cycle programme. This programme targets career stages and role/succession development and is catered to fit personal needs. We provide necessary and optional learnings, conversations and guidance to grow into, and successfully transition to different partner roles.

To consistently deliver high-quality services to our clients, we maintain a common engagement approach, as visualised below. For a more detailed description of policies related to Audit Quality, please refer to our Transparency Report .

Our engagement approach

Prospect and opportunity → **Client and engagement acceptance** → **Engagement preparation** → **Engagement execution** → **Quality assurance** → **Finalise engagement** → **Client feedback**

Prospect and opportunity: Identification of business opportunities with existing or potential clients.

Client and engagement acceptance: Deloitte maintains strict acceptance procedures for clients and engagements. These procedures are aimed at:
- Complying with (international) laws and regulations;
- Avoiding reputational damage;
- Understanding client and engagement risks;
- Pricing and contracting negotiations.

Engagement preparation: During engagement preparation we ensure all risks identified during the acceptance phase are mitigated to an acceptable level, e.g.:
- Team composition to ensure sufficient competences;
- Regulatory compliance (e.g. Independence and AML);
- Public interest considerations (if any).

Engagement execution: The responsibility for the proper and timely execution of the engagement rests with the engagement manager who operates under responsibility of the engagement partner. Work can only be performed once there is a signed engagement letter.

Quality assurance: Deloitte has formal Quality Assurance policies for all our services. Per type of engagement, they identify which quality assurance procedures apply (for example review of draft project deliverables by a third party).

Finalise engagement: After the engagement is finalised, for example by issuing the end report or the assurance report, we file all the engagement documentation.

Client feedback: In many cases, client feedback is sought by Client Service Assessments, interviews or online questionnaires. The conclusions of client feedback are fed into our Customer Relationship Management (CRM) system.

Activities in 2023/2024
In addition to the broad range of quality initiatives we further enhanced our system of quality controls with additional quality enhancing activities, for example with the modernisation of our common storefront, monitoring of high-risk engagements and causal factor analyses.

Adoption of our common storefront

In March 2024, the adoption and simplification our global common storefront was announced, with the objective to serve our clients better through a better alignment of our business model and capabilities. This will help us to enable integration across NSE and leverage our global scale to invest together.

High-risk engagement monitoring

With the increasing size and complexity of our engagements we enhanced our monitoring activities for those engagements that expose us to the highest risks. In addition to solid engagement acceptance procedures, we periodically perform independent reviews on these engagements. Through periodic reporting our Executive Board is informed on a quarterly basis on the development of these engagements.

Causal Factor Analyses

A range of lessons learned activities were centralised and formalised in our Causal Factor Analyses for our Advisory businesses. This proven concept was adopted from our Audit business where successful and less successful engagements will be thoroughly analysed in order to capture lessons learned, further enhancing the quality of our processes.

Results
Progress on our initiatives is being measured based on a set of (strategic) KPIs (see also page 2). These are Regulatory reviews, Client satisfaction and Net promotor score.

Table 20: Satisfactory regulatory reviews as a percentage of all regulatory reviews issued and communicated in the reporting year

	2023/2024	2022/2023	2021/2022
Satisfactory	97%	100	100

Table 21: Client satisfaction score

	2023/2024	2022/2023	2021/2022
Client satisfaction	8.7	8.5	8.3

Client satisfaction score is based on post-engagement questionnaires that are sent out on discretion of the engagement manager or partner in 30% of engagements (also see Basis of reporting).

Table 22: Net promotor score as measured by Client Service Assessments

	2023/2024	2022/2023	2021/2022
Net Promotor Score	39	75	63

Detailed analyses of the reported decline in our NPS score shows that our actual promotors - especially among our strategic clients - is significantly higher (74). The overall decline is partially caused by the way we calculate our NPS; we will re-assess our NPS process to improve the robustness of this indicator going forward.

Following changes in our measurements as compared to previous years, we will set new targets once we have sufficient data. We expect to do so in 2024/2025.

Public policy

Deloitte NL has a centrally coordinated public policy programme in place that supports our organisation in the execution of our strategy and protecting, preserving, and enhancing the Deloitte brand and reputation. With our Public Policy programme, we aim to influence policy developments that could affect our business. Additionally the Public Policy team participates in policy discussions focused on some of today's most important socio-economic challenges, helping to inform the policy debate and bring clarity to the interconnected challenges facing the world.

We have comprehensive relationship management plans in place for key stakeholders such as NBA, and Members of Parliament and Cabinet. Last year, the Public Policy team focused on engaging with political stakeholders on key themes such as work, financial health, digital and sustainability. Our key policy focus areas include reporting of Environmental, Social and Governance (ESG) information , underscoring diversity equity and inclusion, measuring social progress, and informing the future of regulation in an era of exponential technological advancement, including artificial intelligence. In response to the shifting political landscape in the Netherlands, the Public Policy team has been adapting the engagement strategy, aiming to organise round tables and meetings that foster dialogue with members of the Dutch parliament (Tweede Kamer) and other key stakeholders. Through these initiatives, we are committed to building (new) relationships. By sharing our knowledge, insights and vision on current and societal issues, we want to take our responsibility and contribute to a strong and sustainable economic future.

We also continued our active stakeholder engagement in relation to Tax and Audit, strengthening relationships with members of parliament. In addition, we maintained an open dialogue on the future of the audit with Kwartiermakers, NBA and regulators. Besides maintaining strong relationships with our key stakeholders, we play an active role in the working groups from the NBA.

4.2 Ethics and integrity

Impacts, risks and opportunities

Ethics and integrity are deeply embedded in Deloitte's culture. Our ethics programme works to build trust in our professions and among our professionals, strengthen our reputation and relationships with stakeholders, minimise ethical risk, and help all of our people make the best professional choices. Outcomes and the ethics case trends invite us to a) refocus our target audiences and offer specific support where needed; b) dive deeper into an observed contradiction between increasing general awareness but decreasing 'I know where to report'; c) To re-state equal ethical standards and the importance of interpersonal communication. We are currently updating our ethics action plan.

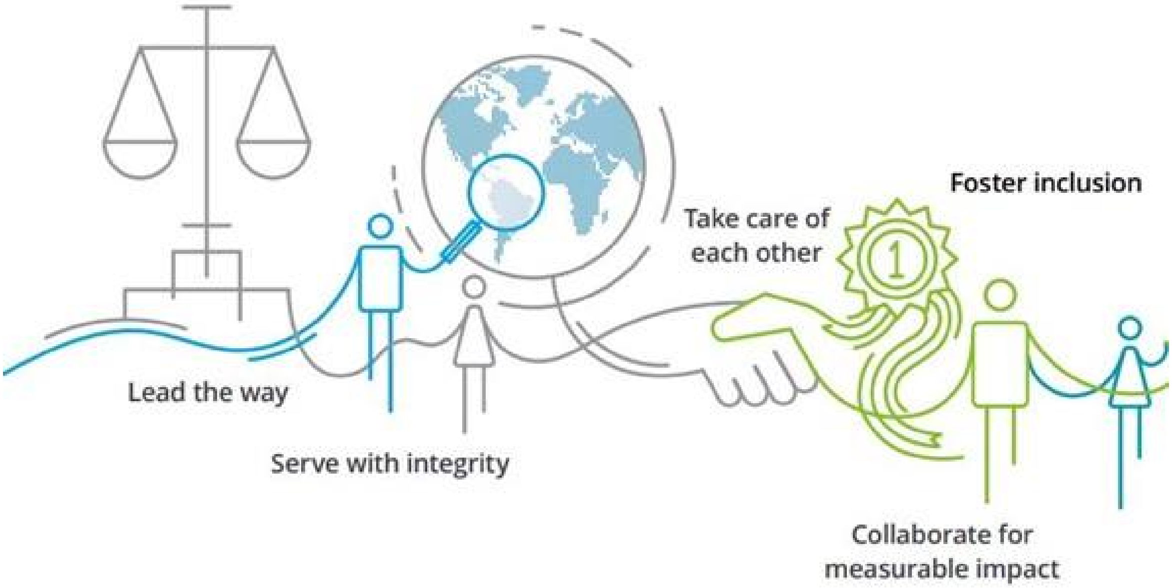
Key findings of our most recent ethics survey are:

- Whilst the survey shows a better understanding of our ethics processes and policies, it also shows a decrease in awareness about where to report, in combination with scepticism about whether everyone is held to the same ethical standards;
- The belief a report is acted upon and addressed is high and improving for NL, and reporters indicate less experience of retaliation;

- Our partners' responsibility to lead by example in ethical conduct demonstrates a top-down commitment to our core values. We must continue to encourage and enable our partners to ongoingly and visibly embody and communicate ethical leadership to reinforce the culture and importance of ethical behaviour.

The upward trend in the number of ethics reports continues. We attribute this to the growth and diversification of our organisation, as well as increased societal and media focus on ethical behaviour within the Netherlands. Additionally, the evolving composition of our workforce, especially with the inclusion of Generation Z—known for their candour and assertiveness—adds a layer of complexity to case management.

Deloitte Shared Values



Governance
As of February 1, 2024, we have appointed a new Ethics Leader who succeeded the former leader, who had held the role for nearly five years. The Ethics Leader, together with the ethics team, engages leadership, addresses and resolves ethics reports, consults on complex issues, and communicates the importance of integrity and the reliability of reporting channels to strengthen the “speak-up” culture

Besides the Ethics Leader, the Ethics team consists of a Deputy Ethics Officer, three ethics team members and four confidential counsellors (two internal and two external). Furthermore, in the area of incident management, an independent investigator is available upon request to support the Ethics Leader and Deputy Ethics Officer. The Ethics Leader is directly supported by the Deputy Ethics Officer, who also assists the NSE Ethics Leader in delivering a consistent ethics strategy within NSE. The confidential counsellors are tasked with 1) being the first point of contact for reporters, 2) providing guidance during the investigation process and aftercare, and 3) having a duty of confidentiality in accordance with to the law.

Employees, suppliers, business relations, and other parties can also file a report - if they wish anonymously - using Deloitte Speak Up, our 24/7 system that is run by an independent party.

Thirteen ethics ambassadors (partners and directors) in our businesses help to broaden the scope of the ethics programme, acting as linking pin between the business and the ethics team, and promoting our core values at a business level. On a quarterly basis, the NL Ethics Leader reports on ethics issues, trends and the progress of the ethics programme to the Executive Board and Supervisory Board.

Policies
Our NSE Code of Conduct embodies our DTTL Shared Values and Global Principles of Business Conduct, which are paramount to our reputation and continued success. These principles are ingrained in our operations, influencing how we serve clients, manage our businesses, collaborate as teams, and impact society at large. The Code of Conduct references all pertinent ethics policies, including the Anti-Discrimination and Anti-Harassment Policy, which provides policy and guidance on addressing discrimination and harassment.

Additionally, the Familial and Personal Relationships Policy is highlighted to ensure transparency. It mandates the disclosure of personal relationships with other individuals associated with Deloitte to prevent conflicts of interest that could affect confidentiality, morale, or our culture of inclusiveness.

References are also made to the Anti-Bribery & Corruption Policy, underscoring our firm stance against all forms of corruption. It explicitly states that it is unacceptable for any Deloitte personnel to engage in acts of bribery, including soliciting, accepting, offering, promising, or paying bribes.

Lastly, our commitment to a non-retaliatory environment is reinforced through the Non-Retaliation Policy, which emphasises the organisation's dedication to protecting individuals who report unethical behaviour from retaliation.

Activities in 2023/2024
In December 2023, the Ethics Risk Assessment for the Netherlands was conducted as an integral part of the North South Europe (NSE) Risk Assessment. This process involved collaborative discussions with Business Risk Leaders, the Ethics Leader, and the Risk and Reputation Leader. The resulting risk profile for the Netherlands was identified as 'medium risk' overall. Specifically, four risk scenarios were categorised as 'low to medium' risk, and six as 'medium' risk. Of particular note, the potential for our 'ethical compass' to be influenced by regulatory scrutiny and media coverage – following incidents either within the professional community or our own organisation – was classified as 'high risk' within our ethics framework. Continuous attention is being devoted to implementing and maintaining sufficient mitigating measures to pre-empt ethical risks

In March 2024, we launched two mandatory ethics e-learning courses, designed to be accessible for all partners and professionals. The 'Course-taking Integrity' e-learning provides a concise ten-minute guide that encourages everyone at Deloitte to reflect on the ethical behaviours expected in our learning environment. This serves as an excellent starting point for discussions about integrity, extending beyond course-taking to broader team behaviours.

The 'Ethics Biennial Refresher' e-learning is divided in two 30-minute modules focusing on 'Being an Active Bystander' and 'Advocating Respect and Fair Treatment.' This e-learning serves as a key reminder of the behaviours expected at Deloitte, and offers guidance on how to handle ethical dilemmas and where to seek support. All Deloitte partners and employees are expected to follow these mandatory courses.

Additionally, in September 2023, we launched the highly interactive monthly ethics onboarding programme with in-person education for all newly joining partners and professionals across all businesses. Our ethics ambassadors are instrumental in facilitating these sessions, which are designed to build ethical awareness, deepen understanding of Deloitte’s Shared Values and Global Principles of Business Conduct, and emphasise the importance of recognising ethical dilemmas and taking appropriate action.

Finally, in 2023/2024, our Ethics team supported the investigation into our internal learning culture and the remedial actions taken in this context (see pages 7 and 168 of this Integrated Annual Report).

