

# Transparency report 2022

Committed to audit and assurance quality

YEAR END - 31 DECEMBER 2022

# Contents

<b>Section</b>	<b>Page</b>
Foreword from the Managing Partner	4
Transparency report requirements mapped	5
Quality control and risk management	6
Risks and uncertainties	7
Financial Information	10
<b>Appendices</b>	<b>11</b>
Appendix: Grant Thornton (Ireland) Transparency report 2022	12

# Forward

## I am pleased to present Grant Thornton (Gibraltar) Limited's Transparency Report for the financial year ended 31 December 2022.

Our mission at Grant Thornton is to build a strong business which is focussed on quality, supports Gibraltar's economy and delivers growth in a sustainable manner. In this regard 2022 was a significant year for the practice as it saw growth in the client base across industry sectors matched by growth in our staff numbers as we recruited high calibre people to meet our client needs. In addition, as at 30 June 2022 the practice was acquired by Grant Thornton (Ireland).

This has not only seen the practice being able to take advantage of the additional expertise held within the Irish practice but also has enabled the Gibraltar practice to accelerate towards becoming a truly sustainable business given the journey the Irish practice has already been on.

Our staff numbers have increased significantly in the year and we have been fortunate to have been able to recruit a team of talented professionals who are client focussed and motivated to deliver quality work. We look forward to watching them further develop as they participate in our detailed Learning and Development programme. We are focussed on open and transparent communication with our staff and look to build an inclusive working environment where everyone feels comfortable and respected.

As part of the wider Irish firm we conducted our first employee survey, I am pleased to note that we received an employee net promoter score which was well above average. This score notes how likely our staff would be to recommend our firm as a place to work and so is an important measure of the environment we are creating. We are currently looking at areas of potential improvement as we strive to improve our score year on year. Our commitment to quality starts

with the calibre of staff we employ. In addition the firm implemented the new ISA compliant audit methodology developed by Grant Thornton International in January 2022. This was part of the drive from the global firm to ensure audits of the highest quality are performed throughout the network.

Our focus in 2022 was to not only adopt and implement this new methodology but to ensure that a system of continual training and improvement was in place throughout the year. The technical support now provided by the Irish firm greatly assisted in this regard and has kept audit quality at the forefront of everyone's mind throughout the year. In addition, we have been able to fit in to the quality control framework of the overall Irish firm to ensure we are in compliance with ISQM1 which came into force in December 2022. As we move forward we will continue to look to recruit both graduates and qualified staff of the highest calibre and offer them a varied and fulfilling career.

Our environment is important to us and at the time of writing we have completed a refurbishment of our office to ensure the staff have the best possible environment to work in. We have an open and inclusive culture and we are delighted with diversity of our staff and recognise the benefits this brings to our work. We now look to the future determined to build on the positive base we have built across the practice.



**Neal Taylor**  
Partner in Charge

# Transparency report requirements mapped

Transparency Report disclosures are driven by Article 13 (Transparency Report) of regulation: (EU) No 537/2014 as amended by the Financial Services (Audit Regulation) (Amendment)(EU Exit) Regulations 2020. The requirements and commentary are set out in the table below. Grant Thornton (Gibraltar) Limited works closely with Grant Thornton and utilises many common systems and processes. As a result, much of the required information for the Transparency Report is contained within the Grant Thornton Transparency Report available on the Grant Thornton webpage, cross references to this in the requirements table below where appropriate.

<b>Risk</b>	<b>Response</b>
a) a description of the legal structure and ownership of the audit firm	Grant Thornton (Gibraltar) Limited is a wholly owned subsidiary of Grant Thornton (Ireland) and is approved as a statutory auditor by the Gibraltar Financial Services Commission under the Gibraltar Financial Services Act 2019.
b) where the statutory auditor or the audit firm is a member of a network:	The Transparency Report for Grant Thornton (Ireland) is included as Appendix 1. This document sets out how the Irish firm is affiliated to Grant Thornton International
(i) a description of the network and the legal and structural arrangements in the network;	The Transparency Report for Grant Thornton (Ireland) is included as Appendix 1. This document sets out how the Irish firm is affiliated to Grant Thornton International
(ii) the name of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network who is eligible to undertake statutory audits or equivalent audits in the United Kingdom or EEA States;	A link is provided in the Grant Thornton (Ireland) Transparency Report which gives the requisite details concerning the audit firms which are part of the International network
(iii) for each member of the network identified under paragraph (ii), the countries in which the member is eligible for appointment as an auditor or has his, her or its registered office, central administration or principal place of business;	As above

Risk	Response
(iv) the total turnover of the members of the network identified under paragraph (ii) resulting from statutory audit work or equivalent work in the United Kingdom or EEA States;	Refer to the Transparency report of Grant Thornton (Ireland). This has links to the Transparency reports of Grant Thornton International and Grant Thornton UK which contain this information.
c) a description of the governance structure of the audit firm;	Grant Thornton (Gibraltar) Limited is controlled and managed by Grant Thornton (Ireland) with oversight provided by the Management Committee – refer to the Grant Thornton Ireland Transparency Report for further details.
d) a description of the internal quality control system of the statutory auditor or of the audit firm and a statement by the administrative or management body on the effectiveness of its functioning;	See section 3
e) an indication of when the last quality assurance review referred to in Article 26 was carried out;	The last quality assurance review was conducted by the GFSC in Q4 2022. The results are still pending.
(f) a list of public-interest entities for which the statutory auditor or the audit firm carried out statutory audits during the preceding financial year;	Trinity Lane Insurance Company Limited Haven Insurance Company Limited
g) a statement concerning the statutory auditor's or the audit firm's independence practices which also confirms that an internal review of independence compliance has been conducted;	Refer to relevant statements in Grant Thornton Ireland Transparency Report
h) a statement on the policy followed by the statutory auditor or the audit firm concerning the continuing education of statutory auditors referred to in section 486 of the Financial Services Act 2019;	Refer to relevant statements in Grant Thornton (Ireland) Transparency Report
i) information concerning the basis for the partners' remuneration in audit firms;	Refer to Grant Thornton (Ireland) Transparency Report
j) a description of the statutory auditor's or the audit firm's policy concerning the rotation of key audit partners and staff in accordance with Article 17(7) 24;	The same policy as set out in the Grant Thornton (Ireland) Transparency Report applies.
k) where not disclosed in accounts, information about the total turnover of the statutory auditor or the audit firm divided into the following categories: (i) revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity; (ii) revenues from the statutory audit of annual and consolidated financial statements of other entities; (iii) revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm; and (iv) revenues from non-audit services to other entities.	See page 10.

# Quality control and risk management

The firm has in place a dedicated Risk, Compliance and Professional Standards Department to ensure the firm is complying with the numerous regulations and quality standards that govern its operations.

Significant detail is set out in the Grant Thornton (Ireland) Transparency Report included at Appendix 1. The firm audited two Public Interest Entities<sup>1</sup> during the year – an Irish based Engagement Quality Reviewer was in place for both of these engagements.

## External monitoring

In the final quarter of 2022 we received a periodic Quality Assurance Review as required under Article 26 of the EU Audit Directive by the Gibraltar Financial Services Commission. Four audit files were reviewed including both the firm's Public Interest Entity audits selected. At the time of writing the draft findings report is still to be received.

In addition, the Gibraltar Financial Services Commission also conducted a review of the firm's Anti Money Laundering procedures. A number of recommendations were made which were implemented with a follow up visit from the Commission due in Q2 2023.

## Internal monitoring

There are two forms of internal monitoring in force

- Internal Cold File Review process
- Grant Thornton Assurance Review (conducted by Grant Thornton International)

The internal cold file review process is the cornerstone of our quality monitoring system. Each responsible individual has a file reviewed on an annual basis to ensure it is compliant with International Standards in Auditing and Grant Thornton's own audit methodology. This review is conducted by senior management from a separate office to ensure the independence of the reviewing team. The findings are then brought to the Audit Risk Committee before the Responsible Individual is notified of the grading allocated to the file under review. In the current year one file from the Gibraltar office was subject to this review with no significant deficiencies noted.

In addition Grant Thornton International conduct periodic reviews of all member firms. This review will assess the overall quality control environment and also review files from across all major assurance and advisory service lines. The last review was conducted in 2017 and the next review is scheduled to be conducted on the Gibraltar office in October

2023. The Irish practice was subject to review in 2022 and received a satisfactory rating. Further details on the external inspections of the Grant Thornton Practice can be found in its Transparency report in Appendix 1.

## Internal Control Statement

The Transparency Report regulation requires the firm to review the effectiveness of its systems of internal quality control, covering all material financial, operational and compliance controls and risk management systems, on at least an annual basis.

The Board of Grant Thornton (Gibraltar) Limited has ultimate responsibility for the firm's quality control systems and the establishment of appropriate internal control systems across the firm. The firm has carried out a review of the effectiveness of the internal quality control systems during the year and has taken into account:

- the findings from regulatory inspections;
- reports from GTIL on the firm's quality control systems; and
- the findings of the firm's internal review on the operation of quality control systems and the management of risk across the firm.

The internal quality control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, or in the case of financial controls, the risk of material misstatement of our financial statements.

Accordingly, they provide only reasonable and not absolute assurance against such failure or material misstatement. The review has not identified any failings or weaknesses that it considers to be significant, and therefore no further action is necessary.

On the basis of the review, the Board is satisfied that the firm's internal quality control systems are operating effectively.

The above review was undertaken under ISQC 1 however going forward this evaluation will be performed under ISQM 1, effective 15 December 2022, which requires an evaluation at least annually of the firm's system of quality management to determine whether the system provides reasonable assurance that the objectives of the system of quality management are being achieved.

<sup>1</sup> Gibraltar public interest entities (PIE) are:

1. An entity whose transferable securities are admitted to trading on a regulated market in Gibraltar;

2. A credit institution within the meaning of Article 4.1(1) of the Capital Requirements Regulation, other than an exempt person listed in regulation 5 of the Financial Services (Credit Institutions and Capital Requirements) Regulations 2020;

3. A person who would be an insurance undertaking within the meaning of 2.1 of the Insurance Accounts Directive, as that Article applied immediately before IP completion day, if Gibraltar were a Member State; or

4. An entity designated as a public-interest entity by the Minister.

[source: Financial Services Act 2019, Part 24]

# Risks and uncertainties

## Principal risk and uncertainties

The principal risks and uncertainties the firm faces and how they are managed are outlined below.

Risk	Response
<p><b>Reputation:</b> adverse impact on reputation due to failure to ensure appropriate levels of service quality, transparency and public engagement.</p>	<ul style="list-style-type: none"> <li>• Providing appropriate levels of support and training for all our people and embedding a culture of acting ethically;</li> <li>• Continued programme of internal communications to inform and engage our people around the firm's priorities and performance, as well as reminding them of their obligations around compliance and confidentiality;</li> <li>• Confidential whistleblowing hotline available to employees, clients and member of the public;</li> <li>• Engagement with regulators, institutes and governmental bodies to play our part in developments within the profession;</li> <li>• Engaging with our clients and building trust in our services and approach as a firm;</li> <li>• Development of firm wide ESG strategy to deliver our plan to achieve net zero, make a positive contribution to society and conduct business responsibly;</li> <li>• Participating in local initiatives and actively contributing to enhancing the greater community; and</li> <li>• Ensuring appropriate conflicts of interest are avoided.</li> </ul>
<p><b>Quality of work:</b> that a significant quality failure will arise due to inadequate services or engaging with an inappropriate client or failure to comply with relevant ethical or regulatory requirements.</p>	<ul style="list-style-type: none"> <li>• Rigorous quality management standards including: governance and leadership, risk assessment process, skills and competence, clear and efficient procedures and quality management;</li> <li>• Dedicated service line quality and risk management teams drive application of quality standards;</li> <li>• Extensive training programmes and regular service line technical updates supplemented by dedicated technical support;</li> <li>• Employee quality and ethics survey;</li> <li>• Dedicated resources to drive implementation of ISOM 1 and testing against the requirements;</li> <li>• Global audit methodology and rigorous global quality assurance programme, which includes the implementation of Leap, the new global audit technology platform;</li> <li>• Quality goals set for all staff;</li> <li>• Robust client and engagement continuance and acceptance procedures;</li> <li>• Appropriate recruitment and staff development and review policies;</li> <li>• Quality reviews conducted internally, by network firms and by regulatory bodies;</li> <li>• Complaints/potential claims reporting procedures and maintenance of sufficient professional indemnity insurance;</li> <li>• Dedicated resources focused on innovation to drive more integrated and efficient processes to enhance our client delivery and regulatory compliance; and</li> <li>• Engagement methodologies supported by developed practices, tools and resources.</li> </ul>
<p><b>Regulatory compliance:</b> failure to comply with relevant independence, legal, ethical, regulatory or professional requirements.</p>	<ul style="list-style-type: none"> <li>• Establishment and maintenance of compliance and independence management systems including:               <ul style="list-style-type: none"> <li>• Clear policies, procedures and guidance;</li> <li>• Mandatory training for all partners and staff;</li> <li>• Rigorous client and engagement acceptance procedures, including relationship checking, risk based client due diligence and ongoing monitoring; and</li> <li>• Annual independence and compliance submissions for all partners and staff.</li> </ul> </li> <li>• Ethics Leader and Ethics function provide support and guidance on ethics and independence issues and centralised GIS monitoring;</li> <li>• Suspicious activity reporting and whistleblowing procedures in place;</li> <li>• Mandatory third party due diligence procedures and monitoring to ensure we only engage acceptable suppliers and other third parties;</li> <li>• Management of firm wide regulatory obligations and GTIL firm requirements;</li> <li>• Regular monitoring and reporting; and</li> <li>• Timely updating of the firm's processes and procedures to ensure compliance with current and developing regulation.</li> </ul>

Risk	Response
<p><b>Business Resilience:</b> failure to appropriately plan for, respond to and recover from disruptive events, to ensure the firm can continue to operate and service its clients effectively.</p>	<ul style="list-style-type: none"> <li>• Business Continuity, Crisis Management and Disaster Recovery planning and regular testing;</li> <li>• Established incident management and disaster recovery teams to respond to incidents;</li> <li>• Robust IT infrastructure capable of supporting remote working;</li> <li>• Business unit level business impact assessments;</li> <li>• Robust supplier onboarding and monitoring processes; and</li> <li>• Investment in new technology solutions to enhance our connectivity and agility.</li> </ul>
<p><b>Litigation:</b> that a significant litigation will occur leading to a considerable reputational or financial loss.</p>	<ul style="list-style-type: none"> <li>• Supporting the provision of quality engagement thus limiting the risk litigation arising; and</li> <li>• Monitoring, timely review and addressing of all claims or litigation arising.</li> </ul>
<p><b>Technology:</b> failure to develop and invest in our technology infrastructure and processes to address current and future needs.</p>	<ul style="list-style-type: none"> <li>• Significant investment in new and innovative technology solutions for existing services;</li> <li>• Commitment to new platforms to allow delivery of quality services;</li> <li>• Data protection assessment to ensure all data handling in accordance;</li> <li>• Full assessment covering ethics and independence standards compliance, data security, cybersecurity and compliance with auditing standards if applicable required before available for use; and</li> <li>• Digital Strategy Committee to drive investment in the use of technology and data to create value for our peoples, our clients and our business.</li> </ul>
<p><b>People:</b> failure to attract and retain high quality talent, including partners, to ensure the provision of quality services to our clients.</p>	<ul style="list-style-type: none"> <li>• Well developed and focused staff recruitment policies;</li> <li>• Continuous engagement with our people through establishing communication channels and support networks;</li> <li>• Annual measure of staff satisfaction through PeopleVoice survey and dedicated champions to drive firm wide initiatives based on results;</li> <li>• Diversified resourcing model including utilisation of global network resources;</li> <li>• Robust diversity and inclusion programme, Embrace;</li> <li>• Delivery of support, training and advancement opportunities;</li> <li>• Technical and leadership development programmes and a focus on coaching to support career development;</li> <li>• Driving a culture of continuous staff feedback;</li> <li>• Supporting employees in effectively adopting hybrid working models;</li> <li>• Regular benchmarking of reward and benefits;</li> <li>• Distinct employer brand bringing our values to life for our people and new hires and building connections;</li> <li>• Providing annual and interim reviews and constructive development supports; and</li> <li>• Monitoring the market to better understand the firm’s competitive position relative to other competing firms.</li> </ul>
<p><b>IT security:</b> failure to ensure appropriate safeguards regarding the firm’s information technology including confidential information.</p>	<ul style="list-style-type: none"> <li>• Continued focus on the maintenance of a robust, secure and resilient IT environment with policies and processes to protect the firm’s and clients’ data;</li> <li>• Physical security controls;</li> <li>• ISO 27001 accreditation;</li> <li>• Cyber incident response procedure in place;</li> <li>• Full-time, dedicated team to ensure appropriate resources are available at all times;</li> <li>• Provision of appropriate training, IT security and awareness program to all staff;</li> <li>• Robust due diligence completed on all technology suppliers with ongoing relationship management;</li> <li>• Collaborative approach with GTIL and major GTIL member firms to ongoing support IT infrastructure development and strategy;</li> <li>• Data protection team develop and maintain the necessary data protection and privacy policies and procedures including breach management processes;</li> <li>• Developed procedures and policies for safeguarding client and staff data and other information;</li> <li>• Supplier risk assessment and review process in place;</li> <li>• Incident monitoring and response;</li> <li>• Supporting the provision of quality engagement thus limiting the risk litigation arising; and</li> <li>• Monitoring, timely review and addressing of all claims or litigation arising.</li> </ul>



Risk	Response
<p><b>Financial management:</b> failure to effectively manage financial position and performance.</p>	<ul style="list-style-type: none"> <li>• Annual budgeting process, which is subject to various levels of approval;</li> <li>• Management Committee role in budget and performance oversight;</li> <li>• Increased focus on managing overheads and central costs;</li> <li>• Monthly reporting to all partners on key financial metrics;</li> <li>• Finance partner has full visibility of material decisions; and</li> <li>• Finance policies in place including timesheet management and expenses policy.</li> </ul>
<p><b>Sustainability &amp; ESG:</b> failure to tackle environmental, social or governance related risks and opportunities as a firm and meet the expectations of our people, clients, markets and regulators.</p>	<ul style="list-style-type: none"> <li>• Developed a sustainability strategy to drive leadership in the areas of Environment, People, Community and Governance;</li> <li>• Network of ED&amp;I resource groups work towards making everyday inclusion a reality and ensuring that all of colleagues can succeed and thrive;</li> <li>• Established Climate Action and Circular Economy working groups as part of our Green Scene Environmental Network;</li> <li>• Initiated the development of Carbon dashboards to provide transparent data on emissions across scopes 1, 2 and 3 to meet disclosure requirements and measure progress on net zero targets;</li> <li>• Achieved both ISO 14001 and ISO 50001 accreditations for our operations at our City Quay headquarters;</li> <li>• Completed a number of leadership workshops with a focus on understanding unconscious bias;</li> <li>• Monitored and reviewed inclusion and diversity data and the policies and processes that support how we work, to support and ensure fair and equitable opportunities for all employees; and</li> <li>• Promoted an independent and confidential whistleblowing hotline available to employees, clients, and members of the public to ensure the highest standard of integrity are maintained at our firm.</li> </ul>
<p><b>Regulatory reviews:</b> the outcomes of regulatory reviews may have an adverse impact on the firm's reputation, ability to attract clients and ability to deliver appropriate quality services.</p>	<ul style="list-style-type: none"> <li>• Open communication with regulatory bodies and monitoring of regulatory updates to ensure complete compliance;</li> <li>• Liaising with professional accountancy bodies;</li> <li>• Ensuring quality by systematic and independent review thereby minimising the possibility of adverse findings;</li> <li>• Development of action plans to promptly and effectively address areas of improvement; and</li> <li>• Employment of a full-time dedicated team to ensure regulatory compliance and communication and training of requirements throughout the firm.</li> </ul>



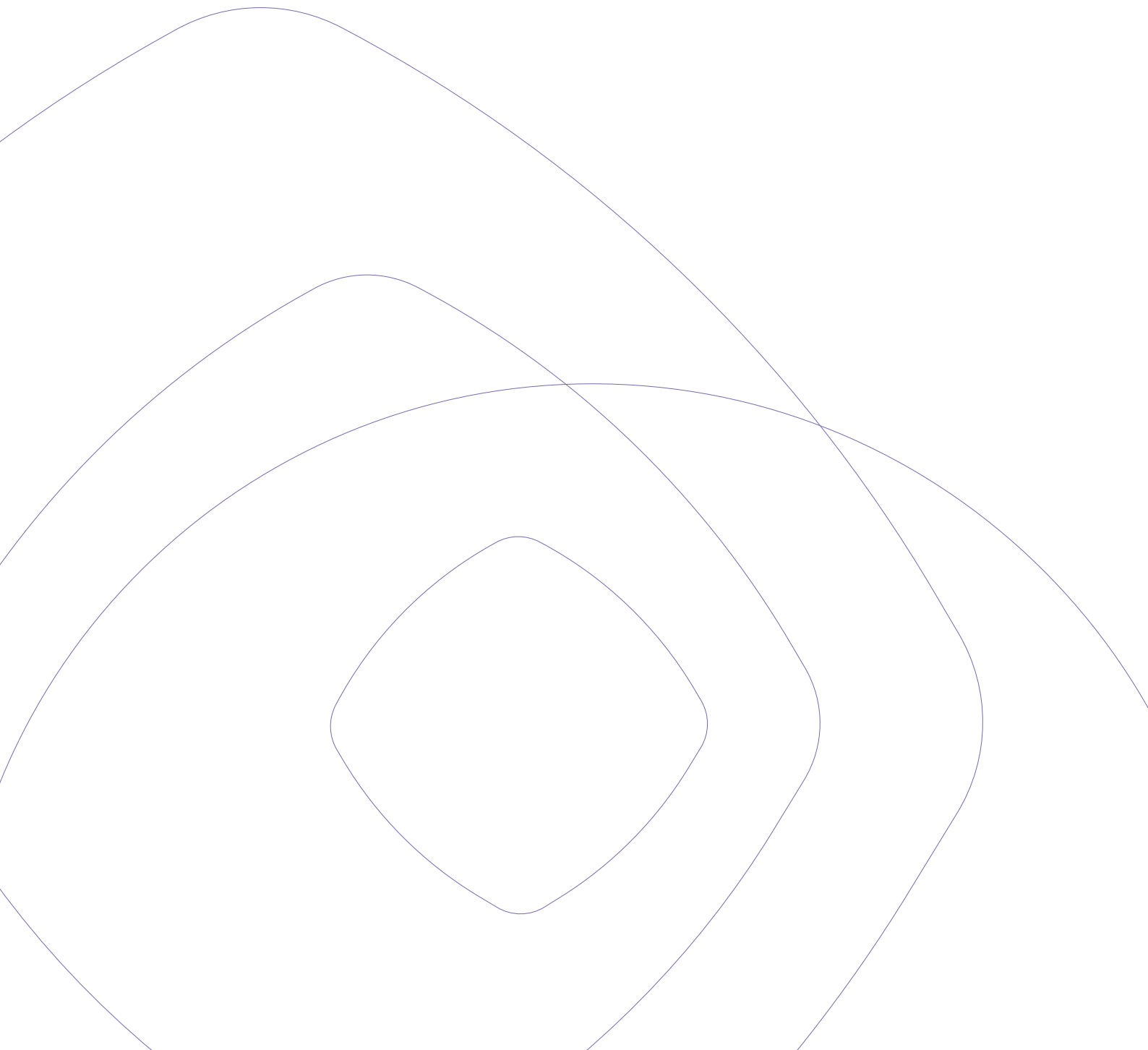
# Financial information

Revenue attributed to Grant Thornton (Gibraltar) Ltd.	Dec 2021 (£'000)	Dec 2022 (£'000)
Statutory audit for PIEs	52	181
Statutory audit for other entities	384	888
Non-audit services to audit clients	42	98
Non-audit services to other clients	218	237
<b>Total</b>	<b>696</b>	<b>1,405</b>
Number of audited entities where fees exceed 10% of total	1	

# Appendices

\*Please note any page numbers referred to overleaf relate only to appendix section

# **Appendix: Grant Thornton (Ireland) Transparency report 2022**



# Transparency report 2022

Committed to audit and assurance quality

YEAR END - 31 DECEMBER 2022



# Contents

<b>Section</b>	<b>Page</b>
Foreword from the Managing Partner	4
Report from the Independent Non-Executives	6
Report from the Head of Audit & Assurance	8
<b>Structure and governance</b>	<b>10</b>
Governance and management	11
Grant Thornton International Limited (GTIL)	15
<b>Driving quality</b>	<b>17</b>
Delivering audit and assurance quality	18
Measuring audit and assurance quality	24
People and culture	28
Risk management	32
Sustainability	36
Financial information	42
Risks and uncertainties	43
<b>Appendices</b>	<b>46</b>
Appendix 1: Public Interest Entity (PIE) clients	47
Appendix 2: Leadership and governance	48
Appendix 3: Management Committee	49
Appendix 4: Independent Non-Executives (INE)	53
Appendix 5: Statement on the firm's System of Quality Management	55
Appendix 6: Compliance with transparency regulations	56
<b>Further information</b>	<b>57</b>

# Foreword from the Managing Partner

Welcome to our 2022 Transparency Report. 2022 has been a very successful year for the firm, with continued growth and development, as well as an increased focus on enhancing our position as a ‘responsible business’.



## Responsible Business

Audit and assurance is a hugely important part of our business, and plays a critical role in protecting the public interest. As businesses face new or growing challenges, such as responding to climate change, the war in Ukraine, the rapidly evolving Artificial Intelligence landscape or economic uncertainty, the role that professional services firms play in serving the public interest continues to evolve rapidly.

As we continue to grow our business, strong sustainable structures, and investment in our people and our technology, remain our priorities.

Our people continue to be our biggest asset, and we have invested in, and promoted, an Equity, Diversity and Inclusion strategy within our firm for a number of years. This has helped us achieve many of our overall firm objectives, and has also enhanced our firm’s culture. We champion a robust programme of initiatives that delivers measurable enhancements to our working environment, and we are delighted to see this recognised in 2022 with our Silver Award from the Irish Centre for Diversity.

Last year, we reported that we were awarded the ‘Business Working Responsibly Mark’ certification from Business in the Community, for our commitment to sustainability. In addition, we reported that Grant Thornton signed the Carbon Pledge, committing to reduce our carbon footprint by 50% by 2030. We have since progressed our commitments in this area by gaining accreditation with both ISO 14001 and 50001.

## Technology and Innovation

As a firm, we have remained focused on innovation, as it is a key enabler for driving quality and efficiencies, and in enhancing our employee experience. From an audit and assurance perspective, this means increased use of data analytics, integration of siloed systems, and improved quality management – resulting in significantly increased efficiencies for this area of our business. Overall, it also helps to ensure that our people’s valuable time is put to its best use as a result.

We continue to invest in our digital capabilities to ensure that our infrastructure supports our continued growth, and to ensure that we have the skills and capabilities to deliver high quality engagements. Of particular note, 2023 will see the roll out of our new LEAP audit tool, which will support the future quality and efficiency needs of our Audit and Assurance practice.

## Quality

As a firm, we welcome the feedback that we receive from our regulators, and we continue to take steps to enhance our policies and procedures where necessary, invest in people and technology to support our system of quality management, and address any areas for improvements identified during regulatory inspections. This report demonstrates our strong position in this regard, and also shows that we are continuously improving our systems and our methodologies, to ensure that they are optimised. In turn, this enables us to continue to deliver high quality and effective audit and assurance engagements to our clients, and also helps us to ensure that we focus on engaging with the right clients.



Our commitment to quality in everything we do has come under increased focus in 2022, both as we adapt to ISQM 1, and as we strive to create a culture of excellence. At Grant Thornton, we recognise that continuous quality improvement is crucial for improving public confidence in the audit market.

We have actively engaged with our independent non-executives ('INEs') throughout the year to identify areas where quality focus can be improved, and we have a very positive and respectful working relationship with them, which helps to drive improved governance and increases our focus on matters of public interest.

As we look to the future, we will continue to advance our focus on innovation and digitalisation to support our system of quality management. Quality remains central to all advancements for both the audit and assurance sector and for Grant Thornton as a whole, and we remain committed to further embedding our culture of quality within our firm, and meeting any changing requirements in the future.

As already mentioned, our people remain pivotal to our success, and I am committed to pioneering programmes that will empower and encourage them to achieve their potential, and in turn, deliver the best service and quality possible to our clients.

**Michael McAteer**  
Managing Partner



# Report from the Independent Non-Executives

The appointments of Independent Non-Executives (INEs) are set out in the Irish Audit Firm Governance Code (“the Code”) issued by the Chartered Accountants Ireland (“CAI”).

This key feature of the Code reflects the belief that regulation is not a substitute for effective governance and that good governance complements regulation in promoting audit quality. For the reporting period Aisling Dodgson and Eugene McCague acted as Independent Non-Executives for Grant Thornton, who are pleased to provide the annual Transparency report.

As recognised by the Code, audit firms, including Grant Thornton and Grant Thornton (NI) LLP, share their operations, brands and reputations with businesses that are not subject to rigorous regulation and this association may lead to significant risks to the firm’s reputation and sustainability. Our objective as INE’s is to provide independent assurance to all relevant stakeholders that sufficient consideration is given to the public interest in all aspects of the firm’s decision-making processes. We also seek to safeguard and augment the firm’s reputation and ensure that stakeholder concerns are properly considered, communicated at the highest level and appropriately addressed.