Results
Table 23: Incidents: number of reported occurrence

	2023/2024	2022/2023	2021/2022
Professional conduct	14	13	5
Fair treatment or inequality	105	85	54
Discrimination	5	N/A	N/A
Harassment and sexual harassment	24	29	19
Corruption	0	0	0
Other or inquiry	33	8	16

In 2023/2024, no incidents of corruption were reported through our internal reporting systems. In parallel, no legal cases were brought forward implicating Deloitte in any (alleged) incident of corruption.

Going forward
As part of our ethics operational plan we have defined several focus areas to describe our vision for Deloitte NL as collaborative ethical organisation. They include:

- Promoting a speak up culture by creating awareness for our ethics team and ethics process by periodically planned awareness training and communication;
- Enabling leaders to setting strong tone at the top, and;
- Providing effective, timely, and independent case management.

Anti-corruption
Anti-Corruption has always been part of Deloitte's ethical principles. We are against corruption in all its forms and we are committed to staying compliant with all relevant laws and regulations, both in spirit and intent. This aligns with Deloitte's values, purpose and public interest commitment.

At Deloitte, we recognise the profound impact of corruption on global commerce, economic stability and trust in financial systems. Upholding the principles of honesty, transparency and accountability, we stand unwavering in our commitment to anti-corruption in all its forms.

Our fully implemented and comprehensive Anti-Corruption Framework consists of seven different elements that mitigate the risk of corruption within Deloitte and supports our employees and partners with guidelines to report corruption if needed. These elements include:

- Governance;
- Policies, procedures and guidelines;
- Training & communication;
- Risk assessment, testing & monitoring;
- Third party due diligence,
- Consultation and incident response and
- Investigations, for which we have the ethics reporting channels in place.

It is evident that we ensure rigorous compliance with both local and international regulations, including the Foreign Practices Act (FCPA) and the UK Bribery Act. We have also woven anti-corruption measures into the very fabric of our operations, from client onboarding to ongoing project execution.

The Anti-Corruption programme strategy and objectives are determined by our Anti-Corruption Committee and the progress of our operational plan is regularly discussed within this committee. Together with our Reputation & Risk Leader, the Committee is responsible for actively overseeing the Anti-Corruption programme.

In 2023/2024, we have further enhanced the collaboration within the three financial crime pillars being anti-corruption, anti money laundering and trade controls.

Every two years, a mandatory Financial Crime e-learning is launched to remind our partners and employees of expectations related to anti-corruption and financial crime (including anti-competition) compliance, how to identify potential corruption and financial crime risks, and how to address these risks. Per the end of 2023/2024, the completion rate of our anti-corruption training was more than 95%. Compliance by Supervisory Board, Executive Board and Executive Committee members with the training requirement amounted to 100%.

Going forward, we will continue to maintain and align within the three Financial Crime pillars to enhance full compliance with all regulatory and other requirements.

4.3 Data security

Impacts, risks and opportunities
Companies gather a considerable amount of data. Making sure that data is safe, is an onerous task. We use the data from our clients to deliver our services and support them in more inclusive and responsive decision-making. Our clients will only trust us with their data if they are convinced that their data is secure with us. The prevention of data breaches is therefore a top priority as data breach can harm our clients and our reputation as a trusted business partner and can lead to significant monetary fines and loss of revenues.

Apart from being a risk, data security is also an opportunity for us. We help our clients with their digital transformations and have developed services to identify and manage their data, infrastructure and cyber risks, and keep their systems free from unwanted interference.

Governance
Our Risk & Reputation Leadership Office (RRL) is committed to maintain the quality of governing policies and procedures, with the credo "Protecting the Brand" in any possible way. The RRL Office has several areas of expertise and focusses mainly on risk management and compliance. Every are of expertise is responsible for maintaining, coordinating and communicating their policies, such as. Engagement Opportunity Screening, Ethics, General Data Protection Regulation (GDPR), ISO standards, the cybersecurity compliance framework SOC2, and the EU Artificial Intelligence Act compliance.

These policies, frameworks & principles are applicable to all Deloitte colleagues and the services that we offer to our clients.

The RRL Confidentiality, Privacy & Security Office is charged with compliance with the principles and regulations regarding Data and Privacy. This office operates under the reponsibility of our Reputation & Risk Leader.

Policies
In order to safeguard and address Deloitte's privacy compliance, strategy and governance, several policies are in place and maintained, such as our privacy policy, which is maintained by Deloitte's Internal Privacy Office that operates on behalf of our RRL Office.

The Privacy Office is – among other responsibilities – tasked with examining privacy aspects of processes and systems through our internal Data Privacy Impact Assessment (DPIA). In addition, Deloitte has appointed Privacy and Cyber Champions both within our business and in our Support Organisation. These champions are trained to be the first line of defence in the organisation concerning privacy and confidentiality aspects that arise within the business. By making use of Privacy and Cyber Champions, Deloitte creates privacy and security awareness within the organisation. Having the Privacy and Cyber Champions as the first line, the Privacy Office as the second line, the Data Protection Officer as the third line of defence, and a robust internal audit Member Firm Standard programme in place, enables Deloitte to operate in a privacy and GDPR compliant manner. Lastly, Deloitte organises a quarterly "Privacy committee" in which multiple key topics regarding privacy and confidentiality are discussed at a high level. Examples are the privacy strategy, trends and other possible attention points.

New Global tools and vendors go through an extensive Data Risk Assessment Service (DRAS) to provide NSE privacy and confidentiality subject matter experts (SMEs) all the information needed for their approval or rejection. Local software tools and vendors are assessed through the Global Technology Operating Model (GTOM) process, meaning all relevant SMEs will review the application in one meeting from a privacy, security and IT perspective. This way Deloitte only cooperates with vendors that ensure the same level of data protection and confidentiality as Deloitte.

New assets that Deloitte develops for clients are subject to the Certify to Sell process which also includes privacy, confidentiality and security assessments. Moreover, to ensure employees operate in a privacy and confidentiality minded manner, privacy and security awareness is at the top of Deloitte's training agenda. This is reflected in the "Secure the Future" privacy & security training that all employees must complete.

Deloitte Group Support Center is ISO: IEC 27001:2013 (Information security) certified. Conformity with this standard means that we have put an information security management system (ISMS) in place to manage risks related to the security of data owned or handled by Deloitte, and that this system respects all the best practices and principles enshrined in this International Standard.

Deloitte follows a well-defined data breach procedure in order to adequately address any data breach.

In 2022, we became ISO: IEC 22301 certified (Security & resilience). This is the international standard for Business Continuity Management (BCM). This framework helps us to prevent, prepare for, react and recover from disruptive incidents.

Activities in 2023/2024
As an emerging technology trend, the world has noticed the potential of Generative Artificial Intelligence (GenAI) such as OpenAI's ChatGPT, This global development will have impact on our way of working and service delivery. Throughout the reporting year, the RRL Confidentiality Privacy & Security office contributed to Deloitte's trustworthy AI framework as our AI initiatives require adherence to the EU AI Act. The principles described in the EU AI Act are woven into our Trustworthy AI framework.

With a continuous development & improvement mindset, the RRL Confidentiality, Privacy & Security Office maintains the privacy policy, Record of Processing Activities (RoPA), and increases the robustness on the Privacy Champions Framework and Data Protection.

We are maintaining the ISO: IEC 27001:2013 & ISO: IEC 22301 controls and are currently preparing for the upcoming NIS2 (Incident reporting), DORA (Digital operational resilience) directives.

We continue to investigate other emerging technologies like Quantum Encryption to determine how these technologies will impact our data security and are looking into the maturity of post-quantum encryption algorithms.

Results
Despite our efforts, in 2023/2024, 76 incidents were internally reported of which 28 concerned personal data incidents. We received no complaints regarding breaches of client privacy or loss of customer data. In one instance, we notified personal data breaches to the supervisory authority in conformity with the legal requirements of the 'Wet meldplicht datalekken' (Law on mandatory reporting of data leaks).

5. Emerging impacts

This section outlines the emerging issues identified during our materiality assessment (see page 132 for a summary of all material and emerging impacts).

5.1 Nature and biodiversity

Why we consider nature and biodiversity an emerging impact
Our society and economy need nature to prosper but nature is declining at an unprecedented rate. Restoring biodiversity comes at a cost. If anything, the current nitrogen crisis in the Netherlands shows that we have to be willing to do things differently, taking the limited space that nature has into account and protecting it. If we transform the way we do business, we can put vital ecosystems back on a path to recovery and enhance economic resilience and our future prosperity. Failing this transformation, we stand to lose more than the great variety of species that nature has to offer to us.

Our activities to date
Deloitte's direct impacts in the area of biodiversity are limited. A study we concluded in 2022 has pinpointed the areas where we can mitigate negative biodiversity impacts. These areas are: offices and buildings, cafeteria, energy, IT, transport and mobility, office equipment and events. As a result we are implementing actions such as a greater offering of vegan and organic products in our cafeteria, and the deployment of refurbished iPhones.

But rather than only doing less harm, we have the ambition to contribute positively to nature and biodiversity. This is one of the drivers behind our mangrove project, our commitment to replant mangrove forests in the Dutch Caribbean starting with a pilot on Curacao. With this project, we aim to capture carbon on the one hand (study in cooperation with Wageningen University) while contributing to biodiversity on land and below water on the other hand. In addition, our project aims to provide employment to the local community and educate local people on the importance of the protection of biodiversity and nature.

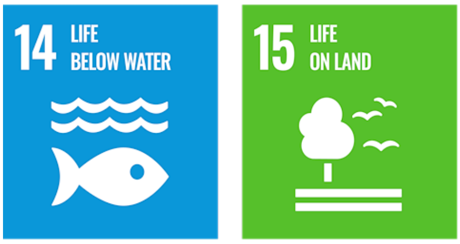
Collaborating in Curaçao: Planting mangroves for a sustainable future
The Mangrove Reforestation project in Curaçao focuses on the restoration and conservation of mangrove forests, vital ecosystems crucial for biodiversity and coastal protection, as well as carbon sequestration. In partnership with local organisations, the project aims to plant thousands of mangrove trees to rehabilitate areas affected by industrial activity and natural degradation. Additionally, a collaboration with Wageningen University is established to conduct research on carbon sequestration, enhancing the scientific understanding of how these restored mangroves can capture carbon dioxide and mitigate climate change impacts in the Caribbean. This project not only seeks to restore the natural habitat, but also to enhance the region's resilience against climate change effects, such as storm surges and erosion. The impact of this initiative is significant, contributing to the local and global environment by sequestering carbon, protecting marine life, and supporting the livelihoods of communities dependent on these ecosystems through job creation and education.

The approach to the project underscores the importance of collaboration and sustainability in corporate social responsibility. Working closely with the Curaçao-based organisations CARMABI and Ryan de Jongh foundation, Deloitte volunteers, including senior partners and employees, engage directly in the reforestation activities, demonstrating a hands-on commitment to environmental stewardship. This collaboration extends to knowledge sharing and capacity building, ensuring the project's long-term sustainability and alignment with broader environmental objectives. The aim is to show how corporate entities can actively contribute to global sustainability goals, highlighting the role of corporate responsibility in addressing critical environmental challenges. Some local clients are already involved.

During 2023/2024, the first Deloitte-supported mangroves were planted as part of a year-long pilot, around the Boca Sami Bay. In April 2024 around 360 m^2 was planted and we will be measuring the results of the full pilot later in the year. The Boca Sami area was chosen for its protected status, meaning everything planted is automatically safeguarded from future destruction. Deloitte is covering the costs of hiring and training people to plant the mangroves.

We are working with Dutch university students to monitor and assess the mangroves' impact over time. As an enabler for the data storage and monitoring of the project, we are developing a platform to verify these sustainability claims. The Environmental and Social Impact platform is developed using secure blockchain technology together with a technology provider. This will enable us to transparently share knowledge about where the mangroves are planted, what is happening in the area, how much carbon is stored, and what the impact on biodiversity is now and possibly in the future. By developing these components by design in the platform, we aim to set an example for others to join these environmental challenges.

The Ocean Cleanup and World Wildlife Fund
Next to our active involvement in the mangrove project, we are a longstanding partner of The Ocean Cleanup, an organisation aimed at reducing the amount of plastics in surface water and of World Wildlife Fund, where Deloitte and a consortium of public and private entities have developed a tool that predicts deforestation through automated assessment of spectral satellite imagery and other geospatial data.



What we plan to be doing
In the coming year, we are planning the following activities:

- For the Mangroves project, we will aim to accelerate the pace soon by scaling up: hiring more people to plant the mangroves and expanding to other areas and islands. As for the development of the Environmental and Social Impact platform, we are discovering potential partnerships and collaborations with parties that are willing to make the same impact. After the pilot results, we are seeking more projects to onboard and potentially we are expanding the mangrove scope to nature-based projects.
- Together with DTTL and NSE, assess the feasibility of a Nature-positive ambition for Deloitte;
- Continue and build our partnerships with organisations that promote biodiversity.

5.2 Sustainable procurement

Why we consider sustainable procurement an emerging impact
We buy goods and services to operate our business, with a total influenceable spend of around €250 million. Our main procurement categories are:

- Contingent Labour: Our dynamic workforce includes a mix of independent experts and access to specialised temporary staff via staffing agency arrangements.
- Real Estate & Office Services: We lease our office spaces and outsource all related facility services, such as cleaning, security, catering, and maintenance.
- Travel: Our operations include a fleet of about 3,500 leased vehicles and we partner with preferred suppliers for domestic and international travel.
- Technology: Our service delivery relies on the procurement of hardware, software, telecom, data centres, and cloud services.

Our supply chain is primarily rooted in the Netherlands, and over the past year, we've maintained stability in our strategic supplier partnerships.