The Terms of Reference of our appointment are set out in **Appendix 4 on page 53**.

A significant part of our involvement has been interacting with the firm’s Management Committee and its members who meet monthly. As Independent Non-Executives we have no powers to ensure that advice we offer has been acted on, nor do we have any decision-making capacity in that role.

To fulfil our obligations we attend various meetings: Management Committee, Risk Committee, Audit Committee, the Annual National Partners meetings, and meetings with the Head of Risk and Quality. We also met with Grant Thornton partners outside of the Management Committee and senior management within the firm. Management and Committee meetings have been supported with meaningful and relevant management information, and we have been given the time and opportunity to contribute and to provide appropriate challenge and support. In our interactions we

have experienced a culture of openness and transparency and an environment where relationships across the firm are built on trust and mutual respect.

## PIE Audit Inspection Reports

IAASA, the Irish Auditing and Accounting and Supervisory Authority, is responsible for overseeing the performance of the auditing profession in Ireland. We note the quality of the firm’s public interest audits continue to improve as reflected in IAASA’s inspection report where 100% of audits inspected raised limited or very limited concerns. The firm places great importance on compliance with standards and independence of staff in client engagements and focuses significant investment in training and monitoring to ensure the highest quality of service to clients. The practice’s management team responded promptly to a number of findings and implemented appropriate corrective action. Going forward the firm will continue to maintain a proactive approach to ensuring that we remain fully up-to-date with new requirements and guidelines that are issued.

Since November 2022, Grant Thornton (NI) LLP, the audit practice in Northern Ireland, is registered to carry out PIE audits in the UK. While there have been no monitoring reviews to date, the partners involved have positively engaged with the FRC.

## ISQM 1

A key initiative in 2022 was the implementation of the International Standard of Quality Management 1 (ISQM 1). ISQM 1 requires a more proactive and risk-based approach to managing quality at the firm level. Louise Barry in her role of Head of Risk and Quality, was responsible for overseeing the firm’s risk assessment and management processes in addition to supporting the firm’s implementation of ISQM 1. The firm has been proactive, has invested significantly in terms of time and resources and has completed the necessary preparations to be fully compliant with the new standards.

ISQM 1 is a bedrock to achieving engagement quality. We note that the firm has responded positively to ISQM 1 and has seen its implementation as an opportunity to enhance efficiency through use of technology and policy updates to deliver audit quality. We see the implementation of ISQM 1 as a continuous improvement initiative and one that will require ongoing focus and investment in the coming years and we believe that the investment made by the firm will benefit clients and enhance Grant Thornton's reputation as a leading firm in the industry.

### Risk Management

Risk and quality management is at the forefront of Grant Thornton's operations. The leadership team sets the tone and cascades this approach throughout the organisation to ensure that partners and staff members are invested in this commitment.

As a people business we recognise the importance of investing in highly qualified individuals across all service lines and retaining their talent. This is particularly challenging in the current post-pandemic labour market, which is highly competitive and mobile.

In addition to investing in people, we also prioritise the development of strong support functions that provide guidance, support and tools for our teams.

As Independent Non-Executives we fully support the firm's investment in the Risk Compliance function. By continuing to prioritise risk and quality management we can maintain the trust of our clients and stakeholders to achieve long-term success.

### Culture in the Practice

Grant Thornton fosters a positive and inclusive workplace culture, which is key to the firm's success. The firm has implemented a range of initiatives aimed at promoting a positive culture, including flexible working arrangements, enhanced parental and maternity leave and targeted recruitment efforts to attract a more diverse pool of candidates. We are pleased to note that the firm has been recognised as a 2022 Silver Award winner of the Investors in Diversity Programme.

This year's Gender Pay Gap report outlines the steps taken by the firm's management to support female representation across the business and has outlined an action plan to further improve female representation at senior levels going forward. We welcome the positive report and appreciate

the management's commitment to addressing the identified gaps. We encourage the firm to continue its journey towards becoming a Gold Member of the Investors in Diversity Program and achieving those standards in the future. We also support the firm's efforts towards environmental sustainability and corporate governance and look forward to seeing progress in these areas.

### Conclusion

We believe that the risks have been appropriately managed and mitigated. In addition Grant Thornton's audit and quality standard processes have been enhanced with the implementation of ISQM 1.

We agree that compliance and engagement with regulators is essential not only to meet regulatory requirements but also to maintain the trust of clients and wider public. We will continue to prioritise these principles in our roles as Independent Non-Executives and are committed to working closely with the Management Committee to ensure that the firm remains transparent, accountable, and trusted.



**Aisling Dodgson**  
Independent Non-Executive



**Eugene McCague**  
Independent Non-Executive

# Report from the Head of Audit & Assurance

“At its simplest, our success will be achieved by having the right people, doing the right work, with the right clients with a non-negotiable and uncompromising commitment to quality, integrity and sustainability”.

I remain convinced that our people are our greatest asset, and are at the heart of Grant Thornton’s success. 2022 was an extraordinary year in many ways. I am immensely proud of how our Audit and Assurance team, which has grown to over 852 talented professionals across our offices, has adapted to, and embraced, the significant changes to the way we perform our audits. I, like all my fellow partners, am extremely grateful for the dedication and commitment of our team to their clients, their fellow team members, and to delivering on ever-increasing standards of quality.

As I mentioned in last year’s report, our audit partners and directors collaborated nationally to develop our new “Audit and Assurance Strategy for Success – EVOLVE 2025” which would guide us through the next four years. We formally communicated our updated strategy to our entire audit team in February 2022. We are already one year into that four year period and we are well on track to meet the ambitious targets we set ourselves.

Our vision is to be the number one Audit and Assurance team to work with, attracting and retaining the best people and the best clients, to enable us to achieve specified ambitious growth targets over the period to 2025.

At its simplest, our success will be achieved by having the right people, doing the right work, with the right clients, with a non-negotiable and uncompromising commitment to quality, integrity and sustainability.

Our key levers with EVOLVE 2025 are under the headings of:

- Talent, values and culture (the right people);
- Innovative delivery of our services (the right work); and
- Strategic client and sector targeting (the right clients).

Our values and culture are why I joined Grant Thornton 15 years ago, and why I am still here today. We are Collaborative, Passionate, Grounded, act at all times with Integrity and have Fun together as a team. These values resonate with me on a daily basis and, combined, are what make us unique as a firm.

We have recently created a senior role within our audit team – Head of People Experience – dedicated to supporting me and my fellow audit partners as we strive to make the experience of all of our team be the best it can be during their Grant Thornton journey. This experience begins at the attract, recruit and on-board stages – but then continues with continuous engagement and communication, tailored and relevant training and development, effective mentoring and coaching, fair and transparent goal setting and compensation. We monitor our progress through Employee Net Promotor Scores (eNPS), pulse surveys and attrition rates.

Regarding innovative delivery of our services, during 2022 we continued to adapt our approach and methodology to deliver on our strategic commitment to the highest level of quality in our audits. The senior members of our team, in collaboration with our Risk, Compliance and Professional Standards (RCPS) team, delivered a comprehensive and tailored curriculum of training programmes to equip our

team with the skills they need to excel at their job. Our teams also received training to engender an enhanced focus on management estimates, integrity, objectivity and professional scepticism. We also trained our team to deal with difficult client situations, applying the right balance of assertiveness, managing stress and conflicting deadlines, and becoming comfortable in asking for help when needed. After significant investment in training we are now ready to roll out of our firm's new global audit tool LEAP (Leading Effective Audit Practice) and I will be able to provide a more detailed update in next year's report.

The audit and assurance clients we work with today are quite different to those of say 10 years ago. Our clients are now larger, more complex and have a much broader range of stakeholders than before. Their systems, processes and control environments are more sophisticated and advanced and their teams are more technically competent and experienced. It is fair to say that we have mirrored this progress within our audit team and the systems and quality controls we deploy. The introduction of ISQM 1 at the end of 2022 means we continue to enhance our policies and procedures to ensure that our system of quality management is robust and there is a proactive approach to managing quality. More detail on this is provided in the section **Delivering audit and assurance quality, page 18.**

Given the limited resources available to the audit and accounting profession in Ireland and to us in Grant Thornton, we have had to focus our resources on those clients and opportunities that most closely align with our strategy. We want to work with ambitious, multi-national, complex clients who place a high value on our deep expertise and experience in their sectors. In some cases, this has meant we have had to step away from, or decline new opportunities, for smaller, less sophisticated businesses. The result is that our client base has continued to develop in line with our strategy, providing challenging yet rewarding experience for our team, and ultimately a higher quality audit service to our clients.

Changes will continue to come in the form of regulatory advancements, new standards, different working practices, innovative use of technology to improve efficiency and quality including robotics, AI and analytics, and greater competition for talent and quality clients. I remain as confident as ever that Grant Thornton is well positioned, and has the right strategy, to deal with these changes successfully.

In summary, and as elaborated upon throughout this Transparency Report, Grant Thornton has established and continues to invest in initiatives that address the ever-increasing need for the highest standards of quality in our audits. I am pleased with the significant progress we have made in 2022 and the investments we continue to make in our people, processes and systems – yet mindful that we can never be complacent or stop learning and improving.



**Stephen Murray**  
Head of Audit & Assurance



# **Structure and governance**

# Governance and management

## Leadership

At Grant Thornton, we care about the work we do for clients and always aim to ensure our work and influence in the markets we operate within builds on our strong reputation as a firm. We are relied upon to provide independent advice rooted in the highest professional ethics, principles and professional standards. We help create the commercial and social environments that enable long-term success, growth for businesses and where people flourish.

High on every partner's agenda is a desire to maintain each individual's commitment to our strong ethical culture. In all that they do, partners seek to set the tone for the business and empower our people to meet their potential. Above all, our people are encouraged to speak out, take responsibility and demonstrate integrity and agility. It is an intrinsic part of our culture. We like to tell it like it is. It is our partners who help to shape the domestic and international debate by actively participating with professional and industry bodies. Together we work with our peers to support necessary changes to improve our profession.

## Legal structure and ownership

Grant Thornton is a group of partnerships formed under the Partnership Act, 1890 and comprised 64 partners, at 31 December 2022. It is regulated by IAASA, PSCAI and PCAOB.

Grant Thornton (NI) LLP, the audit practice in Northern Ireland, is wholly owned and controlled by Grant Thornton. It is regulated by PSCAI and FRC.

The firm also conducts certain types of business through a number of incorporated entities, as set out in the following table. The firm additionally conducts business through offices in Isle of Man, Gibraltar and Bermuda through locally incorporated entities, which are regulated by the local regulatory authorities in those countries as applicable.

We are a full member firm of Grant Thornton International Limited (GTIL) which is a not-for-profit, non-practising, international umbrella membership entity organised as a private company limited by guarantee not having a share capital, incorporated in England and Wales. GTIL is one of the world's leading organisations of independently owned and managed accounting and consulting firms.

## Principal subsidiaries<sup>1</sup>

Company name	Status	Type of business	Regulatory authority
Grant Thornton	Partnership	Audit and assurance services, business consulting and accountants reports	IAASA, PSCAI and PCAOB
Grant Thornton Financial Counselling Limited	Limited Company	Life assurance, pensions advice, investment and financial planning advice	Central Bank of Ireland
Grant Thornton Financial and Taxation Consultants Limited	Limited Company	Tax consultancy and compliance, payroll and company secretarial	PSCAI
Grant Thornton Consulting Limited	Limited Company	Business risk services, Financial Accounting and Advisory Services (FAAS), consultancy and outsourcing	PSCAI
Grant Thornton Business Advisory Services Limited	Limited Company	Consultancy, non-audit, accounting services and outsourcing	PSCAI
Grant Thornton Corporate Finance Limited	Limited Company	Advisory and Recovery and Re-organisation	PSCAI
Grant Thornton Debt Solutions Limited	Limited Company	Personal insolvency services	PSCAI
Grant Thornton Pensioner Trustees Limited	Limited Company	Trustee Pension Services	The Pensions Authority
Grant Thornton (NI) LLP	Limited Liability Partnership	Audit and assurance, tax compliance and consultancy, corporate finance and transaction services	FRC and PSCAI
Madison Property Management Limited	Limited Company	Property management services	PSRA

<sup>1</sup> Please note the list excludes holding companies and other non-trading entities.

### Governance and risk management

We are committed to the highest standards of governance. We continually monitor developments in corporate governance so that we can benchmark our performance against them. We adopt best practice in a way that is relevant to our activities, to the risk environment that we face and to the needs of our clients and people. As a partnership, the firm is owned by its partners, whose rights and obligations are set out in the firm's partnership agreement.

The partners vote every three years to confirm the appointment of a Managing Partner in accordance with the partnership agreement. This gives the Managing Partner the authority to exercise strong and effective leadership of the business. This authority is underpinned by robust independent oversight on behalf of the partners by the firm's Management Committee (the 'Committee').

It is considered appropriate that the management structure of the firm develops with the growth of the business. Therefore, the structures set out below may be supplemented from time to time with additional appointments, such as committees, executive appointments to the Committee and non-executive appointments. In 2017, Grant Thornton appointed Brian Kearney as INE who continued to act as INE until March 2022. Grant Thornton appointed Aisling Dodgson as INE in 2020 and Eugene McCaugue as INE in 2021. For further information, see **Report from the Independent Non-Executives, page 6.**

### Management of our business

The firm is run on a day-to-day basis by the Managing Partner, Michael McAteer, who is assisted by a Management Committee, made up of certain partners (details outlined below). Michael is responsible for:

- ensuring the firm operates according to the firm's Empower 2023 Strategy; and
- the management of the firm in a manner consistent with the interests of clients, our people and the firm's values and ethical standards.

As Managing Partner, Michael is ultimately responsible for the firm's system of quality management.

The appointment of the Managing Partner is made by simple majority vote of equity partners. The Managing Partner will not hold office for more than three consecutive terms, of three years each. **Michael McAteer was appointed Managing Partner with effect from 1 January 2018 and was re-elected for a second term from 1 January 2021.**

### Management Committee

The Committee is appointed by the Managing Partner. The Managing Partner may also select a Chairperson, subject to majority approval of the partners, to chair meetings of the partners and assist the Managing Partner with partnership matters and managing the practice during their term in office. The Committee is responsible for:

- coordinating the opportunities for value creation and allocating resources to those expected to utilise them;
- the preparation and implementation of agreed business plans;
- reviewing management information and processes;
- communicating information;
- ensuring that the decisions of the partners in relation to the operation and future direction of the firm are effective;
- monitoring the day-to-day running of the firm, including maintenance of internal controls and risk management; and
- other functions as required.



The Committee is focused on a framework of constant improvement. During the year ended 31 December 2022, the Committee have regularly considered how they can improve their effectiveness both as a body and as individual members of the team. The Committee meets monthly, with additional meetings as and when required.

The current Committee consists of the following partners:

- Michael McAteer, Managing Partner;
- Sinead Donovan, Chairperson;
- Fergus Condon;
- Patrick Dillon;
- Bernard Doherty;
- Colin Feely;
- Brendan Foster;
- Richard Gillan (Grant Thornton (NI) LLP);
- Stephen Murray; and
- Stephen Tennant.

Their brief biographies are set out in [Appendix 3, page 49](#).

### Remuneration Committee

The firm has a Remuneration Committee, which consists of five equity partners, one of whom is the Managing Partner. The other members are elected for a period of three years. The Remuneration Committee determines how the firm's annual profits will be allocated and distributed to partners. Profits are primarily allocated in accordance with partners' profit sharing units, which are allocated depending on role, assessed ability and performance.

In addition, a percentage of profit pool is allocated based on a balanced assessment of quality, behavioural and operation metrics. This links performance to the firm's strategy and achievement of its long term goals including delivery of quality engagements. RCPS independently prepare a report to the Remuneration Committee, to assist with their evaluation, which sets out a summary and assessment of quality of work and compliance throughout the year for each individual partner.

The recommendations of the Remuneration Committee are approved by the Management Committee and ratified by equity partner vote.

The roles and responsibilities of the Remuneration Committee are as follows:

- recommending the profit share for equity partners;
- recommending the fixed profit share for fixed share partners;
- recommending the points allocation to newly appointed equity partners, reviewing and recommending any changes thereafter; and
- approval of annual partners' bonuses.

The 2022 committee consisted of the following partners:

- Michael McAteer, Managing Partner;
- Kevin Foley;
- Dwayne Price;
- Denise O'Connell; and
- Peter Vale.

## Partners

Grant Thornton is a dynamic organisation led by its **64 partners** across eight locations as at 31 December 2022. A full meeting of the firm's partners is held at least twice annually. Regular weekly/fortnightly meetings are held. Furthermore, there are a number of strategic partnership groups with regular meetings to discuss particular aspects of the firm's strategic goals and governance. These groups are supplemented by managers and directors with the requisite skills and expertise.

### Partners at 31 December 2022

Michael McAteer - Managing Partner	Louise Kelly
Vic Angley	Sasha Kerins
Louise Barry	Peter Legge
Aengus Burns	David Lynch
Fergus Condon	Sara McAllister
Gareth Cosgrove	Peter McArdle
Jason Crawford	Niamh Meenan
Nuala Crimmins	Shahnawaz Mirza
Frankie Cronin	Brian Murphy
Elaine Daly	Stephen Murray
Patrick Dillon	Michael Neary
Bernard Doherty	Michael Nolan
Sinead Donovan	Denise O'Connell
Trevor Dunne	Oliver O'Connor
Colin Feely	Tim O'Connell
Gavin Fitzpatrick	Brian O'Dwyer
Kevin Foley	Nicholas O'Dwyer
Brendan Foster	Declan O'Hanlon
Patrick Gallen	Shona O'Hea
Richard Gillan	Jarlath O'Keefe
Damian Gleeson	Blaithin O'Neill
John Glennon	Brian O'Sullivan
Jennifer Gosse	Jillian O'Sullivan
Alan Gourley	Dwayne Price
Gwen Haller	Christopher Rogers
Mike Harris	Michael Shelley
Mike Harvey	Tracey Sullivan
Dan Holland	Neal Taylor
Andrew Howie	Stephen Tennant
Paul Jacobs	Peter Vale
Cathal Kelly	Gerard Walsh
Dara Kelly	Amanda Ward

## The Irish Audit Firm Governance Code (the Code)

The Code was published by the Professional Standards department of Chartered Accountants Ireland (PSCAI) in 2012 and applies to financial periods commencing on or after 1 January 2013. The primary purpose of the Code is to provide a formal benchmark of good governance practice, against which firms that audit public interest entities (PIEs) (defined as entities registered in the Republic of Ireland which are included within the scope of SI 277 of 2007: Transparency Directive 2004/109/EC Regulations 2007, as amended) can report for the benefit of shareholders in such entities.

The Code supports firms in their objectives of performing high quality work that gives confidence to stakeholders. Additionally the Code's aims are to:

- enhance the stature of firms as highly visible exemplars of best practice governance;
- enrich firms' transparency reports;
- encourage changes in governance which improve the way that firms are run; and
- strengthen the regulatory regime by achieving transparent and effective governance without disproportionate regulation.

The Code consists of six areas which are broken down into 19 principles and 29 provisions.

Compliance with the provisions helps firms to apply the Code's principles but does not intend to absolve firms from the fact that they may need to implement additional measures to embrace the spirit of the Code. Grant Thornton has implemented additional measures and structures where necessary to ensure this is the case.

# Grant Thornton International Limited (GTIL)

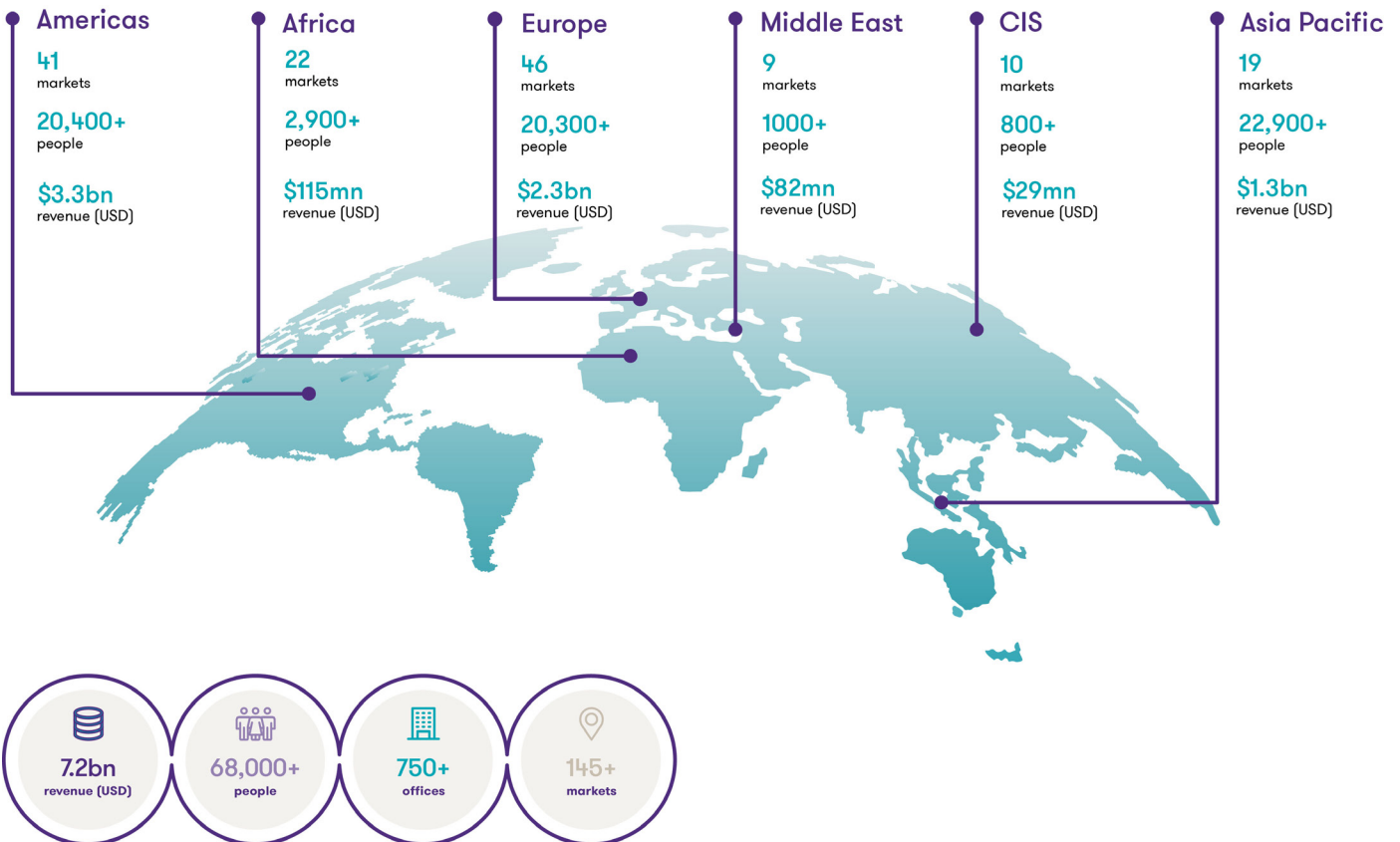
## About Grant Thornton

Grant Thornton has over 2,500 people in ten offices across Ireland, Northern Ireland, Isle of Man, Bermuda and Gibraltar. We have a presence in over 145 markets around the world. We bring you the local knowledge, national expertise and global presence to help you and your business succeed – wherever you are located. We deliver solutions to all business challenges. Clients choose us because the breadth of financial and business services they need is available, delivered innovatively and always to the highest standards. At Grant Thornton we are committed to long-term relationships.

## About Grant Thornton International Ltd (GTIL)

We are a global network made up of 68,000+ passionate people in member firms in over 145 markets, with one common goal — to help you realise your ambitions in any environment. This is why we combine global scale and capability with local insights and understanding. So, whether you are growing in one market or many, looking to operate more effectively, managing risk and regulation, or realising stakeholder value, our firms have the assurance, tax and advisory services to meet your needs.

We have got scale, combined with local market understanding. That means we are everywhere you are, as well as where you want to be.



## Grant Thornton member audit firms - European Union (EU)/European Economic Area (EEA) member states

The table below shows the statutory auditors and audit firms which are members of the Grant Thornton network in the EU or EEA member states and the countries in which they are registered or have their principal place of business, as at 30 September 2022.

Total assurance revenues attributable to EU/EEA member firms (excluding the UK) is USD545m\* (approximately 19% of total global assurance revenues of USD2.9billion).

Country	Legal entity	Country	Legal entity
Austria	Grant Thornton Austria GmbH	Hungary	Grant Thornton Audit Kft.
Austria	Grant Thornton VERAX Wirtschaftsprüfungs- und Steuerberatungs Gesellschaft mbH	Ireland	Grant Thornton
Belgium	Grant Thornton Bedrijfsrevisoren CV	Ireland	Grant Thornton (NI) LLP
Bulgaria	Grant Thornton OOD	Italy	Ria Grant Thornton S.p.A.
Croatia	Grant Thornton revizija d.o.o.	Latvia	Grant Thornton Baltic Audit SIA
Cyprus	Grant Thornton (Cyprus) Ltd	Lichtenstein	ReviTrust Grant Thornton AG, Schaan
Czech Republic	Grant Thornton Audit s.r.o.	Lithuania	Grant Thornton Baltic UAB Kauno filialas
Denmark	Grant Thornton Statsautoriseret Revisionspartnerselskab	Lithuania	Grant Thornton Baltic UAB Klaipėdos filialas
Estonia	Grant Thornton Baltic OÜ	Luxembourg	Grant Thornton Audit & Assurance
Finland	Revico Grant Thornton Oy	Malta	Grant Thornton Malta
Finland	Idman Vilen Grant Thornton Oy	Netherlands	Grant Thornton Accountants en Adviseurs BV
Finland	Advico Finland Oy	Norway	Grant Thornton Revisjon AS
France	Grant Thornton	Poland	Grant Thornton Frąckowiak Sp. z o.o sp.k.
France	AEG Finances	Poland	Grant Thornton Polska Sp. z o.o. Sp.k
France	IGEC	Portugal	Grant Thornton & Associados, SROC,Lda
France	Tuillet Audit	Romania	Grant Thornton Audit SRL
France	Cabinet Didier Kling & Associates	Slovak Republic	Grant Thornton Audit, s.r.o.
France	Carib Audit & Conseil	Slovenia	Grant Thornton Audit d.o.o.
Germany	Grant Thornton AG	Spain	Grant Thornton, S.L.P.
Germany	Grant Thornton GmbH & Co. KG	Sweden	Grant Thornton Swedan AB
Germany	Trinavis GmbH & Co. KG		
Germany	WPG Wohnungswirtschaftliche Prüfungs- und Treuhand GmbH		
Gibraltar	Grant Thornton (Gibraltar) Ltd		
Greece	Grant Thornton SA		



**Driving quality**

# Delivering audit and assurance quality

Audit and Assurance is an important part of our business and plays a critical role in protecting public interest. Our leadership is committed to audit and assurance quality – quality in our work, quality in our practices and quality in our people.

Critical to our success in achieving and maintaining quality are our structures, which underpin our objectives as we continue to grow and develop as a firm.

## Implementation of ISQM 1

In December 2020, the IAASB released the final Pronouncement of the International Standard on Quality Management (ISQM) 1 to replace the International Standard on Quality Control (ISQC) 1, which introduced a more robust and proactive approach to managing quality. ISQM 1 requires the firm to design, implement, monitor and evaluate the overall system of quality management, including an annual evaluation as to the effectiveness of the system. ISQM 1 is effective from 15 December 2022.

The system of quality management is required to operate on a risk-based approach, in a continual and iterative manner, and to be responsive to changes in the nature and circumstances of the firm and its engagements. This allows the firm to proactively manage the quality of engagements performed. The risk-based approach is embedded in the requirements of ISQM 1 through establishing quality objectives, identifying and assessing risks to the achievement of the quality objectives (i.e. quality risks), and designing and implementing responses to address the quality risk.

The GTIL approach is to ensure that all network firms implement a baseline set of quality objectives, quality risks and responses to enable consistent application across the entire network. Locally, we have the responsibility to evaluate this baseline and determine relevance to our firm and the level of adaptation or supplementing required to ensure they are appropriate for the use in our firm's system of quality management. Incorporating the requirements of ISQM 1 as published by IAASA and FRC (referred to as ISQM 1 for the remainder of this report) into the baseline responses set by GTIL is an example of supplementing required locally.

While GTIL has set a baseline, Grant Thornton is ultimately responsible for our design, implementation and operation of the system of quality management. Using this approach, the firm is building on responses already in place under the previous ISQC 1 framework.

## Audit and assurance leadership

We understand that everyone can have a different definition of value and this is no different when receiving audit or assurance services. To ensure Grant Thornton delivers the value that is most critical to stakeholders, we begin our work by building highly qualified teams. Our audit and assurance teams are comprised of dedicated audit and assurance professionals who understand clients' businesses as well as their sectors. Together, these teams not only deliver a high quality audit or assurance service to stakeholders, they also take the opportunity to provide additional value by providing insights and observations about important and relevant topics - insights that may lead to new ways of thinking, performance improvement or efficiencies.

The firm's audit and assurance partners lead from the front and are responsible for driving audit and assurance quality. However, it is the day-to-day activities and experiences that bring our quality culture to life, and our audit and assurance partner group work with the RCPS team to embed key practices, disseminate key messages and demonstrate the standards and behaviours we expect in our people.