The Dual Impact of Our Procurement Practices
We're conscious that our procurement activities have a dual impact. Positively, they stimulate economic activity and growth, and foster mutual development with our strategic suppliers, such as LeasePlan, CBRE, and Shell, in becoming more sustainable. However, we're also aware of the potential negative impacts, particularly ethical, environmental, or human rights risks in our supply chain, which we are dedicated to mitigating effectively.

Current Initiatives and Compliance Measures

Our procurement decision-making is governed by stringent processes. The Business Relationship Assessment Tool (BRAT) is a cornerstone of our due diligence - assessing new vendors for independence, integrity, and compliance aspects. We maintain a roster of preferred suppliers thoroughly vetted through BRAT.

We also enforce General Purchasing Conditions that mandate adherence to the Deloitte Supplier Code of Conduct, covering human rights, labour standards, environmental practices, and anti-corruption measures. Our Procurement team, as part of the global CoRe Procurement network, provides oversight and support, ensuring we benefit from Deloitte's global scale while addressing procurement-related challenges with expertise. On a global level, our suppliers are checked for ESG related elements as part of the selection process and ESG clauses are integrated in contractual arrangements.

In alignment with our World*Climate* programme, we've pledged that by 2025, 67% of our suppliers, accounting for our emissions, will implement Science Based Targets (SBT) that align with the Paris Agreement's 1.5°C target. We are actively engaging strategic suppliers to develop SBTs and disclose their carbon emissions to the Carbon Disclosure Project (CDP).

In order to reach this target, we have established a North South Europe (NSE) Sustainable Procurement Roundtable, a collaborative forum composed of Procurement and World*Climate* leaders from the NSE region. One of the significant initiatives from this Roundtable is the formulation of working towards a comprehensive NSE Sustainability Procurement Policy, aimed at integrating sustainability into every aspect of our procurement processes.

Our sustainable procurement team is dedicated to raising awareness and embedding sustainability in our local supplier selection, contracts, and negotiations, including the development of ESG contract clauses and sourcing questions.

All procurement professionals at Deloitte receive training aligned with our World*Climate* ambitions, enabling them to champion sustainable procurement choices. With General Purchasing Conditions as a standard in all agreements, the Supplier Code of Conduct has virtually 100% coverage, including payment terms and sustainability provisions.

We can still improve on including more sustainability requirements in our existing contracts. In order to achieve this, we need to continue connecting with our longer standing suppliers to start the conversation.

Future Actions and Strategic Direction

Looking ahead, we aim to hone our supplier evaluation through sustainability scoring, helping suppliers advance towards the objectives of the Paris Agreement. Our global procurement sustainability team is at the forefront, driving the integration of sustainability in supplier selection, engagement, and sourcing, with a keen focus on Net Zero principles that support our declared World*Climate* targets.

Through continuous collaboration with our suppliers, we intend to enhance sustainability criteria within our contracts and foster a data-rich environment that offers insights into the environmental impacts within our supply chain. This strategic approach will not only refine our procurement practices but also reinforce our commitment to a more sustainable and responsible business ecosystem.

5.3 Energy availability, affordability and transition

Why we consider energy availability, affordability and transition an emerging impact
Following Russia's invasion in Ukraine in February 2022, the countries of the EU - among other countries - have implemented trade restrictions with Russia. In response, Russia has ceased to supply natural gas to the EU. In a further escalation of sanctions and counter sanctions, also Russian oil has been affected leading to a global rearrangement of supply lines, pressure on supply and high prices for energy in a market where energy was already becoming increasingly scarce. This has had an effect on inflation affecting almost all economic sectors and a call to private and public sector employers to compensate workers for the consequent loss in spending power. Increased labour costs in turn have led to further price increases.

We are directly affected by rising costs as are our clients. Our people are affected by unpredictable energy costs and higher costs for their daily products.

Our activities to date and what we plan to be doing
Helping society to transition to more sustainable energy sources was already part and parcel of our Future of Energy programme. For more details on this initiative, please check out our website .

With energy costs going down to more acceptable levels over the past year, we will place emphasis on helping our own employees reducing their personal energy use and transitioning to renewable energy sources. Together with our partners within NSE, we will explore ways of doing this in the most effective manner in 2024/2025.

5.4 Human rights

Why we consider human rights an emerging impact
People are at the heart of our business. Respecting human rights therefore is inextricably linked to our shared future. We believe all people are endowed with fundamental human rights, including the right to equal treatment, liberty and security, freedom of religion, expression, health, education and culture, humane treatment, and safe and healthy working environments.

Currently, respecting, protecting and remedying human rights in our own operations as well as in our wider value chain is receiving increased attention from our professionals, clients, regulators and investors:

- As in the previous years, we have discussed human rights in focus groups with our professionals. This has led to the conclusion that Human Rights are considered especially relevant in the context of the clients that we work for and the suppliers we source from. The human rights of people working for Deloitte are considered less at risk due to existing Dutch legal safeguards. Deloitte's Global 2022 GenZ & Millennial Survey on the other hand shows that new hires have a specific interest in human rights related topics such as wellbeing and work-life balance, income and cost of living, inclusiveness, diversity and equality, social impact and training and development. This provides a basis for ensuring that these themes are respected and supported in our operations as well as in our broader value chain;
- Corporate Human Rights transparency and due diligence is becoming mandatory for Deloitte Netherlands as part of new European regulations such as the Corporate Sustainability Reporting Directive (CSRD), the EU taxonomy and the Corporate Sustainability Due Diligence Directive (CSDDD). We are also seeing the effects of new human rights regulation coming into effect in Norway, Luxembourg and Germany, in addition to the Modern Slavery Acts already in place in the UK and Australia;
- Especially larger corporate clients and public sector clients are aware that their responsibility reaches beyond their direct operations and also involves their value chain, as they are preparing for CSRD and CSDDD requirements. Being part of our clients' value chain, we see an increased need to report on our own efforts to respect, protect and remedy human rights.

Our activities to date

Deloitte is committed to respecting and promoting human rights in accordance with the principles of the UN Global Compact and the Universal Declaration of Human Rights. As a People oriented organisation, our Talent is of the upmost importance. This is inherent in our Shared Values and ALL IN, our Talent, global diversity, equity and inclusion strategy. We will continue to operate and enhance those as times and demands process.

Regarding our wider value chain, we publish our human rights intentions and expectations through our Annual Impact Reports, Supplier Code of Conduct, Responsible Business Pledge and Global Principles of Business Conduct. This entails that we commit to respecting all fundamental human rights, including humane treatment of workers, and fostering a workplace culture of equality, dignity and respect. We expect a similar commitment of our Suppliers, sub-contractors, clients and business partners. Every new vendor, client and business partner is therefore assessed for independence issues, integrity related issues, and other relevant topics. We ensure that all of our new suppliers are approved by our Reputation and Risk Leadership office and we perform regular checks to confirm that this process is followed.

In the event of any human rights related misconduct or concern, we want to know about it. Any Deloitte employee, supplier, business relationship or other third party may contact any Deloitte personnel with whom a Supplier or member of the public is comfortable directly discussing the matter, report to our Complaints Committee or use Deloitte Speak Up. Deloitte Speak Up is our hotline for confidentially (and anonymously if so desired) reporting unwelcome conduct or suspicions thereof and for asking questions about rules of conduct and integrity. We have conducted a human rights risk and impact assessment to deepen our understanding of our priority areas in Financial Year 2023/2024. We are currently in the process of stakeholder dialogues to validate this assessment to deepen our understanding of how the full spectrum of human rights relates to our business, so we can focus our efforts on the most severe risks to the people in our value chain.

We are finalising our Deloitte NL human rights policy statement we will publish in the course of the new financial year. This policy statement will contain our commitments on human rights due diligence throughout our value chain.

We are in the process of updating our sustainable procurement activities in terms of further integrating human rights due diligence in our RFP processes.

In our role as service provider we support many of our clients with their own human rights journey, by assessing their salient human rights issues and working together to identify their roles and responsibilities when it comes to preventing, mitigating and/or remediating adverse impacts on human rights. While we align our approach to the ever growing regulatory demands, our work is guided by the international standards and best practices, keeping the focus on the best outcome for rightsholders.

What we plan to be doing

We are responsible global citizens and have the size, scale and reach to inspire others and help drive collective action. Like with our World*Climate* strategy, we have the ambition to raising awareness and empowering people across our value chain to uplift human rights. Collaborative action is vital for positive change. We will therefore collaborate with clients, alliance partners, NGOs, industry groups, suppliers, and others to address human rights at a systems and operations level.

Some of the practical actions we plan to initiate in 2024/2025 include:

- Continue stakeholder dialogue on human rights risk and impact assessment and the practical implications of the results of this in our human rights due diligence policy;
- Finalise and publish a human rights statement that furthers our commitments;
- Enhance our tooling and visibility on human rights related data across our value chain;
- Further embed human rights due diligence to identify, prevent, mitigate, and account for human rights impacts in in our supplier, business relationship and client acceptance and monitoring processes;

- Enhance awareness around human rights with our partners in our value chain and explore opportunities for collaboration to improve our salient human rights risks;
- Raise awareness of our grievance mechanisms and ensure that our case management and follow-up processes are in good order to handle increased communications and integrate early warning signs and thematic patterns into our human rights due diligence insights;
- Ensure due diligence findings are integrated in our business practices and processes;
- Track the effectiveness and regularly assess our due diligence process.

Annex 3: Supporting documentation

- Glossary
- Basis of reporting
- ESRS Context Index
- Deloitte tax policy
- Deloitte offices in the Netherlands

Glossary

A&FC	The Audit & Finance Committee of the Supervisory Board
ADR	Audit Dienst Rijk
AFM	Autoriteit Financiële Markten
AI	Artificial intelligence
BREEAM	Building Research Establishment's Environmental Assessment Method
Bta	Besluit toezicht accountantsorganisaties
CEO	Chief Executive Officer
COO	Chief Operations Officer
CPO	Chief Quality Officer
CSA	Client Service Assessment
CSRD	Corporate Sustainability Reporting Directive
DDC	Deloitte Dutch Caribbean
DEI	Diversity, Equity and Inclusion
DIF	Deloitte Impact Foundation
DNL	Deloitte Netherlands
DRAS	Data Risk Assessment Service
DTTL	Deloitte Touche Tohmatsu Limited
DU	Deloitte University
EMEA	Europe, Middle East & Africa
ER&I	Energy Resources & Industrials
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
EVP	Employee Value Proposition
ExCo	Executive Committee
FA	Financial Advisory
FSI	Financial Services Industries
FY	Fiscal year
G&PS	Government and public sector
GDPR	General Data Protection Regulation
Gen AI	Generative Artificial Intelligence
GRI	Global Reporting Initiative
GTOM	Global Technology Operating Model
H2X	Deloitte Global Hydrogen Excellence Centre
IAR	Integrated Annual Report
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ISMS	Information Security Management System
ISO	International Standards Organisation
KPI	Key Performance Indicator
L&D	Learning and development
M&A	Mergers and acquisition
MDM	Multi Disciplinary Model
NBA	Nederlandse Beroepsorganisatie Accountants
NCFG	Nationale Coalitie Financiële Gezondheid
NGO	Non-goventmental organisation
NSE	Deloitte North and South Europe
OECD	Organisation for Eceonomic Cooperation and Development

PCAOB	Public Company Accounting Oversight Board
PMO	Project Management Office
QIRC	Quality Integrity & Risk Committee of the Supervisory Board
RC	Remuneration Commiittee from the Supervisory Board
SBTi	Science Based Targets initiative
SDG(s)	Sustainable Development Goal(s)
SME	Subject Matter Expert
SROI	Social Return on Investment
STEM	Science, Technology, Engineering en Mathematics
TMT	Technology, Media and Telecommunications
WIA	Wet Werk en Inkomen naar Arbeidsvermogen
Wta	Wet toezicht accountantsorganisaties

Basis of reporting

The information presented in this report is collected from various online and offline, internal and external resources. In many cases, interviews with partners and employees took place in order to write the text. For the data, a variety of systems were used, including but not limited to our SAP systems and specific project data.

This information should be read in conjunction with the basis of preparation, describing the scope, materiality, boundaries, reliability & completeness and reporting process (Annex 2).

For all metrics included in the report, reporting risks and mitigating measures (controls) have been developed. Main reporting risks relate to underreporting or overreporting depending on the indicator, incompleteness of data and dependency on external data providers. Underreporting and overreporting risks are mitigated by robust data definitions with predefined scopes and boundaries, and applying the least favourable outcome principle. Incompleteness risks are mitigated by predefined scopes and boundaries and external data providers risks are mitigated by certification requirements. Every metric has a functional data owner and a data reviewer to reduce the risk of inaccuracy. We are setting up periodic reporting for all applicable sustainability metrics to enhance management of our material sustainability matters.

None of the sustainability KPIs presented in the report have been validated by an external body other than our assurance provider.

Governance data

In calculating the value of Governance data, we have applied the following data definitions:

Regulatory quality: % of regulatory reviews (reviews issued by PCAOB, AFM, NBA, ADR, and Inspectie OCW), of which the results were communicated in the reporting year that are satisfactory as a percentage of all regulatory reviews on Deloitte Accountants B.V. issued in the reporting year.

NPS at C-level among strategic clients: the net promotor score as determined during the client service assessment conversations, in which we regard a score of 9 or higher (on a 1-10 scale) as active promotors minus detractors (a 6 or lower). Where clients indicate to be an active promotor and are considering a score between 8 and 9, the independent interviewer will seek confirmation with the client. When confirmed, these clients are also categorised as active promotors.

Client satisfaction (engagements): the average satisfaction score received from clients on post-engagement questionnaires sent out by the businesses during the financial year. The post-engagement questionnaire is sent out on discretion of the engagement manager or partner.