## RCPS team

The RCPS team supports the audit and assurance partners in the development and enhancement of audit and assurance quality. This is done through the provision of training and technical guidance on audit, assurance and financial reporting matters, advice on complex issues, carrying out reviews of the financial statements of public interest and other higher risk entities prior to issue and ongoing monitoring of compliance with key quality and risk management performance indicators.

The RCPS team is also responsible for the management and implementation of the firm's audit and assurance quality monitoring programme, which is a key mechanism for measuring the quality of our audit and assurance services.

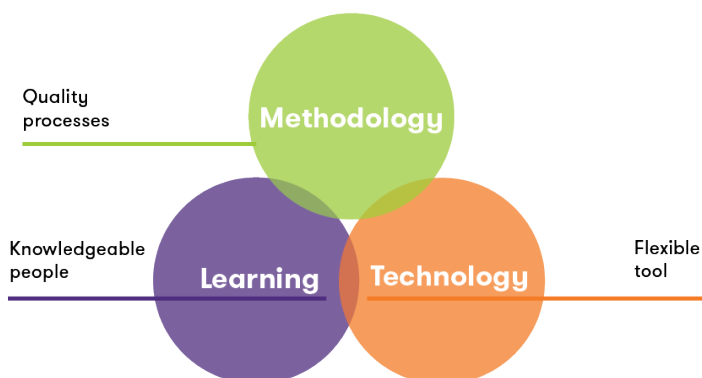
### Global audit and assurance methodology and technology

GTIL provides a framework for all Grant Thornton member firms to deliver consistent, robust, rigorous and high quality audits and assurance engagements.

This is achieved through the provision of a global audit and assurance methodology and software, protocols to facilitate consultation with specialists in other member firms, a comprehensive intranet service with up-to-date information on relevant professional standards, a worldwide restricted entity list, an International Financial Reporting Standards (IFRS) help desk and topical alerts. GTIL does not provide any services to clients itself.

GTIL's Methodology and Learning team hold frequent member firm outreach calls to address the information needs of individuals in Grant Thornton member firms who oversee consultations on audit matters, who manage inspections performed by audit regulators, or who work in a similar role. In these calls, GTIL communicate methodology concepts and recent releases, providing member firms a forum for questions and enabling all firms to move forward together with consistency.

LEAP (Leading an Effective Audit Practice) is an ongoing, collaborative effort led by GTIL to promote and retain quality and compliance throughout all our member firm audit practices. LEAP has three core streams, a global audit methodology referred to as 'LEAP', a suite of centrally developed, globally consistent learning and the engagement software that is discussed below.



Grant Thornton have been using LEAP methodology since 2020 across all engagements. Among other benefits, the LEAP methodology:

- Provides a clear linkage to auditing standards using International Standards on Auditing (ISA) based terms.
- Applies an account based approach to address the risk of material misstatement.
- Allows each audit team greater flexibility in designing their response to the risks of material misstatement within entities they audit.

GTIL adapted our audit tool platform, Voyager, to facilitate an effective roll out of the LEAP methodology. These changes:

- Support a tailored in approach, a key fundamental of the LEAP methodology.
- Offer flexibility and scalability to perform audits of all types and sizes.

In addition to Voyager, the VIS archiving tool automates and manages the entire archival, storage and file retrieval process, supporting compliance with key quality management requirements.

GTIL have developed and tested an updated, specifically tailored, new cloud based LEAP audit tool to support the ongoing and future quality and efficiency of our audit practice. Grant Thornton is on track to commence roll out of the new audit tool in the first half of 2023.



### Audit innovation

Recognising the relevance of Engagement Software & Automated Tools and Techniques (ES & ATT) in today's audit landscape, GTIL have tailored our global audit methodology to allow teams to utilise ES & ATT to perform risk assessment procedures and /or substantive procedures. Exploring meaningful ways to utilise evidence obtained from ES & ATT available for data extraction, visualisation and analysis was a continued focus area during 2022.

Central to our plans is the aim to:

- Enable our auditors to perform high quality audits more efficiently; and
- Give auditors the ability to provide clients with better insights into their business and operations.

ES & ATT, such as Inflo and Alteryx, continue to transform the way we work with and share information with clients. Grant Thornton continues to explore new ways to incorporate innovative techniques, such as the use of robotics, within our engagements. These tools are reviewed to ensure they are appropriately obtained, implemented, maintained, and used, to enable the performance of engagements.

### Audit and assurance quality

Underpinning our commitment to continuously improve audit and assurance quality is a robust system of quality management. GTIL has developed policies of quality management, which apply to all member firms. These policies are based on the requirements set out in ISQM 1 for firms and the Code of Ethics for Professional Accountants issued by IESBA. These policies and procedures are set out in the firm's Ethics and Quality Management Manual. The policies and procedures have been tailored to ensure they also comply our local standards issued by Chartered Accountants Ireland, IAASA and FRC.

We continue to make investments to advance our audit and assurance quality and our system of quality management, ensuring we effectively comply with the ISQM 1 that became effective on the 15th December 2022. This involves ensuring our quality processes and management are designed to identify, understand and respond to quality risks related to the firm and the engagements we perform.

In addition to our own quality management procedures, which comprise robust and frequent peer review of audit and assurance files and client financial statements, and as a member of the forum of firms, we are required to abide by a system of quality management. The Global GTIL Audit Review (GTAR) programme reviews the conduct of audit and assurance work performed by each member firm. GTAR is a systematic check of the quality of member firms' audit and assurance procedures, carried out regularly by independent and suitably qualified partners and managers from other member firms under the overall direction of GTIL. Grant Thornton consistently achieves some of the highest ratings in the global network.

Grant Thornton is currently regulated by the Irish Auditing and Accounting Supervisory Authority (IAASA) for the direct audit inspections of PIEs<sup>2</sup> and Professional Standards, Professional Standards Chartered Accountants Ireland ('PSCAI'), for non-PIE audits performed. PSCAI conducts practice reviews regularly. In addition, the Irish firm is registered with the US Public Company Accounting Oversight Board (PCAOB) and is eligible for review by them; and, since November 2022, Grant Thornton (NI) LLP is registered with the Financial Reporting Council (FRC) for the direct audit inspections of UK PIEs.<sup>3</sup>

Details of internal and external monitoring are given in the **Measuring audit quality section on Page 24.**

<sup>2</sup> Public-interest entities' means entities governed by the law of a Member State whose transferable securities are admitted to trading on a regulated market of any Member State within the meaning of point 14 of Article 4(1) of Directive 2004/39/EC, credit institutions as defined in point 1 of Article 1 of Directive 2000/12/EC of the European Parliament and of the Council of 20 March 2000 relating to the taking up and pursuit of the business of credit institutions and insurance undertakings within the meaning of Article 2(1) of Directive 91/674/EEC. Member states may also designate other entities as public interest entities, for instance entities that are of significant public relevance because of the nature of their business, their size or the number of their employees.

<sup>3</sup> As defined by the FRC's Glossary of Terms, a Public Interest Entity (PIE) under UK legislation is:  
- An issuer whose transferable securities are admitted to trading on a UK regulated market;  
- A credit institution within the meaning of Article 4(1)(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council, which is a CRR firm within the meaning of Article 4(1)(2A) of that Regulation;  
- A person who would be an insurance undertaking as defined in Article 2(1) of Council Directive 91/674/EEC of 19 December 1991 of the European Parliament and of the Council on the annual accounts and consolidated accounts of insurance undertaking as that Article had effect immediately before exit day, were the United Kingdom a Member State.





**Firm wide audit methodology:**

- proprietary audit software used throughout international network; and
- complies with international audit standards.

**Feedback from clients on services**

- independent review; and
- benchmark our delivery with our promises.

**National file review programmes:**

- across all disciplines and Ireland offices.

**International review programme:**

- independent peer review of GTIL firms; and
- regular rotational review programmes.

**Peer review process:**

- all working papers reviewed by more senior staff than originator; and
- review partner process.

**Investment in technical excellence:**

- continued investment in training; and
- dedicated technical department.

**International support**

GTIL has a full-time IFRS team that is responsible for promoting high quality, consistent application of IFRS throughout the global organisation. The IFRS team is advised and supported by member firm IFRS experts including an IFRS interpretations group, a financial instruments working group and an insurance working group. The IFRS team promotes consistency by:

- Offering face-to-face training programmes and online learning resources;
- Operating an IFRS help desk service;
- Providing an IFRS checklist and an IFRS Interim Reports checklist; and
- Publishing extensive technical interpretive guidance, newsletters and other tools and resources, internally and externally.

These materials, along with IFRS developments, are communicated via a network of designated IFRS champions in member firms. For firms with significant IFRS work, the GTAR inspection team will include team members who are experienced in IFRS accounting. Any issues concerning IFRS are brought to the attention of the GTIL IFRS team for review to determine if training or additional guidance is necessary.

Every year, Grant Thornton engages either an external financial reporting expert, to provide IFRS training to our auditors, or participates in IFRS Masterclass webinars hosted by GTIL. This covers recent and upcoming changes to IFRS, or deal with specific issues identified where different interpretations require judgement.

**Clear and unambiguous audit reporting**

Regular mandatory training in specialist areas is key to ensuring that partners and staff are aware of the latest issues and can address them within the audit and assurance approach. It also means that we communicate with clients' boards and audit committees on matters of relevance to them in a clear and unambiguous style. For example, our professionals working on audits of US public companies and foreign private issuers attend GTIL led classroom-based training annually, and undertake online training on areas such as SEC affiliate independence rules, SEC reporting requirements, audit committee communications, disclosures and the SEC review and comment process.

We maintain a dialogue with audit committees at various stages in the audit process on a wide range of issues from initial scoping to the key judgements made. Our formal audit strategy and key issues memoranda give structure to interaction and communication with boards and audit committees.

### Engagement acceptance and continuance

Each audit and assurance engagement is categorised by reference to its risk, complexity and any specialised experience requirements. This categorisation is used to drive appropriate quality management procedures and, where necessary, involvement of the firm's industry specialists.

Our centralised client take on team ensure for all new potential clients and any new assignments the firm's rigorous acceptance and continuance processes are adhered to and documented.

All new assignments require approval before the appointment is accepted. This approval is by the appropriate engagement partner and in certain cases by the Head of Risk and Quality. Where specific high risk indicators are identified Key Assurance Assignment (KAA) approval is required from GTIL.

A similar process for continuance of engagements is required on an annual basis. If there are any significant changes in circumstances or other risk indicators are present, approval by a partner outside of the audit team, the Head of Audit and Assurance and/or GTIL may again be required.

### Supervision, consultation and review

We have a strong culture of consultation, supervision and support, which is embedded throughout the audit and assurance methodology. Involvement of a second Responsible Individual (RI), our RCPS team and where necessary the Head of Audit and Assurance, provide appropriate levels of quality management as well as support for all audit and assurance personnel. This mixture of experience and technical ability, within a culture where we are able to challenge each other, ensures quality is driven throughout the audit or assurance engagement. Audit clients who are PIEs or entities whose securities are publicly traded are subject to an engagement quality management review (as required by ISQM 2) by partners who are approved by RCPS. Review RIs are also in place for other complex or high-risk category clients to address certain quality and risk management matters.

### Achieving the highest standards

At Grant Thornton, we strive to achieve the highest standards. Outlined below are some of the key features that evidence our commitment to this goal:

- **Key accounts review:** our service team will meet three times a year to ensure feedback and information is shared, service delivery objectives are met and forthcoming priorities are identified;
- **Client satisfaction review:** each year a sample of clients are asked to complete a client satisfaction survey to measure our performance from a stakeholder's perspective;
- **Client service plan:** arising from the key account review and client satisfaction review, we draw up a client service plan every year;
- **Queries and response times:** queries will be dealt with promptly with an initial point of contact taking responsibility for the delivery of a solution rather than passing to a colleague; and
- **Customer care:** feedback is provided to staff from client satisfaction survey so we can ensure to improve where needed and to acknowledge and recognise what our staff do well.

### People

No system, team or service ever reaches the highest standards without the right people. In Grant Thornton we believe in recruiting the right people in order to deliver the highest quality.

One indicator of audit and assurance quality, emanating from our people, is the culture of our firm, including whether our people are encouraged to perform high quality engagements. We encourage this by providing the time, resources, training and development that they need to make this possible. Our reputation is built on the quality of our work and we ensure that we have the highest levels of expertise within each audit team. Substantial PDM (partner, director and manager) involvement is required throughout the audit process, including:

- coaching and mentoring;
- encouraging consultation;
- giving feedback; and
- providing on-the-job learning.

During 2022, we launched our first annual Quality and Ethics Survey to capture feedback on the above culture and allow our firm to focus on areas for improvement. This annual survey is about measuring how our people view the firm's emphasis on quality and ethical standards, as well as measuring individuals own attitudes to quality and ethics. The survey is anonymous, which allows people to provide honest and open feedback.

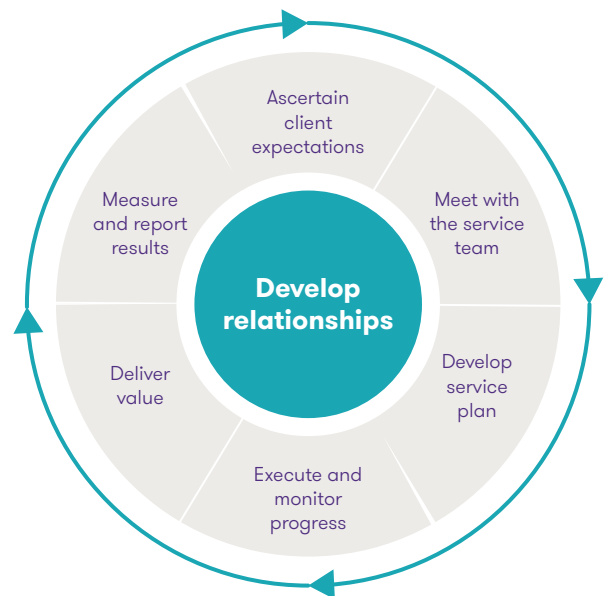
Overall, **87%** of respondents indicated a positive score (responding Strongly agree or Agree).

Grant Thornton endeavours to create a culture of openness and involvement and where people are encouraged to contribute their views. These are areas we continue to focus on as we foster a coaching, learning and collaborative environment. Technical excellence, audit and assurance quality, critical thinking and ethical behaviours are also reinforced to everyone involved in audit and assurance during their induction and throughout subsequent learning programmes.

In addition to developing their broad business insight, all of our people are required to maintain their technical competence and comply with relevant regulatory and professional development requirements. This is reviewed by managers annually, in conjunction with an individual's personal development plan. Within the audit and assurance service line, there are annual and quarterly technical updates, as well as courses on financial reporting, company law, ethics and auditing and assurance matters and sector-specific training. We continually review the skills and competence of all our people to ensure they meet the needs of their clients.