Incident reporting includes the number of reported occurrences as registered in NAVEX, broken down into individual incident categories. Validation and follow-up on incidents reported lies with our ethics team and leader.

Total number and percentage of employees who have received training on anti-corruption: Only the percentage of employees against the total number of employees who have successfully completed the anti-corruption training in the reporting period. This training is mandatory every 2 years, for each employee regardless of job level.

Social data

Unless otherwise indicated, our Social data excludes interns as inclusion would distort insights provided by the indicators used (e.g. on important areas such as % of employees receiving regular performance & career development reviews, and employee turnover). Also, only active employees on the payroll (excluding contractors/externals/WIA/WAO, among others) are included in the talent data. Lastly, average FTE or headcount is used when calculating talent indicators.

employer of choice in relevant ranking: ranking in the benchmark study performed by Universum in the

Netherlands for the universities: University of Amsterdam, VU University Amsterdam, University of Groningen, Erasmus University Rotterdam, University of Tilburg, Technical University Eindhoven, Delft University of Technology for Business / Commercial studies and for STEM profiles.

Diversity of age, all employees: the distribution of all employees by age group, based on headcount.

Female positions in leadership roles: # women in Supervisory Board, Executive Board and Executive Committee divided by total membership of Supervisory Board, Executive Board and Executive Committee as per the end of our fiscal year (May 31).

Sickness leave: total number of sick days divided by the total number of scheduled days.

Wellbeing: The % of employees entitled to take family-related leave by gender and the % of entitled employees that took family-related leave, by gender. Family-related leave consists of additional birth leave, birth leave, care leave long lasting, flexible maternity leave, maternity leave, paid parental leave, short term care week(s) and urgent leave family care. The family-related leave provisions of Deloitte are applicable to all employees who have an employment agreement with Deloitte Netherlands. This also applies to expat outbounds sent on home package to a foreign Member Firm and to expat inbounds sent on host package to Deloitte Netherlands. Participation in the scheme is not possible for self-employed persons, interns, secondees/temporary workers. The scheme also does not apply to expat outbounds sent on host package to a foreign member Firm and for expat inbounds sent on home package to Deloitte Netherlands.

Female partners as % of total partners: # of female partners divided by total # of partners (headcount on May 31).

Total number of employees: # of employees, per gender and per region, based on headcount.

Permanent employees and temporary employees: # of permanent and temporary employees, and breakdown by gender, based on headcount.

Total turnover: # of employee turnover and % of employee turnover in the reporting period, based on headcount.

Full-time and part-time employees: # of full-time and part-time employees, per gender and per region, based on headcount.

Females in leadership roles: % of females in leadership roles, based on headcount. This includes females within the manager and upper-level cohort, including partners. The Global Delivery Network (GDN) and interns are excluded from this calculation.

Gender pay equity: The ratio of basic salary (fixed, monthly average paid to an employee) and remuneration of women to men as per October 31st.

Remuneration ratio: annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual).

Percentage of employees receiving regular performance and career development reviews: eligible employees for snapshot divided by the number of employees that have at least one requested and completed snapshot excluding partners and Interns. Our interns (e.g. thesis intern or internships) are not part of our regular performance cycle, as the main purpose for these functions are education and learning, rather than performance. Our partners are not part of our regular performance cycle. Instead, we maintain a performance management system that is also used to determine their annual profit share and that takes into account such aspects as quality, integrity, inclusive leadership, commercial performance and relationship management.

Average hours of training per year per employee: The average hours of internal and external training that our employee has undertaken during the reporting period, broken down by gender, job grade and per business. External trainings are training followed for example at external universities. Internal trainings are training followed through the learning management system SABA. Examples of internal trainings are anti-corruption trainings and independence policy awareness trainings.

Number of hours spent on DIF projects: the KPI represents hours spent by Deloitte during the period June 1, 2023 to May 31, 2024 on pro bono work under the Deloitte Impact Foundation. These hours result from projects we perform at a large variety of societal initiatives in order to give back to society. Projects are evaluated based on their impact on society, which can either be initiated bottom-up (employees proposing a societal impact project) or top-down, including initiatives from Deloitte Global such as under our World*Class* programme or supporting Financial Health.

Environmental data

Our Environmental data includes the emissions related to our mobility, housing and purchased goods and services. For the allocation into the different scopes, we follow the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, using the operational control approach.

For buildings, we are tennants of our offices, meaning that we are for a large extend dependent on our landlord for the energy contracts. Where we do our own purchasing, GHG emissions resulting from energy usage are reported in our scopes 1 and 2, whereas those where we cannot influence the energy sources we report emissions in scope 3.

For conversion of energy consumption to CO2 emissions we used the most up to date emissions based on www.co2emissiefactoren.nl :

- Electricity (unknown): 1 kWh equals 0.328 kilogrammes CO2
- Heat: 1 GJ equals 25.05 kilogrammes CO2
- Gas: 1 m3 equals 2.134 kilogrammes CO2

For the conversion of natural gas consumption to MJ, we used the conversion factor from the GasUnie: caloric value per m3 is 35,17 MJ.

For lease case, the data included are obtained from our fleet supplier. As we do not separately monitor business trips, commuting and private use of lease cars, our data includes all these elements. Our lease emissions are reported under Scope 1 and 2, seeing that we do our own purchasing of fuels and electricity.

For conversion of these fuels to CO emissions we used the most up to date emission factors based on www.co2emissiefactoren.nl :

- Petrol: 1 litre equals 2.821 kilogrammes CO2
- Diesel: 1 litre equals 3.256 kilogrammes CO2
- LPG: 1 litre equals 1.802 kilogrammes CO2
- Electricity: 1 kWh equals 0.328 kilogrammes CO2

For conversion of employee commuting kilometres to CO2 emissions we used the most up to date emission factors based on www.co2emissiefactoren.nl :

- Bus: 1 kilometre per passenger equals 0.109 kilograms CO2
- Metro: 1 kilometre per passenger equals 0.000 kilograms CO2
- Tram: 1 kilometre per passenger equals 0.000 kilograms CO2
- Car (Fuel type unknown): 1 kilometre per passenger equals 0.193 kilograms CO2
- Public transport (general): 1 kilometre per passenger equals 0.020 kilograms CO2
- Scooter: 1 kilometre per passenger equals 0.080 kilograms CO2
- Train: 1 kilometre per passenger equals 0.003 kilograms CO2

Total kilometres travelled by plane are obtained from our travel agents. It is standing policy that we use the most recent conversion factors. Hence, for the calculation of the related CO2 emissions, we have used the 2023 conversion factors as provided by DEFRA (www.defra.gov.uk) using a classification that distinguishes economy, premium economy, business class and first class and categorises air travel in domestic, short-haul international and long-haul international flights. For the various subgroups, the following CO2 conversions are used:

- Domestic average: 0.27258kg CO /kilometre per passenger
- Short-haul international average: 0.18592kg CO /kilometre per passenger
- Short-haul international economy class: 0.18287 kg CO /kilometre per passenger
- Short-haul international business class: 0.27430 kg CO /kilometre per passenger
- Long-haul international average: 0.26128 kg CO /kilometre per passenger
- Long-haul international economy class: 0.20011 kg CO /kilometre per passenger
- Long-haul international premium economy class: 0.32016 CO /kilometre per passenger

- Long-haul international business class: 0.58029 kg CO /kilometre per passenger
- Long-haul-international first class: 0.80040kg CO /kilometre per passenger

The total kilometres travelled by train are obtained from our supplier Nederlandse Spoorwegen. For the calculation of related CO2 emissions for national rail, we used a conversion factor of 0.003 kg CO2 / kilometre per passenger as published bywww.co2emissiefactoren.nl .

For international rail, the total kilometres travelled are provided by our travel agency. For the calculation of related CO2 emissions for international rail, we used a conversion factor of 0.0045 kg CO2 / kilometre per passenger for intracontinental rail travel between different countries and of 0.0355 kg CO2 / kilometre per passenger for intracontinental rail travel within the same country (taking an international train for a domestic journey).

To calculate the carbon emissions caused by hotel stays by Deloitte partners and employees, we have multiplied the total number of hotel nights with 30.7 kg CO2. This conversion factor has been developed by DTTL on the basis of the Cornell University Hotel Benchmarking tool.

The Purchased Goods and Services methodology is based on our procurement spend data. We apply a number of assumptions to the spend data, including how we allocate spend into procurement categories, how we treat our suppliers' reported Scope 3 emissions, the CDP sector emission factors we apply to each spend category, and the extrapolation factors. We continually review our approach to reduce the risks inherent in these assumptions and the impacts of year-on-year fluctuations.

In 2023/2024, significant data quality improvements took place, allowing for better determination of actual cost incurred for PG&S. Notably, Deloitte has transitioned to an activity-based emissions calculation methodology for contingent labour, focusing on the carbon-generating activities of contractors, such as business travel, commuting, and working from home, instead of using spend (which also included the hourly rate charged for services delivered) as a proxy.

We will continue to review our approach to Scope 3 reporting in the future, aiming to continually improve the accuracy of our disclosures. When these enhancements lead to a material change in a reported figure, we are committed to explaining the nature of the change, our reasoning for its appropriateness, and the percentage variance compared to previous methodologies. As the reported data for Purchased Goods & Services highly depends on spend data, CDP sector emission factors, and other assumptions, we believe the reported figures to have a high level of measurement uncertainty.

Carbon emission reduction: the % by which our mobility and housing related carbon emissions were increased or decreased compared to comparable emissions in the base year 2018/2019 (30,477 tonnes). This year was chosen as reference year by DTTL for the global World*Climate* programme.

ESRS Content index

#	Description	Reference(s)	Explanatory notes
ESRS 2: General disclosures (July 2023)			
BP-1	General basis for preparation of the sustainability statements	Annex 2, 1.1 Scope (p. 125) Annex 2, 1.3 Reporting Boundaries (p. 134)	Our strategy contains both financial and non-financial provisions. We don't disclose some of our financial goals for reasons of confidentiality
BP-2	Disclosures in relation to specific circumstances	Annex 2, sub 1.1 Scope (p. 125) Annex 2, 2.1 Results (p. 153) Annex 3, Basis of reporting (p. 196-199) Annex 2, 1.0 Introduction (p. 123)	There are no other specific circumstances than referenced ESRS-2 13, 14, 15 and 19 are not applicable
GOV-1	The role of the administrative, management and supervisory bodies	Roles and responsibilities (p. 39-40) Our Leadership (p. 24) Report of the Supervisory Board (p. 41-47) Annex 2: 3.2, Results (p. 164)	Representatives from employees and other workers are not represented in the Board
		Profile Supervisory Board Deloitte Netherlands	https://www2.deloitte.com/content/dam/Deloitte/nl/Documents/about-deloitte/deloitte-nl-profile-supervisory-board.pdf
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Report of the Supervisory Board (p. 41-47) Annex 2, 1.0 Introduction (p. 123)	
GOV-3	Integration of sustainability-related performance in incentive schemes		Deloitte has not yet systematically included sustainability-related performance in incentive schemes
GOV-4	Statement on sustainability due diligence	Annex 2, 5.4 Human rights (p. 190-192) Annex 2, 1.3 Reporting boundaries (p. 134)	
GOV-5	Risk management and internal controls over sustainability reporting	Annex 2, 1.5 Reporting process (p. 134) Annex 3 Basis of reporting (p. 197)	
SBM-1	Market position, strategy, business model(s) and value chain	Our businesses and industries (p. 26) About Deloitte (p. 23) Our purpose and strategy (p. 11-12) Annex 2, 2.1 Climate and CO2)p. 151-152) Value creation (p. 15-16)	ESRS-2 40c-d: Deloitte operates across all sectors, but always in audit or advisory roles. Clients can operate in sectors mentioned in these requirements
SBM-2	Interests and views of stakeholders	Annex 2, 1.2 Materiality (p. 125-128)	ESRS-2 45c not applicable as our strategy was only recently defined

#	Description	Reference(s)	Explanatory notes
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	Throughout Annex 2 (p. 135-186) Value creation (p. 15-16) Financial statements (p. 100-103)	Impacts, risks and opportunities are disclosed at the beginning of every paragraph dealing with a material sustainability matter Initiatives taken to reduce current negative impacts. Risks and opportunities are described in the setions where we disclose information on our material sustainability impacts thoughout the report Where applicable, the source of the impacts, risks and opportunities is disclosed Current financial effects for material risks and opportunities are deemed not material. Liabilities, including those regarding material sustainability matters, are disclosed in Notes 8.2 to the Financial Statement We do not believe investments or disposals will be necessary as a result of managing material sustainability matters ESRS-2 48e is not applicable as this is the first year we report in compliance with ESRS
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Annex 2, 1.2 Materiality (p. 125-128, 130, 133) Risk management (p. 49-50)	ESRS-2 53h is not applicable as this is the first year we have disclosed a DMA.
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	Annex 3, ESRS Content index (p. 200-211) Annex 2, 2.1 Environmental impacts (p. 135)	ESRS-2 58: Brief explanation concerning non-materiality for E2, E3, E4 and E5 is provided ESRS-2 59: Our reporting meets the requirements of ESRS 1 section 3.2 ESRS-2 60-81: All material topics are disclosed taking the MDR taking into account. Possible deviations are disclosed in the ESRS Content Index
MDR-P	Policies adopted to manage material sustainability matters		All material topics are disclosed taking the MDR taking into account. Possible deviations are disclosed in the ESRS Content Index
MDR-A	Actions and resources in relation to material sustainability matters		All material topics are disclosed taking the MDR taking into account. Possible deviations are disclosed in the ESRS Content Index
MDR-M	Metrics in relation to material sustainability matters		All material topics are disclosed taking the MDR taking into account. Possible deviations are disclosed in the ESRS Content Index
MDR-T	Tracking effectiveness of policies and actions through targets		All material topics are disclosed taking the MDR taking into account. Possible deviations are disclosed in the ESRS Content Index
ESRS E1: Climate change (July 2023)			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 2.1 Climate and CO2 (p. 135-146, 146-148, 148-152) Annex 2, 1.3 Reporting Boundaries (p. 134)	
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 2.1 Climate and CO2 (p. 146-148, 148-152, 154-155)	There are no plans that require significant operational or capital expenditures. All costs of climate programmes are absorbed in our normal planning cycle
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 2.1 Climate and CO2 (p. 146, 148-152. 153-154) Annex 2, 1.3 Reporting Boundaries (p. 134)	Both ESRS defined and entity specific metrics have been included in the report Metrics are consolidated on level of DTTL which then submits them to CDP for validation
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 2.1 Climate and CO2 (p. 146, 148-152. 153-154) Annex 2, 1.3 Reporting Boundaries (p. 134)	WorldClimate is a top-down programme where we consult with stakeholder how we approach the actions prescribed ESRS-2 80i: Not applicable in 2023/2024 ESRS-2 81 Not applicable as Deloitte has set outcome-oriented targets

#	Description	Reference(s)	Explanatory notes
ESRS-2	Disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	Annex 2, 2.1 Climate and CO2 (p. 154-155)	
E1-1	Transition plan for climate change mitigation	Annex 2, 2.1 Climate and CO2 (p. 136-138, p. 146-148)	Our long-term emissions reduction targets using SBTi's Net Zero Standard is still subject for verification by SBTi hence, at present, we can only report on our SBTi verified near-term targets ESRS-E1 16c: As Deloitte is asset-light, we don't foresee funding that requires capital investments ESRS-E1 a6d: There are no potentially locked-in GHG emissions from key assets and products. Deloitte does not own energy-intensive key assets and our products consist of audits and advisory services and are therefore also not energy-intensive ESRS-E1 16e: Not applicable as our economic activities are not covered by delegated regulation on climate adaptation or mitigation under the Taxonomy Regulation ESRS-E1 16g: Deloitte is not excluded on the basis of Article 12 ESRS-E1 17: Not applicable as our near-term SBTi targets serve as Transition Plan
ESRS-2	Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Annex 2, 2.1 Climate and CO2 (p. 135-146)	
ESRS-2	Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Annex 2, 1.2 Materiality (p. 128) Annex 2, 2.1 Climate and CO2 (p. 135-146)	
E1-2	Policies related to climate change mitigation and adaptation	Annex 2, 2.1 Climate and CO2 (p. 146-148)	
E1-3	Actions and resources in relation to climate change policies	Annex 2, 2.1 Climate and CO2 (p. 146-148, 148-152, 153-154) Annex 2: 5.1 Nature and biodiversity (p. 187-188)	We do not foresee there to be significant CapEx or OpEx consequences to our Climate strategy on the short to medium term
E1-4	Targets related to climate change mitigation and adaptation	Annex 2, 2.1 Climate and CO2 (p. 146, 153-154)	As our long-term reduction targets are still in the validation stage with SBTi, at present we can only disclose information on our near-term SBTi targets. These targets are not suited for reporting targetted absolute reductions
E1-5	Energy consumption and mix	Annex 2, 2.1 Climate and CO2 (p. 154)	We do not buy nuclear power, consume fuel from renewable sources or self-generate non-fuel renewable energy ESRS-E1 38-43 Not applicable to Deloitte as we don't have activities in high climate impact sectors
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Annex 2, 2.1 Climate and CO2 (p. 153-154)	

#	Description	Reference(s)	Explanatory notes
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Annex 2, 2.1 Climate and CO2 (p. 148)	Programme is operated by Deloitte NSE on behalf of its geographies and reported on in their Impact report. It is therefore not in scope for DNL ESRS-E1 61: No claims on carbon neutrality have been made
E1-8	Internal carbon pricing	Annex 2, 2.1 Climate and CO2 (p. 154)	ESRS-E1 63: Not applicable as Deloitte does not (yet) use internal carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Annex 2, 2.1 Climate and CO2 (p. 135-146)	ESRS-E1 65a: Monetary amount for short-, medium- and long-term is negligible ESRS-E1 65c: There are no assets at material physical risk ESRS-E1 65d: Monetary amount for short-, medium- and long-term is negligible ESRS-E1 67b: As we do not regard transition risks to our own assets or those owned by others to be material, we cannot provide a figure other than < 5%. ESRS-E1 67c: We don't own real estate assets ESRS-E1 67d: There are no such liabilities ESRS-E1 68-70: Not applicable to Deloitte
	Relevant Application requirements		
	AR 6-8	Annex 2, 2.1 Climate and CO2 (p. 135-146)	
	AR 9	Annex 2, 1.2 Materiality (p. 127) Annex 2, 1.3 Reporting Boundaries (p. 134)	
	AR 11-18	Annex 2, 2.1 Climate and CO2 (p. 135-146)	ESRS-E1 AR18: Climate change physical and transition risks are negligible
	AR 19-22	Annex 2, 2.1 Climate and CO2 (p. 146-148)	ESRS-E1 AR 19b: Although we address many of these types of mitigation actions, we have not aggregated them ESRS-E1 AR 19d: We have not disclosed the climate change adaptation actions by type of adaptation solution We do not foresee there to be significant CapEx or OpEx consequences to our Climate strategy on the short to medium term
	AR 24-31	Annex 2, 2.1 Climate and CO2 (p. 153-154) Annex 3, Basis of reporting (p. 198-199)	As our long-term reduction targets are still in the validation stage with SBTi, at present we can only disclose information on our near-term SBTi targets. These targets are not suited for reporting targetted absolute reductions per scope Baseline year is consistent with prior years' reporting ESRS-E1 AR 26: No sector specific or cross sector pathway available ESRS-E1 AR 29 Not applicable as we have not adjusted our base year
	AR 32-35		ESRS-E1 AR 32a: Scope 1 and 2 emissions are only reported where we have operational control and have the responsibility for the purchase of energy ESRS-E1 AR 32b: Not applicable as Deloitte does not procure feedstocks ESRS-E1 AR 33: Not applicable as Deloitte is not active in high climate impacts sectors

#	Description	Reference(s)	Explanatory notes
	AR 39-44	Annex 3, Basis of reporting (p. 198-199)	ESRS-E1 AR 39a: Our definitions are based on GHG Protocol to facilitate CDP submission of DTTL ESRS-E1 AR 40: Not applicable to Deloitte as we do not have such associates, joint ventures, unconsolidated subsidiaries (investment entities) and contractual arrangements ESRS-E1 AR 41: Disaggregation of emission related information does not add insights and is - in practice - not feasible without assumptions that would not improve the quality of the information presented. Our policies, targets, activities and results are uniformly applicable within Deloitte Netherlands ESRS-E1 AR 42: For our own operations we report on our results in our own financial year (June 1 - May 31). For suppliers that participate in CDP, we use the data from their financial years ESRS-E1 AR 43a: Our Scope 1 emissions include fuel used for heating our offices and power the ICE cars in our fleet ESRS-E1 AR 43c: Deloitte does not have such emissions ESRS-E1 AR 43d: We do not include any removals, or any purchased, sold or transferred carbon credits or GHG allowances in the calculation of Scope 1 GHG emissions ESRS-E1 AR 44: Not applicable to Deloitte
	AR 45		Our Scope 2 emissions include bought electricity (for offices and fleet) and heat. Steam and cooling are not applicable to Deloitte We only include scope 2 emissions that are the result of our own procurement Deloitte does not have biogenic emissions We do not include any removals, or any purchased, sold or transferred carbon credits or GHG allowances in the calculation of Scope 2 GHG emissions
	AR 46	Annex 2, 2.1 Climate and CO2 (p. 153-154) Annex 3, Basis of reporting (p. 198-199)	ESRS-E1 AR 46c: Screening is done on the level of DTTL and NSE Scope 3 emissions are updated on an annual basis We do not include any removals, or any purchased, sold or transferred carbon credits or GHG allowances in the calculation of Scope 3 GHG emissions
	AR 47-52	Annex 2, 2.1 Climate and CO2 (p. 153-154)	ESRS-E1 AR 48: Total reduction targets are not provided pending SBTi validation of our long-term net-zero targets ESRS-E1 AR 49: Not aplicable to Deloitte ESRS-E1 AR 51: Not material at present
	AR 53-55	Annex 2, 2.1 Climate and CO2 (p. 153-154)	
	AR 56-60		Not applicable as we do not engage in these activities
	AR 61-64		We don't report on carbon credtis as this activity is NSE-led
	AR 65-66		Not applicable as Deloitte does not (yet) have an internal carbon price mechanism

#	Description	Reference(s)	Explanatory notes
	AR 67-71	Annex 2, 2.1 Climate and CO2 (p. 135-146)	AR 70: No assets at material physical risks hence not disclosed AR 71: As there are no assets at material risk due to climate change and there are no associated liabilities, this requirement is not applicable AR 71b: We have not assessed these effects yet
	AR 72		We do not believe our revenue to be at risk due to physical climate risks in the short or medium term as our business is volatile and climate opportunities exceed climate risks. For the longer term, together with our NSE partners, we will further investigate what our clients' exposure is to physical climate risks and we will assess what the potential impact is on their business continuity.
	AR 73		ESRS-E1 AR 73a: Not applicable as there are no assets at material transition risk ESRS-E1 AR 73b: This information is included on page 9 of our CO2 Performance Ladder report FY22 that is published online (https://www2.deloitte.com/nl/nl/pages/over-deloitte/articles/sustainability-impact-deloitte-netherlands.html) ESRS-E1 AR 73c: Not applicable as there are no assets at material transition risk
	AR 74		Deloitte does not operate installations regulated under an emission trading scheme
	AR 76		We do not believe our revenue to be at risk due to physical climate risks in the short or medium term as our business is volatile and climate opportunities exceed climate risks. For the longer term, together with our NSE partners, we will further investigate what our clients' exposure is to physical climate risks and we will assess what the potential impact is on their business continuity.
	AR 77-78		Not applicable to Deloitte as these risks are negligible and Deloitte's asset base is relatively small
	AR 79		Not applicable to Deloitte as we are not part of emission trading schemes
	Ar 80-81		Not applicable to Deloitte
	Entity specific metrics		
	Reducing of business travel emissions per FTE from 2019 levels	Annex 2, 2.1 Climate and CO2 (p. 146)	
	Sourcing renewable energy for our buildings	Annex 2, 2.1 Climate and CO2 (p. 146)	
	Conversion of fleet to electric vehicles	Annex 2, 2.1 Climate and CO2 (p. 146)	
	% of major suppliers committed to adopt science-based targets for carbon reduction	Annex 2, 2.1 Climate and CO2 (p. 146)	
ESRS S1: Own workforce (July 2023)			

#	Description	Reference(s)	Explanatory notes
ESRS-2	*Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model*	*Value creation (p. 15-16)* *Our purpose and strategy (p. 11-12)* *Annex 2, 3 Social Impacts (p. 157)* *Annex 2, 3.2 Diversity, equity and inclusion (p. 162)* *Annex 2, 3.4 Wellbeing (p. 169)* *Annex 2, 5.4 Human rights (p. 190)*	*Annex 2, Impacts, risks and opportunities in sub-sections 3.1, 3.2, 3.3 and 3.4 describes positive and negative impacts* *ESRS-S1 14e: Not applicable due to the nature of our business* *ESRS-S1 14f and 14g: We have no operations at risk and no operations in countries or geographic areas considered at risk* *ESRS-S1 16: Not applicable to Deloitte*
S1-1	Policies related to own workforce	Annex 2, 3 Social impacts (p. 158-171) Annex 2, 5.4 Human Rights (p. 190, 191) Annex 2, 3.4 Wellbeing (p. 169-170) Annex 2, 3.2 Diversity, equity and inclusion (p. 163-164, 165)	All policies pertaining to material impacts on our own workforce, as well as associated risks and opportunities are described in paragraphs 3.1, 3.2, 3.3 and 3.4 ESRS-S1 24b: These will be included in our Human Rights policy
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Annex 2, 3 Social Impacts: Introduction (p. 157) Annex 2, 1.2 Materiality (p. 127) Annex 2, 3.2 Diversity, equity and inclusion (p. 162-163)	ESRS-S1 27d and 27e: Not applicable to Deloitte ESRS-S1 29: Not applicable
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Annex 2, 4.2 Ethics and integrity (p. 181-182)	ESRS-S1 34: Not applicable
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Annex 2, 3 Social Impacts: Introduction (p. 157)	MDRs are incorpporated in the disclosures of our material sustainability matters ESRS-S1 34: Practices are diclosed in sections on Data security and sustainable procurement. We don't see how these activties could negatively impact our own workforce
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Annex 2, 3 Social Impacts:Introduction (p. 157)	MDRs are incorpporated in the disclosures of our material sustainability matters
S1-6	Characteristics of the undertaking's employees	Annex 2, 3 Introduction (p. 157) Annex 3, Basis of reporting (p. 196-197) Annex 1, Workforce (p. 71)	ESRS-S1 50e: Where applicable, contextual infromation is provided ESRS-S1 51 and 52: NL is one single region. DDC does not meet materiality criteria from ESRS (>50 employees representing more than 10% of workforce)
S1-7	Characteristics of non-employees in the undertaking's own workforce	Annex 2, 3 Social Impacts: Introduction (p. 157)	ESRS-S1 57: Data is available and reported
S1-8	Collective bargaining coverage and social dialogue	Annex 2, 3 Social Impacts: introduction (p. 157)	ESRS-S1 60-62: Not applicable as there are no collective bargaining agreements within Deloitte ESRS-S1 63b: The Netherlands is the only geography within the EEA in which Deloitte NL employs people
S1-9	Diversity metrics	Annex 2, 3.2 Diversity, equity and inclusion (p. 164-165)	