The firm's continued commitment to training and development was evident in 2022. Our audit and assurance personnel received approximately 62,539 hours of mandatory training, at an average of 78 hours per person. Of the total hours, approximately 50,543 relate to technical audit and assurance related training. In addition, recognising the importance of supporting not just their technical development, all audit and assurance personnel received approximately 12,050 hours of professional development and related skills training.

We support people's development not only through structured learning programmes, but also through a variety of tools including feedback, mentoring, on the job coaching and a wide range of secondment opportunities both internally and externally.



We aim to create an environment where our people are passionate about what they do, feel able to challenge the status quo, perform to their best ability and have the opportunities and support to continually develop their knowledge and skills.

# Measuring audit quality

## Audit quality management systems

A rigorous quality management system ensures all our staff understand the role they play in delivering quality work and achieving the high standards we set ourselves – the standards our clients expect. Nowhere is this more important than in the case of audit or assurance where our independence and the quality of our work are critical for our clients, the public and professional regulators.

We have established a range of safeguards and internal processes governing audit and assurance appointments and the independence of partners and staff, including:

- technical and procedural manuals, to ensure work is delivered to a consistently high standard;
- training and development of all partners and staff (including induction and appraisal);
- quality management procedures, to ensure each assignment meets required standards and quality; and
- quality assurance processes, including retrospective and hot reviews, to enable management to gain comfort that procedures are in place, are operating and are effective.

Our quality management approach for auditing, assurance and financial reporting assignments has several key elements:

- ethics and integrity – we only accept and continue to act for clients we judge to show integrity and for whom we consider the risks of acting to be acceptable;
- a robust and rigorous risk-based audit approach, with significant resources committed to ensuring audit quality, consultation, on-the-job and technical training;
- the skills and personal qualities of our partners and staff;
- a consultative culture, where partners and staff are always encouraged and, in certain circumstances, required to consult; and
- objectivity and independence – absolute understanding throughout the firm that our hard-won reputation is dependent on the quality of our work and the quality of the decisions that we take.

These processes are checked annually as part of our internal quality review processes.

Our system of quality management is conducted in accordance with ISQM 1 - quality management for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements as adopted by IAASA and FRC (previously ISQC 1).

This system provides our clients, GTIL, other member firms and our local regulators, (IAASA, FRC and PSCAI), with reasonable assurance that our personnel comply with applicable professional standards and GTIL policies and procedures.

In addition to periodic external quality reviews by GTIL, under the GTAR programme, our audits are subject to regular external inspection as part of our obligations to IAASA, FRC, PSCAI and PCAOB.

The review findings and observations are communicated to the audit practice and directly to the individual teams so that any learning points can be addressed and taken into account in the drive continuous improvement.

## Internal monitoring

Our internal monitoring programme is carried out on a continuous basis to ensure any quality issues are monitored and addressed in a timely manner, and our aim for continuous improvement is achievable. Our reviews assess the quality of the audit and assurance work in our audit and assurance department, which includes assurance services, financial services audit and corporate audits performed across all of our offices. Reviews cover all office locations of the firm.

A rating system is applied to ensure quality is measurable and high standards are maintained. In accordance with regulatory requirements, the reviews focus on the procedures that we have adopted to ensure that our audit and assurance work is of the highest quality. Similar processes are adopted across all client-facing segments of our business to ensure that our reputation is protected and maintained.

Our quality monitoring programme is robust, and key features include:

- use of a standard approach developed by GTIL;
- all reviews are completed under the direction and guidance of RCPS to ensure integrity and consistency of process;
- all responsible individuals are reviewed at least every two years;
- all new responsible individuals are reviewed within one year of appointment;

- assessment of the risk profile of responsible individuals' portfolio is carried out at the outset to ensure the engagements selected focus on high risk and complex engagements;
- reviewers are assigned based on their independence, skillset, industry experience and professional competence;
- file ratings are agreed by the Audit Risk Committee to ensure consistency and robustness of the ratings and the overall process;
- where deficiencies are identified, the audit leader is required to develop an action plan to address the findings of the review;
- responsible individuals with files reviews falling below expected standards are reviewed again within 12 months;
- the annual Audit Quality Review is summarised in an annual report which is presented to the Head of Audit and Assurance, Head of Risk and Quality, Chairperson of the Remuneration Committee and National Managing Partner;
- themes arising from the Audit Quality review are communicated to the Audit practice through training, and technical updates;
- themes will also receive an increased focus in subsequent inspection programs to measure the extent of improvement;
- root cause analysis is completed on all significant deficiencies arising and appropriate action plans are developed; and
- results from the Audit Quality review are a critical factor in responsible individuals' performance evaluation.

We have added rigour and depth to our review process to push our mission to continuously improve on quality and better align to the standards set by our external monitoring reviews.

In 2022, 27 audit and assurance engagement files were reviewed as part of the internal monitoring process. 93% received a grading of either "Good quality" or "Good file, but scope for improvement" and therefore our results have remained consistently strong year on year. Appropriate action plans have been developed to ensure

the audit and assurance practice is aware of improvement requirements and to set clear expectations in these areas. Additional monitoring is carried out where applicable to ensure appropriate focus is put on improving quality.

### Global audit quality monitoring

A dedicated team in GTIL is responsible for managing our global audit and assurance quality-monitoring programme, referred to as the Grant Thornton Assurance Review (GTAR). The GTAR process evaluates each member firm's local quality monitoring system, as well as each firm's compliance with professional standards, global audit and assurance policies and procedures, and other risk-based criteria.

Member firms are typically reviewed once every three years. Independent and suitably qualified partners and managers from other member firms, under the overall direction of the global audit quality management leader, also conduct inspections.

GTIL's global monitoring helps to reinforce the requirement that member firms have an effective process for ensuring that the right people are using the right tools to apply the audit methodology in the right ways.

GTAR will assess if member firms:

- comply with professional auditing and assurance standards;
- implement the global audit and assurance methodology (and in turn, the ISAs as a minimum);
- issue audit reports that are appropriate in the circumstances;
- comply with international ethical and quality management policies;
- comply with quality assurance standards during the audit;
- have designed and implemented an effective system of quality management;
- identify root causes for significant findings;
- have implemented the requirements of previous action plans; and
- comply with global risk management policies and procedures.

The most recent GTAR for Grant Thornton was completed in November 2022 and our audit quality control system was evaluated as “suitably designed and implemented to provide reasonable assurance of conforming with applicable professional standards and GTIL’s requirements in all material respects.”

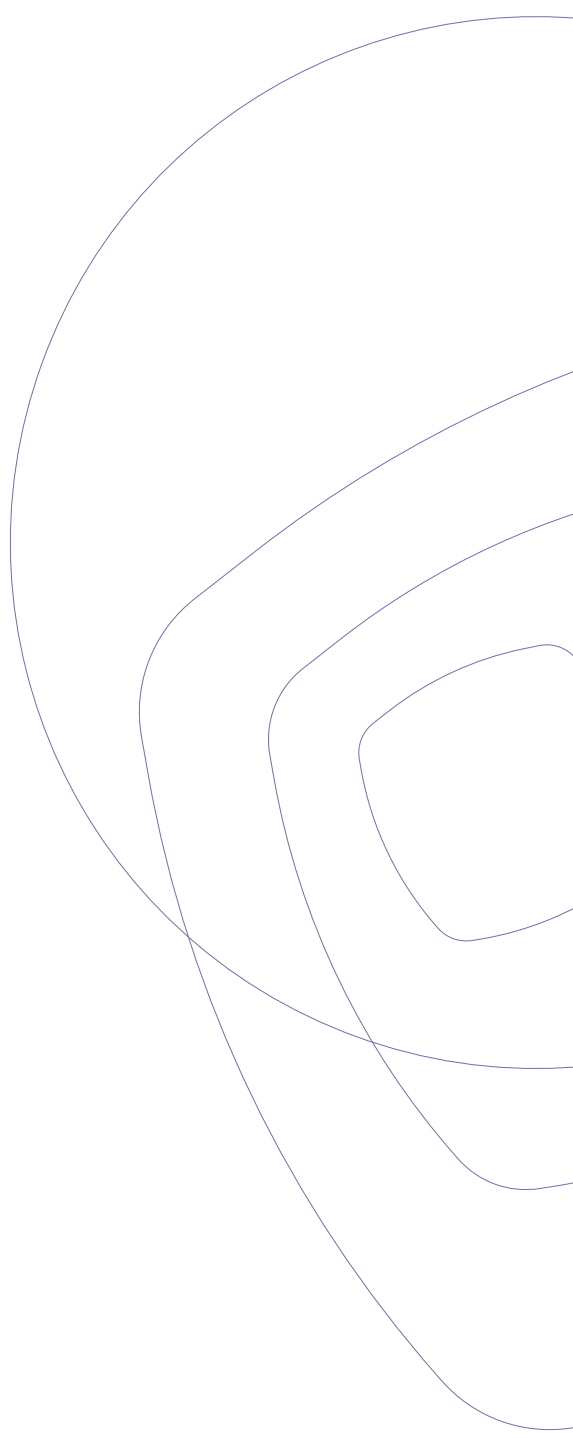
### External monitoring

IAASA is directly responsible for the inspection of the audits of and carries out annual inspections of all PIE audit firms in Ireland.

IAASA’s annual inspections include an inspection of the firm’s system of quality management and of a selection of PIE audit engagement files. IAASA recently published the results of the 2022 annual inspection of the firm; the report is available on the IAASA website. Some areas for improvement were identified and we take these matters seriously. Enhancements to our quality processes have been made to address the recommendations. We continue to monitor the effectiveness of the actions taken to ensure they have been effective.

Grant Thornton is also registered with the Public Company Audit Oversight Board (“PCAOB”) in the US and are subject to inspections by the PCAOB. The most recent inspection took place in October 2022 and involved a detailed review of two US registrant audit client and a detailed review of our system of quality management. As at the time of this report, the PCAOB have not yet published their report.

Since November 2022, Grant Thornton (NI) LLP is also registered with the Financial Reporting Council (FRC) in the UK and is subject to inspection by the FRC. The FRC inspection will include an inspection of the firm’s system of quality management and a selection of UK PIE audit engagement files. Since registration and at the time of this report, no inspections have taken place.

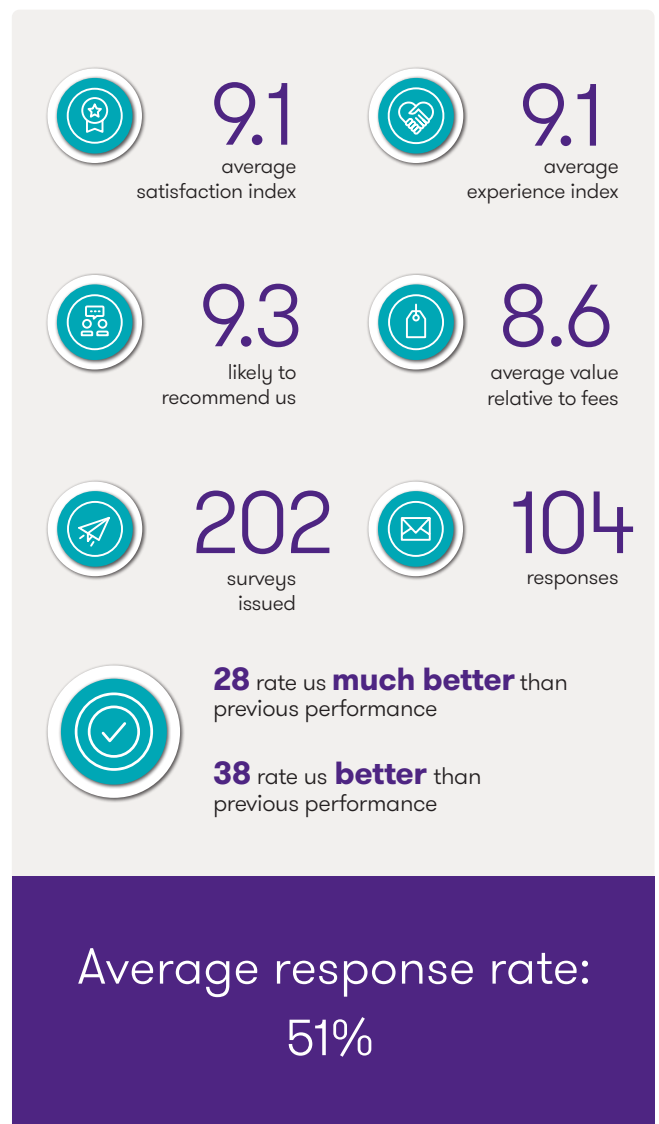




### Client Voice

In addition to internal and regulatory monitoring, a key measure of quality is understanding our clients' satisfaction. On a monthly basis, we choose a random selection of our clients to complete a satisfaction survey. The clients are asked to rate Grant Thornton on various aspects of the service they received, from the quality of the audit or assurance service, the value received, if the service had improved and if they would use our services in the future and recommend us to another organisation. This ensures we have a constant level of client satisfaction, which we use in our KPIs, and it allows us to take action should that level of service drop for any reason.

Some of our key results from our audit clients are summarised below:



# People and culture

As a professional services firm providing a full range of audit, tax and advisory services to our clients, it is imperative that quality underpins all of our activities, embedded into our culture and critically built into our employees' goals, which is supported by our leadership's structure and governance approach.

Critical to our success in achieving and maintaining our quality standards, it is important that our people and culture initiatives around sourcing, developing, and sustaining our people support this objective.

Our People & Culture team operate and are committed to promoting:

- the firm's culture and values, ensuring they are foremost in all aspects of the People Experience from the onboarding of new joiners, and throughout an employee's career;
- the utilisation of inclusive sourcing methods to attract the best candidates from diverse backgrounds and making the hiring experience promote the Grant Thornton People Experience (PX);
- the development and retention of our employees through programmes that stretch and challenge them to be the best leaders within their chosen area of expertise;
- a culture of continuous learning and professional development through our performance management process that also recognises and rewards this contribution, and a focus on achieving technical expertise and excellence;
- a focus on wellbeing that ensures our employees are supported in the everyday aspects of work and have access to programmes and initiatives that allow them to adapt and respond to the commercial environment they work within; and
- a culture of recognition that celebrates our employees living the firm's values and how it contributes towards the overall strategic goals of the firm.

As we continue to grow our overall headcount, we have evolved the way we have sourced and hired talent to ensure a greater diversity of talent joins Grant Thornton. The Talent Acquisition team places a strong emphasis on sourcing talent directly into the firm and uses selection methods that respect and focus on inclusivity during the hiring process.

This process is supported by our recruitment and selection policy that is designed to ensure a fair and transparent appointment process and is applied across the firm. This has resulted in an injection of talent that has brought new skills and new ways of thinking to enhance our high quality employee knowledge.