#	Description	Reference(s)	Explanatory notes
S1-13	Training and skills development metrics	Annex 2, 3.1 Employee value proposition (p. 161) Annex 2, 3.3 Learning and development (p. 168) Annex 2, 3.1 Employee value proposition (p. 160)	
S1-15	Work-life balance metrics	Annex 2, 2.4 Wellbeing (p. 170)	
S1-16	Remuneration metrics (pay gap and total remuneration)	Annex 2, 3.2 Diversity, equity and inclusion (p. 164-165)	
	Relevant Application requirements		
	AR 10		There were no significant changes in policies in the reporting year with the exception of the introduction of our new Talent strategy and our approach to DEI that are both explained and elaborated in the relevant sections
	AR 12		Not applicable to Deloitte
	AR13	Annex 2, 5.2 Sustainable procurement (p. 189)	
	AR 57		We report average employees in the reporting year
	AR 59		We have divided 'total leavers' by 'total headcount' x 100%
	AR96		We have adopted same definitions and categorisation
Employee Value Proposition			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 3.1 Employee value proposition (p. 158, 159-160) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 65d: Third party standards are not referenced
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 3.1 Employee value proposition (p. 161) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 68d: Implementation and upholding of our EVP is a continuous process hence no time horizons are set ESRS-2 69: Costs of EVP are part of our normal planning cycle and are paid out of revenues
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 3.1 Employee value proposition (p. 161) Annex 3, Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on EVP are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 3.1 Employee value proposition (p. 161)	
Diversity, equity and inclusion			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 3.2 Diversity, equity and inclusion (p. 162, 163) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	

#	Description	Reference(s)	Explanatory notes
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 3.2 Diversity, equity and inclusion (p. 162-163, 163-164) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 69: DE&I activities are part of normal operational planning meaning that costs are planned for and allocated in the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 3.2 Diversity, equity and inclusion (p. 164-165) Abbex 3, Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on Diversity, equity and inclusion are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 3.2 Diversity, equity and inclusion (p. 162, 163-164)	ESRS-2 81: DE&I aims to create an inclusive corporate culture. This is not suited for targetsetting as it mainly involves behavioural and bias oriented interventions
	Entity specific metrics		
	Female partners as % of total partners	Annex 2, Summary of performance (p. 122)	
	Women in leadership positions	Annex 2, Summary of performance (p. 122)	
Learning and development			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 3.3 Learning and development (p. 167) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 3.3 Learning and development (p. 166-167) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 69: Learning and development activities are part of normal operational planning meaning that costs are planned for and allocated on the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 3.3 Learning and development (p. 168-169) Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on Learning and development are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 3.3 Learning and development (p. 169)	ESRS-2 81: We develop our Learning an development needs on the basis of market demands. It is therefore not possible to define quantative targets with respect to learning hours
Wellbeing			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 3.4 Wellbeing (p. 169-171) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 3.4 Wellbeing (p. 169) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 69: Wellbeing activities are part of normal operational planning meaning that costs are planned for and allocated on the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 3.4 Wellbeing (p. 169-171) Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on Wellbeing are not validated by an external body other than our external assurance provider

#	Description	Reference(s)	Explanatory notes
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 3.4 Wellbeing (p. 169-171)	ESRS-2 80: The metrics used are not suited to setting quantitative targets that are relevant for the activities in scope
	Entity specific metric		
	Sickness leave	Annex 2, 3.4 Wellbeing (p. 171)	
Social impact and social return			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 3.4 Social impact / social return (p. 172-173, 175-176) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 3.4 Social impact / social return (p. 175-176) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 68: The policies of Deloitte Impact Foundation do not require specific actions ither than what is mentioned in the Governance and Policies sections ESRS-2 69: Social impact / social return activities are part of normal operational planning meaning that costs are planned for and allocated on the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 3.4 Social impact / social return (p. 175) Basis of reporting (p. 197)	ESRS-2 77b: Metrics in the section on Social impact / social return are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 3.4 Social impact / social return (p. 172, 175)	ESRS-2 80d-80j: Not applicable
	Entity specific metrics		
	Hours spent on DIF Projects	Annex 2, 3.4 Social impact / social return (p. 175)	
	# DIF projects	Annex 2, 3.4 Social impact / social return (p. 175)	
	# employees involved in DIF projects	Annex 2, 3.4 Social impact / social return (p. 175)	
ESRS G1: Business conduct (July 2023)			
ESRS-2 GOV-1	Disclosure Requirement related to ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies	Annex 2, 4. Governance impacts (p. 178)	ESRS-2 5b: Not specifically disclosed. See general sections in Roles and reponsibilities section and in Report of the Supervisory Board
ESRS-2	Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities		Per section in Chapter 4. Governance impacts, the relevant IROs have been disclosed
G1-1	Business conduct policies and corporate culture	Annex 2, 4.2 Ethics and integrity (p. 182-184)	ESRS-G1 10h: We believe all partners and employees are at a certain degree of risk and therefore have a training programme that is cross-functional
G1-3	Procedures to address corruption and bribery	Annex 2, 4.2 Ethics and integrity (p. 184)	ESRS-G1 18c: We regard any incident involving corruption as an ethical incident. All ethical incidents are reported to the Executive Board
G1-4	Incidents of corruption or bribery	Annex 2, 4.2 Ethics and integrity (p. 183-184)	
Quality			

#	Description	Reference(s)	Explanatory notes
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 4.1 Quality (p. 178-179) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 4.1 Quality (p. 180) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 68c: Actions take place on an ongoing basis ESRS-2 69: Quality related activities are part of normal operational planning meaning that costs are planned for and allocated on the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 4.1 Quality (p. 180-181) Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on Quality are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 4.1 Quality (p. 180-181)	ESRS-2 No new targets have been set yet
	Entity specific metrics		
	Satisfactory regulatory reviews	Annex 2, 4.1 Quality (p. 180)	
	Client satisfaction score	Annex 2, 4.1 Quality (p. 181)	
	Net promotor score as measured by Client Satisfaction Assessments	Annex 2, 4.1 Quality (p. 181)	
Ethics and integrity			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 4.2 Ethics and integrity (p. 181-184) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 4.2 Ethics and integrity (p. 183) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 68c: Actions take place on an ongoing basis (e.g. annual ethics survey, two-yearly refreshers, etc) ESRS-2 68d: We do not report individual outcomes of cases due to privacy constraints ESRS-2 69: Ethics and integrity related activities are part of normal operational planning meaning that costs are planned for and allocated on the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 4.2 Ethics and integrity (p. 183-184) Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on Ethics & integrity are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 4.2 Ethics and integrity (p. 181-183)	ESRS-2 80: We feel that ethics metrics are not suited for outcome oriented target setting
	Entity specific metrics		
	Incidents: number of reported occurance	Annex 2, 4.2 Ethics and integrity (p. 183)	
Data security			
MDR-P	Policies adopted to manage material sustainability matters	Annex 2, 4.3 Data security (p. 184-186) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	

#	Description	Reference(s)	Explanatory notes
MDR-A	Actions and resources in relation to material sustainability matters	Annex 2, 4.3 Data security (p. 186) Annex 2, 1.1 Scope (p. 134) Annex 2, 1.3 Reporting Boundaries (p. 134)	ESRS-2 68c: Actions take place on an ongoing basis ESRS-2 69: Data security activities are part of normal operational planning meaning that costs are planned for and allocated on the current financial year
MDR-M	Metrics in relation to material sustainability matters	Annex 2, 4.3 Data security (p. 186) Basis of reporting (p. 196)	ESRS-2 77b: Metrics in the section on Data security are not validated by an external body other than our external assurance provider
MDR-T	Tracking effectiveness of policies and actions through targets	Annex 2, 4.3 Data security (p. 185)	ESRS-2 80: No outcome oriented or time-bound targets have been set for data security ESRS-2 81a: We believe no realistic outcome oriented target can be set for data security ESRS-2 81bii: We use the number of breaches detected and reported as guiding KPIs
	Entity specific metrics		
	Total internally reported incidents	Annex 2, 4.3 Data security (p. 186)	
	Total internally reported incidents involving personal data	Annex 2, 4.3 Data security (p. 186)	
	# Complaints regarding breaches of client privacy or loss of customer data	Annex 2, 4.3 Data security (p. 186)	
	# Instance that personal data breaches were reported to the supervisory authority	Annex 2, 4.3 Data security (p. 186)	

Deloitte tax policy

Introduction
The public debate around tax has been shifting rapidly over a number of years. In this context, stakeholders, both internal and external, expect Deloitte Netherlands to reflect on how we deal with our own tax affairs including topics like, being in control of tax risks, sustainable tax and contributing our fair share.

In this section, we describe our attitude as a taxpayer, regarding both Deloitte and our Equity Partners ('EP'), our relationship with the Dutch Tax Authorities ('DTA') and our responsibilities as a member of the global Deloitte community. This section aims to reflect on our transparency about our tax position and to address our leading role on this topic within society.

For the avoidance of doubt, this document does not refer to Deloitte's position as a financial and tax advisor during its business operations.

Deloitte policy
Deloitte's tax policy is based on three pillars.

1. Deloitte is a purpose-driven organisation acting within a global network. In this network, our Global Principles guide the way we do business, enabling us to take a leading role in society and protecting our brand and reputation. As part of these principles, every Deloitte member firm needs to obey international and local tax rules. This applies to the organisation itself and to its EPs. Among other requirements, all tax reporting in the name of Deloitte and of the corporate entities held by the Equity Partners must be done in a timely manner and in compliance with all relevant local tax rules. Furthermore, Deloitte and its EPs will not enter into aggressive tax planning positions or in structures which could be defined as artificial.
   Deloitte Global requires Deloitte to confirm annually that it meets these principles.
2. Deloitte aims to act as a responsible party in Dutch society, not only meeting the requirements according to local rules, but also showing leadership towards its stakeholders. We contribute our fair share of corporate income tax in the countries we conduct our business. We commit ourselves to withhold and pay wage tax in the countries where our employees perform their activities in accordance to the applicable rules. All our tax-related reporting is part of an integrated internal control framework that includes a range of checks and balances to minimise the risks where possible.
3. Deloitte has entered into an agreement with DTA, which is called Individual Control Plan ('Individueel Toezicht Plan', or 'ITP'). This ITP consists of three elements:
   i. We regularly discuss our tax control framework, as part of our overall Internal Control Framework for Financial Reporting (ICFR), with DTA. Suggested improvements are implemented after approval;
   ii. Annually, we perform a randomly selected sample test in our system on all our outgoing payments to test the compliance of the relevant tax aspects. DTA is involved throughout this process and receives an integral report on findings and identified improvements. Is the findings lead to supplementary tax assessments, we will act accordingly;
   iii. In our quarterly meetings with the DTA, we discuss all our pending and new tax affairs and our filings in a fully transparent manner.

Governance
Deloitte is organised as a corporate entity. The Executive Board consists of three persons, of which one has the function of Chief Operating Officer (COO). The COO is responsible for all finance matters including tax matters. The Chief Tax Officer (CTxO) discusses the tax related issues on a regular basis with the CFO and COO.

The CTxO leads a group of experts dedicated to corporate tax, wage tax and indirect tax matters. These specialists regularly discuss pending issues, the impact of new regulations and new developments within the organisation, and they take appropriate actions if needed. The CTxO is also part of an internal tax committee, which consists of Deloitte professionals from a broad range of departments within the internal organisation (such as HR, Talent, Finance, back office) to discuss all upcoming tax related developments and issues in an early stage. All developments, and finding are discussed in full transparency with DTA in the context of the ITP.

Furthermore, Deloitte's CTxO is part of a group of CTxO's within Deloitte Global as well as within NSE. On a regular basis, these groups discuss anticipated trends and developments in the tax environment and possible measures or adjustments in Deloitte organisation's tax policy.

Tax position

Corporate tax
Deloitte's EPs charge Deloitte a management fee through their respective personal management companies. These management fees are fully taxable at the level of the individual management company, after deducting a so-called customary salary. The level of this salary, which is taxed with Personal Income Tax at the level of the EP, is discussed and agreed upon with DTA on a yearly basis. Deloitte's remaining profit is taxable at corporate level. Both Deloitte and the personal management companies of the EPs are taxed in accordance with Dutch rules and regulations and against the regular Dutch corporate income tax rates.

All filings for corporate income tax returns of Deloitte and the individual management companies of the EPs are prepared centrally by Deloitte, not only in line with legal requirements, but also in line with the guidelines agreed with DTA.

Cross-border projects or other international services are fine-tuned with CTxOs of the other Deloitte Member Firms to ensure Deloitte meets local rules and regulations.

Wage tax
All relevant filings are carried out in a timely manner and in accordance with local rules and regulations. Meetings are held regularly with specialists from the DTA to discuss pending and new tax issues, such as charging travel expenses, cost reimbursements and the so-called 'vrije ruimte' (free space) in the wage tax.

All cross-border work situations (including secondments, projects and expats) are handled by a dedicated group of specialists in The Netherlands as well as abroad to ensure that Deloitte and its employees meet all Dutch and local requirements.

Findings from the annual self-initiated sample test as described above are reported in full transparency. In case these findings lead to additional taxation we file supplementary tax filings. We also indicate potential improvements or adjustments in policies and procedures to be made in order to prevent issues recurring in the future.