We believe that an immersion into the culture of the firm is essential and we support this by running an onboarding event that not only sets out the expectations we have for all new employees but also allows them to understand more about our culture and our complete focus on quality. This is achieved not just by learning content being delivered on the day the employee starts but through mandatory training which is delivered, tracked and analysed through our Learning Management System.

For a number of years we have invested and promoted an Equity, Diversity and Inclusion (ED&I) strategy that is designed to enhance our firm's culture and to help us achieve strategic goals. We believe that recognition of diversity is critical and the way the firm ensures that we build an inclusive environment means all employees feel respected, valued and welcomed within our firm. In the last year we have hired a dedicated resource to lead our ED&I programme and we have received awards for the work of our ED&I employee resource groups. Our ED&I Steering Committee continues to help create and implement a strategy that defines measureable enhancements to our working environment and we are delighted to see this recognized again with our Silver Award from the Irish Centre for Diversity. In addition, our recently published Gender Pay Gap (GPG) results demonstrated that the firm has made real progress around Gender Equality, one of our core ED&I pillars.



## Learning and development

The importance of continuous development within the firm is supported by each service line providing on-the-job training and related systems training to each new employee. The learning and development of our people is critical to the success of our business and our ability to ensure that quality is high across all our service lines.

Our development philosophy is based not only on formal training, but also on-the-job learning and significant levels of day-to-day coaching and a strong focus on feedback being sought and given around employees' performance. Feedback is captured in Workday, which allows both the employee and manager to have an enhanced annual performance review that can assist with career development. Each management and supervisory career level within the firm has a specific leadership program that is designed to equip the employee with the necessary leadership skills as they progress their career within Grant Thornton. In addition, we run two female leadership programmes, *Aspire* and *Accelerate*, which have proved instrumental in developing and retaining our key female leaders of the future. Moreover, these programmes are critical in helping us achieve greater gender balance at all job levels within the firm.

The key foundation to all our Learning & Development activities is our Competency Framework which is a tool that highlights the key performance expectations at each career level, defines the capabilities required for outstanding performance at each career level, and suggests development actions that may be taken to develop the required capabilities for success at Grant Thornton.

The Competency Framework has been designed to help employees to:

- build their skills and capabilities by providing blended development activities;
- allows employees to take control of their career and motivate teams to achieve higher performance;
- deliver the critical success factors detailed in our Empower 2023 strategy through aligning our goals to the five pillars (Strategic Initiatives) which underpin our Strategy (People & Culture, International, One Firm, Targeted Investment, Optimise & Innovate).

In addition, Grant Thornton places an equal emphasis of developing the unique skills of employees who are not in managerial positions or who work in our support functions. There are specific Personal Development Skills Programmes that employees at these career stages must complete before progressing their careers.

The firm's commitment to development is underpinned utilising a Human Capital Management system that continues to empower employees through a transparent performance management process that contributes greatly to making this process effective and efficient for both the reviewer and reviewee.

Both goal setting and the subsequent annual review is based on the firm's five strategic initiatives:

- People & culture,
- International,
- One firm,
- Targeted investment, and
- Optimise & innovate.

All staff set their own goals around these initiatives that support the achievement of the firm's strategy to be market leaders in our chosen fields. In addition, each employee has a set goal related to quality, which allows us to not only embed the concept of culture into all employees targets but allows us to track, measure and assess the delivery of this particular goal. To further support our culture of continuous development we hold performance reviews on an annual basis and have created a culture where employees are positively encouraged to seek and obtain feedback at the end of each client assignment.

Our Trainee Progression System (TPS) provides a structured process for trainees to gain experience and to advance through their traineeship before becoming fully qualified – all applications for advancement are reviewed thoroughly by the respective PDM team before recommendations for promotion are approved.

In addition, we have placed a significant investment in the improved exam success rates of our trainees and have seen this investment produce tangible results.

Regarding our remuneration strategy, we benchmark our salary ranges annually against the market and adjust if necessary to ensure competitiveness and that we continue to attract and retain key talent.

Staff are rewarded based on individual performance and contributions both to the client, their respective service line and to the firm as a whole. Our People & Culture team ensures that all of the above processes are consistently and fairly applied across our business, and are in line with best practice. This supports our commitment to ensuring our firm operates to a high level of professionalism and ensures that we put quality at the heart of everything we do.

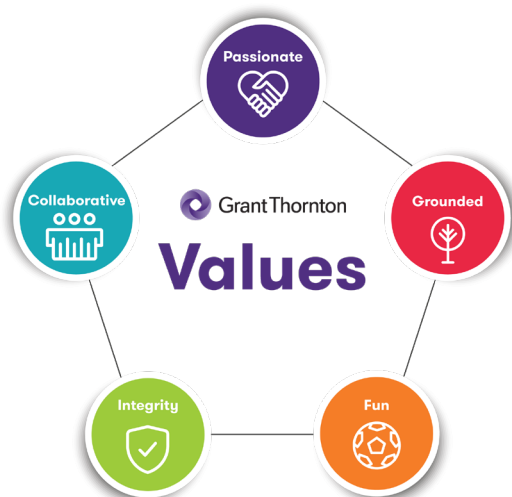
## Employee engagement

One of our most important elements of People & Culture strategy is our high level of success with our employee engagement program. Each year the firm participates in a global employee engagement survey that measures the Employee Net Promoter Score (eNPS). This score shows how likely employees are to recommend the firm as a place to work and in the five years we have participated, the score has increased and exceeded the Grant Thornton global average. To ensure a consistently high score, the firm has a robust process that allows employees to give feedback on the eNPS results through focus groups and by using internal Employee Engagement Leaders work on specific initiatives, which the employees believe will assist in increasing the eNPS.

At Grant Thornton we are proud to speak out on commercially relevant issues that connect business with the interests of society at large. We are a fast growing firm with unique people and something to say – a group of people that are ready to speak out and make a difference. Our brand position in Ireland embodies a series of values that support the ideas of a human perspective and a focus on relationships, but with robust independence. Our values represent the way we conduct ourselves personally, and underpin how we do business.

## Our values

As well as a distinctive culture, we promote and expect employees to live our five core values. These values not only underpin our culture but resonate with employees and give them a sense of the best way to approach working in Grant Thornton.



Our people continue to be our biggest asset, and we have invested in, and promoted, an Equity, Diversity and Inclusion strategy within our firm for a number of years. This has helped us achieve many of our overall firm objectives, and has also enhanced our firm's culture. We champion a robust program of initiatives that delivers measurable enhancements to our working environment, and we are delighted to see this recognised in 2022 with our Silver Award from the Irish Centre for Diversity.

**Michael McAteer** Managing Partner

## Objectives and strategy

The firm's overall aim is to retain and continually enhance its position as an innovative and entrepreneurial professional services firm, which upholds the highest professional and ethical standards and excels in its chosen market sectors by:

- acting for high quality clients; and
- attracting and retaining quality people at all levels who are proud to be part of the firm.

Crucial to us achieving this ambition is developing our people so that our people are able to provide our clients with the skills and expertise they need to find appropriate solutions to their problems. Doing so will enable us to continue to build the reputation of the firm for leadership and excellence in all that we do.

## **Our people**

We have created an environment where all of our people can make a difference - to themselves and their career, teams and to the success of our firm and our clients.

Our people thrive on high achievement and innovative thinking. This provides our clients with the best possible standards of service and advice. We are committed to ensuring that all our people have the skills and expertise necessary to provide the range of quality services and technical excellence required by our clients.

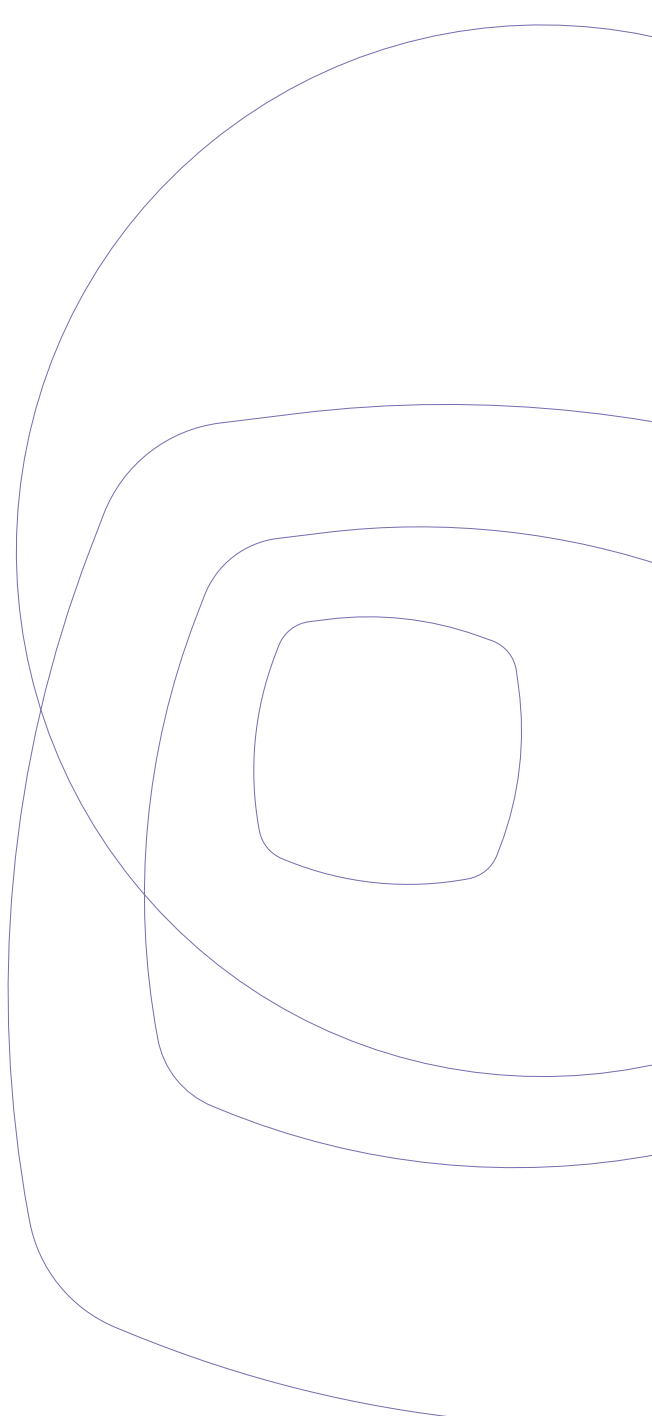
We support our people by focusing on our Employee Value Proposition (EVP), which means we look beyond the contractual rewards and benefits by providing a broader offering to our employees in the forms of wellness programs, sports & social activities and highly evolved corporate social responsibility initiatives.

## **Participating in the profession**

The firm participates actively in the way the profession develops. We encourage partners and senior personnel to contribute to professional bodies and many of them have spoken at continuing professional development seminars for professional bodies such as Chartered Accountants Ireland (CAI), the Association of Chartered Certified Accountants (ACCA), the Chartered Institute of Management Accountants (CIMA), the Institute of Certified Public Accountants (ICPA) and the Irish Taxation Institute (ITI), to name but some.

## **Continuing professional development**

We are committed to ensuring that our people have the skills and expertise necessary to provide the range of quality services and technical excellence required by our clients. All partners and qualified staff are required to keep up-to-date with professional guidance, including the firm's own risk management, ethical and independence requirements. All those within specialist disciplines or serving specialist markets, including statutory audit, must comply with mandatory training requirements, which are actively monitored. Internally, we provide access to technical resources and support, which include technical updates, training workshops, professional and personal development courses.



# Risk management

Managing and mitigating risk across the firm is an integral part of implementing the strategy of Grant Thornton and ensuring a system of quality management exists. Our leadership team instills a culture of quality, integrity and ethical behaviour by their actions and communications.

As part of this the Risk Management Committee, led by our Managing Partner, identifies the risks based on the facts and circumstances of the firm and its engagements. Once the risks have been identified, policies and procedures are developed that help address those risks and integrate risk management into each of the firm's internal functions (such as HR, Finance and IT), as well as working with the firm's partners and staff to assist and support their implementation of the risk management policies and procedures.

The firm has established business unit risk working groups to further address the specific risk issues impacting each business unit in the firm. Areas covered by risk management policies and procedures include independence, client acceptance, client re-acceptance and anti-money laundering procedures.

Acceptance and re-acceptance of our clients is considered a cornerstone of the firm wide risk management approach. Given this importance, certain member firm assurance engagements that meet one or more defined criteria are submitted to a global review team for approval.

Overall, there is a continuous focus on enhancing the risk management framework including, for example, the development of systems and processes that will enhance the client acceptance/re-acceptance global review and approval process and additional software providing improved accuracy when it comes to understanding group structures and beneficial ownership.

## Ethics and independence

GTIL has ethics and independence policies and procedures that incorporate the requirements of the IESBA Code of Ethics and where appropriate the US SEC and PCAOB requirements. These are amended or supplemented as required by local policies and procedures that address the requirements of IAASA and the FRC. These requirements are communicated via the firm's Ethics and Quality Management Manual and are reinforced through training and communications when changes are made.

To ensure compliance with these requirements, the firm has appointed Denise O'Connell, a senior experienced audit partner, as the partner responsible for ethics and independence. She is supported by the Head of Risk and Quality, Louise Barry, and a dedicated ethics and independence team in dealing with ethical and independence matters. Denise must be consulted whenever there are key judgements on potential conflicts, for example in areas such as corporate finance and tax consulting services to audit clients to ensure that the spirit, as well as the letter, of the standards are met.

Inspiring our people to fulfil our ethical and independence standards starts at the top. Partners recognise that their behaviours are key to the maintenance of our strong ethical environment and culture. In addition, the internal controls we have in place to support our ethical environment are routinely checked as part of the firm's robust internal monitoring procedures.

Denise has a direct line of communication to the Managing Partner and is responsible for ensuring that the firm complies with the ethical requirements set by the firm's regulators.

Specific controls in place include:

- audit partner rotation on publicly traded entities;
- recognition of technical quality in partner remuneration policies;
- adherence to detailed procedures to identify potential conflicts of interest, prior to accepting non-audit work; and
- application of policies regarding partners and staff working for clients when leaving the firm.

In addition, all partners, directors and managers maintain a real time record of listed investments held on the Global Independence System (GIS) and the RCPS team ensures that any potential conflicts are identified and resolved as they arise.

Our firm has a strong culture of consultation, which we believe is vital in maintaining an independent approach, and this is a point of emphasis at the technical interviews of all prospective audit partners and directors.

### Relationship checking

Maintaining objectivity and independence of thought is vital to maintaining our reputation. We have a robust system of independence and conflict checks, which is designed to identify potential conflicts of interest at the earliest possible juncture and deal with them appropriately. Sources of potential conflict will range from providing additional services to existing audit clients and acceptance of new clients, to investments by the firm and staff.