Value added tax
On all incoming and outgoing transactions, we follow the rules and guidelines for value added tax (VAT). Specific transactions, such as invoices issued to EU and non-EU clients or invoices for VAT exempt services, are subject to strict protocols to ascertain that VAT is reported correctly. VAT is also subject to the self-initiated sample test as mentioned earlier, and findings are reported to DTA in full transparency.

Relationship with stakeholders
We address this subject in three parts: (i) our shareholders, (ii) the Deloitte Organisation and (iii) our business partners, clients and society.

1. For Deloitte's direct shareholders (the EPs), we have implemented a system of internal controls to ascertain that all EPs and their respective personal management and holding companies are aligned to the same principles. All matters related to tax compliance for these entities are serviced by a dedicated group of specialists (Partner Administration Services, or 'PAS') to ensure all tax positions are aligned to our Global Principles. The CTxO is involved throughout the process. Furthermore, all EPs are required to provide PAS their personal income tax returns annually. These returns are monitored by PAS to ascertain that no tax positions are used that might conflict with our tax compliance principles.
2. Regarding Deloitte as an organisation, tax is a theme that is also discussed within the Audit & Finance Committee of the Supervisory Board. This is a safeguard to ascertain that no positions are taken that might result in tax charges afterwards or that might trigger reputational consequences.

3. Deloitte acts as a responsible party in the business community, taking the lead in debates and actively accompanying clients as they navigate business decisions and sustainability questions. In that context, Deloitte recognises that a proper tax policy is essential for being regarded as a professional organisation within our business community.

With attitudes towards tax in our societies rapidly evolving, large corporates in particular are subject to scrutiny. Consequently, we understand that, as Deloitte is one of the leading voices in these public debates, we need to establish and abide by clear policies and controls within our own organisation.

Deloitte offices in the Netherlands

Annex 4: Other information

- Appropriation of result according to articles of association
- Independent auditor's report
- Limited assurance report of the independent auditor on the sustainability information in the Integrated Annual Report 2023/2024

Appropriation of result according to articles of association

In Article 18 of the Cooperative's articles of association the following has been presented concerning the appropriation of result:

1. The profit is fully distributed to the Members.
2. The General Meeting decides on appropriation of the profit based on a proposal by the Executive Board approved by the Supervisory Board. Profit will be distributed after adoption of the financial statements evidencing that this is permissible.
3. Based on a proposal by the Executive Board approved by the Supervisory Board, the General Meeting may decide to distribute to the Members profit of the current fiscal year.
4. If the Cooperative sustains a loss in any fiscal year, the Executive Board will submit to the General Meeting a proposal approved by the Supervisory Board regarding treatment of the loss. The General Meeting will take a decision with respect to treatment of the loss following the proposal submitted by the Executive Board as referred to in the first sentence of this paragraph. If losses have been charged to the capital accounts, no profit will be distributed until such losses have been made up.

Independent auditor's report

To: the general meeting and Supervisory Board of Coöperatief Deloitte U.A.

A. Report on the audit of the financial statements 2023/2024 included in the Integrated Annual Report

Our opinion
We have audited the financial statements 2023/2024 of Coöperatief Deloitte U.A. ('the Group') based in Rotterdam, the Netherlands. The financial statements comprise the consolidated financial statements and the company financial statements.

WE HAVE AUDITED	OUR OPINION
The consolidated financial statements comprise: 1. the consolidated statement of financial position as at May 31, 2024; 2. the following statements for 2023/2024: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and 3. the notes comprising a summary of the significant accounting policies and other explanatory information.	In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of Coöperatief Deloitte U.A. as at May 31, 2024, and of its result and its cash flows for 2023/2024 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
The company financial statements comprise: 1. the company balance sheet as at May 31, 2024; 2. the company profit and loss account for 2023/2024; and 3. the notes comprising a summary of the accounting policies and other explanatory information	In our opinion, the accompanying company financial statements give a true and fair view of the financial position of Coöperatief Deloitte U.A. as at 31 May 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Basis for our opinion
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements section of our report.

We are independent of Coöperatief Deloitte U.A. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Information in support of our opinion

Our audit approach
We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern, was addressed in this context, and we do not provide a separate opinions or conclusions on these matters.

Overview and context
Coöperatief Deloitte U.A. provides assurance and advisory services in the Netherlands. The Group is comprised of several group entities and therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'.

As part of designing our audit, we determined the level of materiality and assessed the risk of material misstatement in the financial statements. In particular, we considered whether the Executive Board made important judgments, e.g., in respect of significant accounting estimates that involved making assumptions and considered future events that are inherently uncertain. In paragraph 'Critical accounting judgments and key sources of estimation uncertainty' in the 'Basis of preparation' section of the notes to the consolidated financial statements, the Group describes the areas of judgement in applying accounting policies and the estimation uncertainty.

Given the complexity, judgement required and the risk of management bias in the valuation of contract assets and contract liabilities, we considered this matter as a key audit matter as set out in the section "Key audit matters' of this report. In addition, we considered the valuation of the provision for professional liability a key audit matter due to the high degree of subjectivity and complexity in the assumptions. Furthermore, we identified the impact of the "answer sharing case" on the accounting and disclosures in the financial statements as part of the integrated report as a key matter. This consideration was based on the sensitivity of the case, complexity and inherent judgement and the magnitude of the provision balance.

We ensured that the audit team has the appropriate skills and competences which are needed for the audit of a professional services firm. The Group uses multiple IT-systems. The adequacy and effective operation of controls over these systems are an important element of the integrity of financial reporting within the Group. We utilized IT-specialists in our audit to evaluate the adequacy and effective operation of these controls considered relevant to our audit.

Materiality
The scope of our group audit was influenced by the application of materiality. We determined certain quantitative and qualitative considerations to help us determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on both the company-only and group consolidated financial statements as a whole and on our opinion.

Based on our professional judgement we determined the materiality for the consolidated financial statements of the Group as a whole at € 11,000,000. The materiality is based on a benchmark of income before tax and management fee (representing approximately 7% of reported income before tax and management fee, including the provision relating to the answer sharing case). We applied this generally accepted and applied benchmark based on our analysis of the common information needs of users of the financial statements. On this basis, we believe that the income before tax and management fee is the most relevant metric for the financial performance of the Group.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of € 550,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view warranted reporting for qualitative reasons.

Scope of the group audit
Coöperatief Deloitte U.A. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Coöperatief Deloitte U.A.

We tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the consolidated financial statements of Coöperatief Deloitte U.A. to enable us to provide an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of operations of the group of entities, the accounting processes and controls, and the market in which the Group operates. In establishing the group audit strategy and plan, we determined the type of work required to be performed for each group entity.

Our group audit mainly focused on significant group entities. We consider an entity significant when:

- it is of individual financial significance to the group;

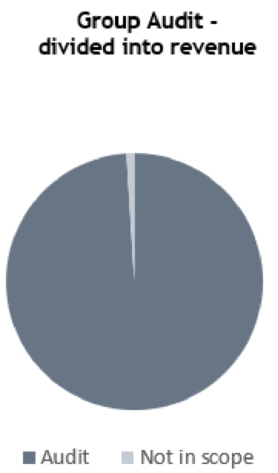
- the component, due to its specific nature or circumstances, may include significant risks of material misstatements, whether due to fraud or error for the group financial statements.

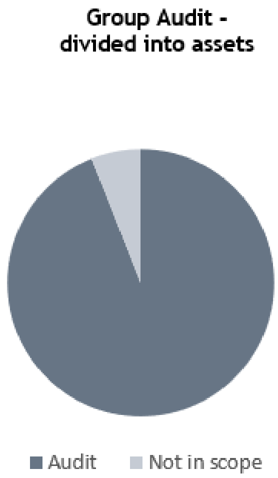
To this extent, for the purpose of the audit of the consolidated financial statements, we performed audit procedures for all of the following significant group entities:

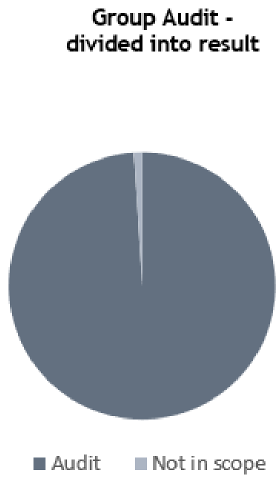
- Deloitte Risk Advisory B.V.
- Deloitte Accountants B.V.
- Deloitte Belastingadviseurs B.V.
- Deloitte Consulting B.V.
- Deloitte Financial Advisory B.V.
- Deloitte Holding B.V.

In addition, we performed specific audit procedures for other group entities.

For clarification purposes we hereby show our scope divided into revenue, assets and result:







By performing the procedures mentioned above for group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

Audit approach going concern

The Executive Board prepared the (consolidated) financial statements of Coöperatief Deloitte U.A. on the assumption that the entity is a going concern and that it will continue all its operations for at least twelve months from the date of preparation of the financial statements.

As explained in the section 'Going concern' in note 1 of the financial statements, management has carried out a going concern assessment and concluded positively on the entity's ability to continue as a going concern. Our procedures to evaluate the going concern assessment of management included, amongst others:

- Considering whether management identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.
- Considering whether management's going concern assessment included all relevant information of which we were aware as a result of our audit and inquired with the Executive Board regarding the most important assumptions underlying its assessment.
- Assessing managements' financial forecasts prepared for a period of at least 12 months from the date of these financial statements. This included the consideration of the reasonableness of key underlying assumptions by reference to current and future expected operating and capital expenditure.
- Analysing the financial position per balance sheet date in relation to the financial position per prior year balance sheet date to assess whether events or circumstances exist that may lead to a going concern risks beyond the period of the management's assessment;
- Performing inquiries of management as to its knowledge of going concern risks beyond the period of management's assessment.

- Evaluating the adequacy of disclosures made in the financial statements in respect of going concern.

These audit procedures did not lead to any material findings regarding the going concern assumption of the Company, or result in outcomes contrary to the Executive Board's assumptions and judgments used in the application of the going concern assumption.

Audit approach fraud risks and non-compliance with laws and regulations
We identified and assessed the risks of material misstatements of the financial statements due to fraud and non-compliance with laws and regulations.

During our audit we obtained an understanding of the Group and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes.

We refer to section 'Executive Board highlights, lessons learned and outlook' of the Executive Board report for the Executive Board's fraud risk assessment and section 'Report from the Supervisory Board' of the Supervisory Board report in which the Supervisory Board reflects on this fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We asked members of the Executive Board as well as the compliance officer, finance department, the legal counsel and the Supervisory Board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement. For further reference on the answer sharing case we refer to the section key audit matters. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

We performed risk assessment procedures to identify potential risks of material misstatements due to fraud and non-compliances with laws and regulations. As part of this work we evaluated the Group's risk assessment and performed inquiries with management and those charged with governance. We also specifically evaluated whether fraud risk factors are present based on the framework of the fraud triangle during several team discussions and considered any unusual or unexpected relationships based on analytical procedures. As part of this assessment, we specifically assessed how fraud risks can arise in the revenue recognition as part of the unbilled revenue process and reflected this in our risk assessment and audit approach.

Following these procedures, and the presumed risks under the prevailing audit standards, we considered the (presumed) fraud risks related to management override of controls and the risk related to the overstatement of (unbilled) revenues. We consider these fraud risks to also be prevalent as a result of the nature of the Group, where the compensation of partners and senior management personnel are driven and based on the annual profits achieved. The partners/senior management therefore might have pressure or incentives to unjustly modify certain aspects of the financial statements in order to increase the profits achieved with the aim to increase their respective compensation. This would especially be relevant for financial statement areas such as unbilled revenue, advanced billings to customers and provisions, such as the professional liability provision or other areas involving significant estimates.

In relation to our risk assessment on non-compliance with laws and regulation, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable for Coöperatief Deloitte U.A.. The potential effect of laws and regulations on the financial statements varies considerably. Resulting from our risk assessment procedures, we considered adherence to (corporate) tax law and financial reporting with a direct effect on the financial statements as an integrated part of our audit procedures to the extent these are material for the financial statements. Furthermore, based on updated risk assessment procedures and in the context of non-compliance risks, we identified a key audit matter on the answer sharing case.

In addition to the aforementioned laws and regulation, Coöperatief Deloitte U.A.is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance through imposing fines or litigation. Examples of such other laws and regulations are those relating to the supervision of the Financial Market Authority (AFM) based on the Wta and data privacy laws. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect such breaches.

Our audit procedures to respond to the risk of management override and identify potential other fraud elements include, amongst others:

- We inquired the procedures for compliance with laws and regulations with relevant personnel, the Executive Board and the Supervisory Board, the Reputation & Risk Leader and the Ethics Officer.
- We inspected minutes of meetings of the Executive Board and the Supervisory Board.
- We inspected correspondence with regulators.
- We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls that mitigate fraud risks.
- Supplementary to reliance on the internal controls, we performed substantive audit procedures, including detailed testing of journal entries with a risk-based approach.
- We reviewed significant accounting estimates for biases and evaluated whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud. As part of this we performed a retrospective review and evaluated the judgements and decisions made by management in making the estimates in the current year.
- We remained alert for indications of fraud throughout our other audit procedures and evaluated whether identified findings or misstatements were indicative of fraud.
- We assessed matters reported on the Group's whistleblowing and complaints procedures and assessed, where deemed necessary, the results of management's follow-up of such matters.
- We performed an assessment of any significant extraordinary events outside of the normal course of business
- We obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.
- We evaluated whether final analytical procedures performed near the end of the audit, when forming an overall conclusion as to whether the financial statements are consistent with our understanding of the Group, indicate a previously unrecognized risk of material misstatement due to fraud.

Our response in addressing the presumed fraud risks on revenue recognition is related to the valuation of unbilled services and advance billings to customers is detailed in our key audit matters.

Our audit procedures in relation to non-compliance with laws and regulations notably consists of:

- We inquired the procedures for compliance with laws and regulations with relevant personnel, the Executive Board and Supervisory Board, the Reputation & Risk Leader and the Ethics Officer.
- We inspected minutes of meetings of the Executive Board and the Supervisory Board.
- We inspected correspondence with regulators.
- We obtained sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations generally recognised to have a direct effect on the determination of material amounts and disclosures in the financial statements, where we also included a specialist in the area of corporate tax law.
- We performed limited procedures in relation to other laws and regulations, i.e. we performed inquiries with management and those charged with governance as to whether the Group is in compliance with such laws and regulations and we inspected correspondence, if any, with the relevant authorities.
- During the audit, we remained alert to the possibility that other audit procedures applied may bring instances of non-compliance or suspected non-compliance with laws and regulations to our attention.
- We obtained management representation that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the Integrated Annual Report are adequately disclosed in the financial statements.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives, directors (including internal audit, legal, risk) and the Supervisory Board.

The audit procedures described above have resulted in sufficient and appropriate audit evidence to mitigate the potential fraud risks and non-compliance risks. Our audit procedures did not lead to indications or suspicions for fraud potentially resulting in material misstatements. In respect of the answer sharing case, we refer to the key audit matter.

For an overview of our responsibilities and those of the management regarding the financial statements and the risks of fraud and non-compliance, we refer to section D of this report.

Our key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements and the other (integrated) information. We have communicated the key audit matters to the Audit & Finance Committee and the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements and the other (integrated) information as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

VALUATION OF UNBILLED SERVICES AND ADVANCE BILLINGS TO CUSTOMERS	OUR AUDIT APPROACH
As at May 31, 2024, the recognised unbilled services (contract assets) amounts to € 123 million. Refer to note 3.2 - Unbilled services and advance billings to customers. The valuation of unbilled revenues and advanced billings to customers as at the financial year-end requires a significant degree of management estimate that may be complex and inherently subjective in nature. This requires the Group to estimate the expected results of current engagements based on an estimate of time and costs to be incurred, the estimate of expected additional billing on fixed fee projects and the assessment of the collectability of unbilled amounts. We considered the valuation of unbilled services to be a key audit matter due to its significance, subjectivity in the estimates of the valuation of the unbilled revenues and the fraud risk in revenue recognition based on management's incentive to increase revenue to realise its goals.	We evaluated the design and tested implementation of both automated and manual internal controls within the organisation relating to the valuation of the unbilled revenues and advance billings to customers. We tested the operational effectiveness of the internal controls that were considered relevant for our audit, to validate the appropriate recognition of revenues and the existence and accuracy of gross unbilled revenue prior to the application of provisions. In addition to the reliance taken on effective internal control measures in place, we applied tailored data analytical procedures focusing on partner portfolio profitability and partner portfolio profitability trends -including major contrary effects within portfolios- to identify any tendencies through management bias. Furthermore, we performed substantive audit procedures on specific elements not yet fully addressed by aforementioned procedures, i.e. back-testing of specific items, cut-off testing including realisation of success fees, onerous contracts and (non) chargeable hours. In addition, we performed substantive audit procedures regarding the valuation of unbilled services and advance billings by testing the estimate of expected results and recorded fees, including any overruns and scope changes to supporting documentation (e.g. contracts) for a sample of projects. We also tested journal entries related to unbilled services and advance billings to customers. Finally, we assessed the adequacy of the related disclosures in the financial statements.

VALUATION OF PROFESSIONAL LIABILITY PROVISION	OUR AUDIT APPROACH
The Group is involved in a number of disputes which may give rise to claims. Refer to note 8.2 – Provisions and note 8.3 – Commitments and guarantees for the disclosures with respect to such claims and legal proceedings. The professional liability provision is based on assumptions of, amongst others the existence of a present obligation and measurement of the expected amount to settle the claim. Furthermore an assessment is made if the estimated provision falls inside the scope of insurance policies or if the amount exceeds the maximum coverage of the insurance policies. We considered the valuation of the provision for professional liability provision a key audit matter due to the high degree of subjectivity and complexity in the assumptions.	In addition to testing the design and operating effectiveness of the provisional indemnity claims process and related control procedures, the audit procedures mainly comprised of substantive audit procedures. These procedures notably consisted of: • obtained and read the company's insurance arrangements related to professional liability; • assessed the completeness of registered claims by discussing the claims with the in-house legal counsel, validating that registered claims are consistent with the partner confirmations, a review of legal expenses, internet research, review of the minutes of meetings of the Executive Board and the Supervisory Board and obtaining the correspondence with regulators; • discussed and challenged the appropriateness of key assumptions and on the existence of a present obligation by evaluating management position papers, discussion with in-house legal counsel and by having direct communication with the company's external lawyers, in respect of a sample of both current year and prior year matters, including review of supporting documentation and correspondence; • obtained confirmation from insurers of the claims notified to them as at May 31, 2024, to verify the completeness of registered claims; • attended meetings of the Audit & Finance Committee where the professional liability matters were discussed, including claims received, as well as the results of internal and external (regulatory) investigations; • performed back-testing procedures to assess the appropriateness of the estimates of prior year; and • reviewed the website of the Authority of the Financial Markets (AFM) to assess the completeness of matters that we have been made aware of, as well as their current status. Furthermore, we assessed the adequacy of the related disclosures relating to professional liability in the financial statements.

IMPACT OF THE ANSWER SHARING CASE ON THE ACCOUNTING AND DISCLOSURES IN THE INTEGRATED REPORT	OUR AUDIT APPROACH
Refer to section 'Executive Board highlights, lessons learned and outlook' of the Integrated Annual Report and note 8.2 of the financial statements. As a result of incidents involving misconduct on exams at audit firms and at the request of the AFM, Deloitte initiated an investigation into the internal learning culture and learning behaviours of its professionals. The internal investigation is supported by in- and external advisors. The investigation covers all mandatory internal and external learning activities in 2018 up to and including 2023 across the organisation. Based on the preliminary findings, the status of the ongoing investigation, and other facts and circumstances deemed relevant, including but not limited to publicly available information from other global investigations on learning culture and behaviours, the Group recognised a (short-term) provision in the financial statements. Further details, including the calculation of the amount of the provision are not disclosed in the financial statements in accordance with the provisions of IAS 37.92. Impact of the answer sharing case is a key audit matter based on the sensitivity, judgement and complexity of the case.	We inspected letters from the PCAOB, AFM and held conversations with external legal and internal forensic advisors and read (intermediate) reports prepared by Deloitte's forensic and data analytical experts. We evaluated the objectivity, competency and capabilities of the experts involved. We gained insight into their work by evaluating the scope and extent of their work together with forensic experts from Deloitte. We assessed the (intermediate) results of their work, asked questions, received answers and explanations. Conclusions were discussed with the experts, members of the Executive Board and the Supervisory Board. We evaluated the appropriateness of the work performed and the findings thereon, including provisional results on root cause analysis and remedial measures, in the context of the financial statements audit. We assessed the Group's position paper and evaluated all other information provided by management to assess the appropriateness of management's (point) estimate in a range of potential financial outcomes of the claim provision. We assessed management's assumptions for determining the provision, using an internally set up panel of legal, risk and accounting experts. We assessed the accounting disclosures in note 8.2 of the financial statement and the section 'Executive Board highlights, lessons learned and outlook' of the Integrated Annual Report on this matter, considering the audit evidence obtained from the ongoing investigations, findings noted and communication with the regulators. The presentation and disclosure is deemed appropriate and in accordance with IAS 37 requirements. Based on our procedures, we found the Executive Board's assumptions underlying the provision to be supported by available evidence and we did not identify material exceptions in the disclosures related to the answer sharing case.

C. Report on other information included in the Integrated Annual Report

Other information includes all information in the Integrated Annual Report in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we concluded that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. The Integrated Annual Report contains sustainability information. A limited assurance report on the sustainability information was issued by BDO Audit & Assurance B.V. dated July 18, 2024.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed was substantially less than the scope of those performed in our audit of the financial statements.

The Executive Board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

D. Report on other legal and regulatory requirements

Engagement

We were engaged by the Supervisory Board as auditor of Coöperatief Deloitte U.A. for the audit of the financial year ended May 31, 2024, on September 13, 2023.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

E. Description of responsibilities regarding the financial statements

Responsibilities of Executive Board and the Supervisory Board for the financial statements

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code.

Furthermore, the Executive Board is responsible for such internal control as it determines necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Executive Board should prepare the financial statements using the going concern basis of accounting, unless the Executive Board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Executive Board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing Coöperatief Deloitte U.A.'s reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We exercised professional judgement and maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit on the financial statements included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and

- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicated with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters to entail those matters that were of most significance in the audit of the financial statements. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For and on behalf of BDO Audit & Assurance B.V.,

Rotterdam, July 18, 2024

Drs. A. Thomson RA

Limited assurance report of the independent auditor on the sustainability information in the Integrated Annual Report 2023/2024

To: the general meeting and Supervisory Board of Coöperatief Deloitte U.A.

Our conclusion

We have examined the sustainability information in the Integrated Annual Report 2023/2024 of Coöperatief Deloitte U.A. based in Rotterdam, the Netherlands.

Based on the procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the sustainability information in the accompanying Integrated Annual Report 2023/2024 does not present fairly, in all material respects:

- the policy with regard to sustainability matters; and
- the business operations, events and achievements in that area in 2023/2024

in accordance with the applicable criteria as included in the 'Criteria' section of our report.

An overview of the sustainability information in the Integrated Annual Report 2023/2024 is included in the ESRS Content Index in Annex 3 which refers to the pages and paragraphs that contain the sustainability information. Our limited assurance scope excludes the paragraph 'EU Taxonomy' included in chapter '1. Basis of preparation' in Annex 2 of the Integrated Annual Report 2023/2024.

Basis for our conclusion

We performed our limited assurance engagement on the Sustainability information in accordance with Dutch law, including Dutch Standard 3810N 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (Assurance engagements relating to sustainability reports), which is a specified Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 'Assurance engagements other than audits or reviews of historical financial information'. This engagement is aimed to obtain limited assurance. Our responsibilities under this standard are further described in the 'Our responsibilities for the assurance engagement on the sustainability information' section of our report.

We are independent of Coöperatief Deloitte U.A. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in The Netherlands. Furthermore we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch code of ethics for Professional Accountants).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Criteria

The reporting criteria applied for the preparation of the sustainability information are the European Sustainability Reporting Standards (ESRS) as set out in the Annex 1 to the Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, the ESRS as listed in the ESRS Content Index disclosed on page 200 of the Integrated Annual Report 2023/2024.

The comparability of sustainability information between entities and over time may be affected by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

Consequently, the sustainability information needs to be read and understood together with the criteria applied.

Limitations to the scope of our assurance engagement
The sustainability information includes prospective information such as ambitions, strategy, plans, expectations and estimates and risk assessments. Prospective information relates to events and actions that have not yet occurred and may never occur. Therefore, it's inherent to prospective information, that the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of this prospective information in the sustainability information.

The references to external sources or websites in the sustainability information are not part of the sustainability information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect of these matters.

Responsibilities of the Management and the Supervisory Board for the sustainability information
The Management Board is responsible for the preparation and fair presentation of Sustainability information in accordance with the applicable criteria, including the identification of stakeholders and the definition of material matters. The Management Board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable fort the legitimate information needs of stakeholders, considering applicable law and regulations related to reporting. The choices made by the Management Board regarding the scope of the sustainability information and the reporting policy are summarized in the chapter '1. Basis of preparation' in Annex 2 of the sustainability information.

Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability information that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the sustainability reporting process of Coöperatief Deloitte U.A.

Our responsibilities for the assurance engagement on the sustainability information
Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of information. The procedures vary in nature and timing from, and are less in extent as compared to reasonable assurance engagements. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for quality management systems) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included among others:

- performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, and the characteristics of the company;
- evaluating the appropriateness of the criteria applied, their consistent application and related disclosures in the sustainability information. This includes evaluating the results of the company's materiality assessment and the reasonableness of estimates made by the Management Board;
- obtaining through inquiries a general understanding of the control environment, the reporting processes, information systems and the entity's risk assessment process relevant to the preparation of the sustainability information, without obtaining assurance information about the implementation or testing the operating effectiveness of controls;

- identifying areas of the sustainability information where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures aimed at determining the plausibility of the sustainability information responsive to this risk analysis. These procedures consisted amongst others of:
    - obtaining inquiries from management (and/or relevant staff) responsible for the sustainability strategy, policy and results;
    - taking note of the minutes of the meetings of the Board, the other persons charged with governance and of other meetings that are relevant to the content of the sustainability reporting;
    - obtaining inquiries from relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the sustainability information;
    - obtaining assurance evidence that the sustainability information reconciles with underlying records of the company;
    - reviewing, on a limited test basis, relevant internal and external documentation, to determine the reliability of the sustainability information;
    - evaluating data and trends;
- reconciling the relevant financial information with the financial statements;
- reading the information in the Integrated Annual Report 2023/2024 which is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the sustainability information;
- considering the overall presentation and balanced content of the sustainability information;
- considering whether the sustainability information as a whole, including the sustainability matters and disclosures, is clearly and adequately disclosed in accordance with applicable criteria.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Rotterdam, July 18, 2024

For and on behalf of BDO Audit & Assurance B.V.,

Drs. A. Thomson RA

Deloitte.