For audit and similar engagements, where independence is a matter of public interest, our procedures are even more stringent. We ensure that partners carry out a check of whether other services have been provided that might impact on our independence before engaging with new audit clients. We also require the engagement team to confirm their independence on each audit file. Furthermore, for all publicly quoted clients, we disclose other services provided to the audit committee at the planning and conclusion stages. In addition to our own independence practices, GTIL requires member firms to adopt policies and procedures to safeguard the independence of all member firms.

These policies and procedures include a requirement for member firms to maintain a listing of companies considered 'restricted' as a result of an audit relationship. Details of these restricted companies are maintained on a global restricted list through a system maintained by GTIL.

Professional personnel in member firms have access to this global restricted list via the GTIL intranet. The global restricted list serves as a point of reference for member firms considering providing non-audit services to public companies. When the prospective client appears on the global restricted list, consultation is required with the audit partner to ensure that any threats to independence created by the proposed non-audit service can be adequately safeguarded and that the proposed non-audit service is permitted. The global restricted list is also reviewed and updated by GTIL on a regular basis.

GTIL has also adopted an automated independence tracking system, the GIS. Partners and client-facing managers in member firms are required to maintain a portfolio in GIS of those publicly traded securities in which they have a financial interest.

The GIS monitors these financial interests against the global restricted list and is designed to alert the member firm or the individual professional and a national compliance officer, in the event that a security held also appears on the global restricted list. The GIS provides a mechanism to assist the individual and the national compliance officer in determining whether the security may continue to be held, based upon the facts and circumstances.

Conducting reviews for potential conflicts of interest and/or threats to independence (jointly referred to as "relationship checks") prior to proposing on an engagement are important safeguards against threats to objectivity. GTIL has instituted a policy that establishes a standardised approach to conducting these checks for potential relationships, where the client or prospective client has international operations which is also outlined in the Member Firm Obligations (MFOs).

### Client acceptance and continuance

All of our statutory audit clients are subject to categorisation policies to ensure that appropriate risk management procedures are applied and this categorisation is used to drive key procedures including:

- the requirement to consult and obtain specific;
- GTIL Key Assurance Assignment approval before accepting and continuing with certain new clients;
- Assurance Assignment approval before accepting and continuing with certain new clients;
- the need for the audit partner role and 'on-site' roles to be performed by team members with relevant experience;
- the need to appoint an appropriately experienced review partner for certain categories of audit; and
- the requirement for technical reviews for certain categories of audit.

We only engage with clients where we have the necessary capacity, skills and expertise to offer the highest possible standards of service and care to meet client expectations and ensure that the acceptance does not prejudice our independence, objectivity or integrity. This is assessed at the initial point of onboarding for each client in conjunction with engagement teams.

All appointments must be reviewed and pre-approved by a subject matter expert within the RCPS department (independent of the proposed client service team), who is familiar with the risk-based approach adopted by the firm. Where high risk specific criteria are met, approval is required from the Head of Risk and Quality or other independent experienced senior management. A similar re-acceptance process is required on an annual basis or if there are any known changes in circumstances.

The firm has strong quality management systems in place in all service areas to ensure that each client assignment is delivered to consistently high standards of professional and technical excellence.

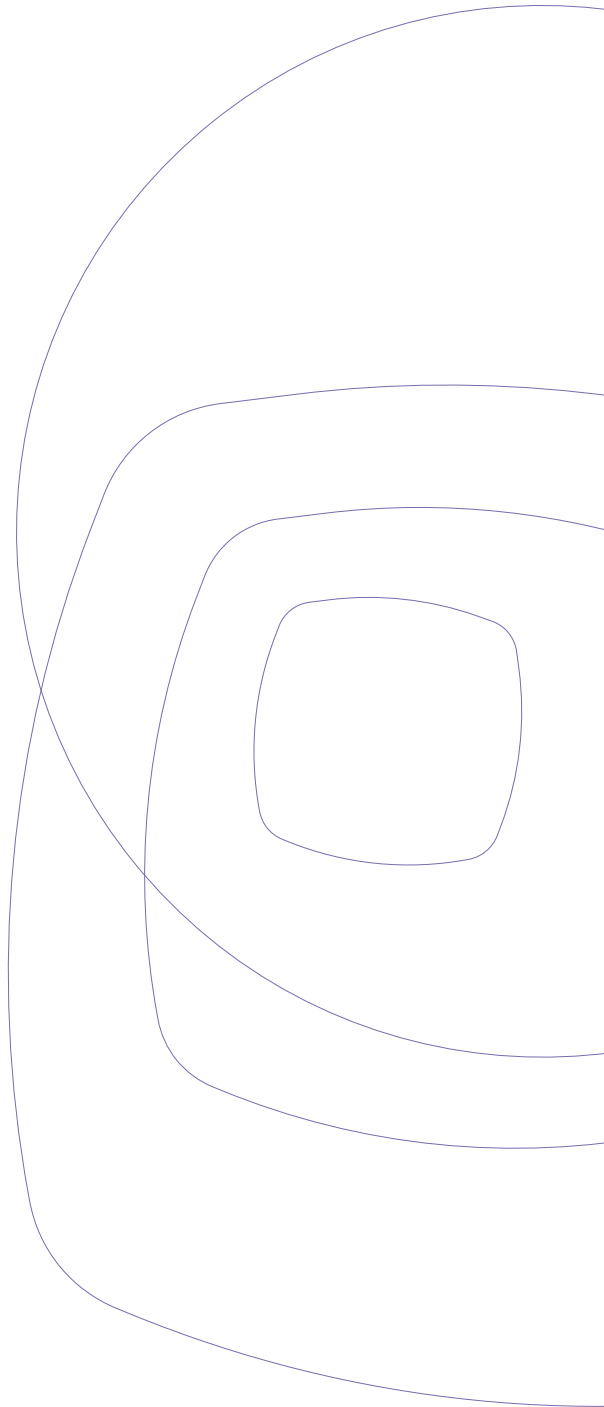
**We have dedicated central specialist support teams in all service areas providing practical support and advice to our client-facing partners and staff.**

In response to the war in the Ukraine and the various restrictive measures and sanctions issued by the EU and various governments, additional risk management processes were carried out. On 1 March 2022 GTIL announced that FBK, the Grant Thornton member firm in Russia, was leaving the network with immediate effect. Our RCPS team worked closely with the business to identify any potential sanctioned entities/individuals with whom we have relationships and other clients with ownership, operations or other significant connections with Russia and Belarus. Following a detailed review, actions were taken as required.

### Rotation of key audit partners and staff

Grant Thornton have policies and procedures in place that are consistent with the requirements set out in the Ethical Standards that are applicable to our engagements. These requirements place restrictions on the number of consecutive years that partners and other key members of the engagement team may participate in the audit. Engagement leads and other senior team members responsible for audits are required to rotate off the engagement after specified periods of time, which depends on their role and the type of entity.

- PIEs and other listed entities subject to the IAASA Ethical Standard and the FRC Ethical Standard: the audit engagement partner and key audit partner's tenure is set at five years. A three year (IAASA)/five year (FRC) cooling off period applies following all such rotations.
- Engagement quality review partner is set at seven years.
- A five year cooling off period applies following all such rotations. Where other partners and staff involved in the engagement in senior positions have served on a public interest auditee for a period of seven years, the safeguards in place must be reviewed to ensure there is no threat to objectivity and independence. If safeguards do not reduce the threat to an acceptable level, the individual should be removed from the engagement. In addition, PIE audit engagements are subject to mandatory rotation of audit firms after 10 years.
- SEC registrant audit clients: the audit engagement partner and engagement quality review partner tenures are set at five years. A five year cooling off period applies following rotation.
- Other entities that meet the IESBA definition of public interest entity: the tenure for audit engagement partner, engagement quality review partner and key partners involved in the audit is set at seven years with the cooling off period, depending on the role as per the IESBA code.
- All other entities: once an audit engagement partner or engagement quality review partner has held the position for a continuous period of 10 years, the engagement partner is required to give careful consideration to whether a reasonable and informed third party would consider independence to be impaired. Appropriate safeguards must be put in place to ensure independence is maintained.



# Sustainability

Our sustainability strategy ensures that our firm and the clients we support succeed now, and in the future. We take a progressive and integrated approach to advancing sustainability – our environmental and social sustainability goals are intertwined and enabled by our exceptional approach to governance.

At Grant Thornton, we take a progressive and integrated approach to advancing sustainability at our firm. Specifically, our environmental and social sustainability goals are intertwined and enabled by our exceptional approach to governance. The United Nations Sustainable Development Goals underpin our strategy and support our integrated sustainability progress. Our sustainability strategy ensures that our firm and the clients we support succeed now, and in the future. Our efforts for sustainability are centred on the following areas:

## Grant Thornton’s Integrated Sustainability Strategy:



For Grant Thornton, 2022 was a year of continued momentum building on sustainability activities and of working to achieve our long term sustainability ambitions. Some of the overarching highlights include:

- becoming the first professional services firm in Ireland to be accredited with both ISO 14001 and 50001 standards for environmental and energy management;
- demonstrating our commitment to excellence in environmental and energy management practices at City Quay;
- receiving a Silver Investors in Diversity accreditation from the Irish Centre for Diversity for our commitments and actions in supporting Equity, Diversity and Inclusion in our organisation;
- maintaining our Business in the Community Business Working Responsibly Mark. “The Mark” is the leading standard in Ireland for sustainability that fosters a culture of continuous improvement, ongoing accountability and leadership. As of December 31, 2022 Grant Thornton was among the less than 50 organisations in Ireland to have achieved this prestigious recognition; and
- creating the firm’s first dedicated Head of Sustainability role and recruiting a full time resource that started in mid-2022. The creation of this role has allowed us to amplify our efforts and commitment to innovation and continuous improvement in all areas of sustainability

Our sustainability strategy is bolstered by four pillars – Environment, Community, People and Governance.



### Environmental Sustainability

At Grant Thornton we are playing our part in addressing the climate crisis and helping to reach the global carbon reduction targets set in the Paris Agreement. We have demonstrated this commitment by becoming a signatory of the Business in the Community Low Carbon Pledge. As a signatory, we have committed to reduce our Scope 1 & 2 greenhouse gas emission intensity by 50% by 2030. It also demonstrates our commitment to establishing science-based carbon emissions reduction targets by 2024, which include our entire carbon footprint (Scope 1, 2 & 3) and will be in line with the Paris Agreement and the latest IPCC findings.

We are helping to address the climate crisis and global biodiversity loss by taking thoughtful action at our firm every day.

### Unmatched Environmental and Energy Standards

Grant Thornton values and promotes energy and environmental leadership, responsibility and innovation in the management of all company facilities and operations. We also have an exceptional commitment to quality in our processes. As of December 31, 2022, Grant Thornton was the only large professional services firm in Ireland to be accredited with both ISO 14001 and 50001 standards.

#### ISO 14001

ISO 14001 provides the requirements for how an organisation can best manage processes affecting the impact of its activities on the environment. Our ISO 140001 accreditation, awarded by the NSAI (National Standards Authority of Ireland) ensures strong environmental management at our firm by:

- providing a framework to protect the environment;
- achieving continual improvement of environmental performance;
- ensuring the firm that it meets all applicable regulatory requirements; and
- communicating the firm's commitment to environmental improvement.

#### ISO 50001

ISO 50001 provides requirements for how an organisation can best manage processes affecting the impact of its activities on energy efficiency. Our ISO 50001 accreditation, also awarded by the NSAI (National Standards Authority of Ireland) ensures strong energy management at our firm by:

- providing a framework for continual improvement of energy performance;
- aligning resources for energy performance improvements with business goals;
- increasing energy awareness and accountability;
- improving operational efficiencies; and
- integrating energy management into daily operations.



### LEED Gold certified Sustainable Buildings

Grant Thornton's offices in Dublin and Cork are a manifestation of our commitment to sustainability, and to reducing our carbon footprint. The offices have been designed to be as environmentally friendly as possible and are at the leading edge of energy efficiency and eco-friendly design. Gold V4 LEED (Leadership in Energy & Environmental Design) accreditations for both offices underline our prioritisation of and focus on sustainable workspaces. We also regularly assess our other offices to identify opportunities for efficiencies and work with our landlords to make improvements as appropriate. For example, in 2022, we fully refurbished our Limerick office and integrated sustainable and emissions reducing features throughout.

### Bees on the Roof

In partnership with local community based organisation, Bees On The Roof, we installed our very own beehive, situated on the roof of our building in City Quay. The beehive is home to thousands of Irish native honey bees. The bees come out of the hive on the roof and disperse within a 5km radius. Bees' role in the ecosystem is vital; they are responsible for pollinating native plant species and crops such as apples, strawberries, tomatoes, blackcurrants, peppers and courgettes that in turn provide us with food and nutrition. In fact, an estimated three quarters of native Irish plants need insects for pollination, with bees playing the leading role.

### Green Scene

To drive our firm towards our ambitious goals, a 'Green Scene' committee was established in 2019 to cut carbon usage throughout Grant Thornton and educate staff in how best to act responsibly in this area. This committee has succeeded in maintaining a firm-wide emphasis on sustainable practices via a range of innovative initiatives, regular communication, and ongoing educational programmes for all staff members.

Our staff led initiatives are diverse and include:

- partnering with Trees on the land to plant 1920 trees, a tree for every Grant Thornton employee in 2022;
- completing the NTA Site and Staff Sustainable Travel Survey undertaken; 68% of Grant Thornton employees commute to work sustainably through public transport and active travel, walking and cycling;
- making January a month of promoting "Veganuary", Grant Thornton employees were encouraged to go vegan. Small changes can make a difference, eating less meat and more plant-based foods can have a huge impact on our personal health, and that of the planet;
- offering free bike servicing staff throughout the year to support them to cycle to work; and
- in celebration of the Earth Week, various activities were organised i.e. bike servicing, fashion swap, beach cleans and vegan elevenses.

## Community

### Charitable contributions

Throughout the year, our offices have raised money, contributed time and resources, and became actively involved in numerous charities each chosen by the regional offices. Some of the charities involved include:

- Alzheimers Society of Ireland and Alzheimers Society (NI)
- Red Cross
- Focus Ireland
- Simon Community
- Athletics Ireland

### Grant Thornton's relationship with Higher Education institutions

Grant Thornton's involvement in educational access programmes is a natural extension of the firm's core values in terms of the importance placed on the continuous need for a high standard of education and professional success for everyone. We have had a long standing partnership with the Trinity Access Programme, and also support the NUIG Access programme and sponsor two students on the Limerick Institute of Technology's Leaders@LIT Scholarship programme.

Through Grant Thornton's involvement with the young adults, our aim is to:

- provide professional role models/demystify the suit;
- create a tangible link to the professional world;
- develop transferable skills; and
- encourage career consideration and preparation.

### Trinity Access Programme (TAP)

We are now into our fourteenth year supporting the TAP programme. This has developed a range of educational projects to engage greater numbers of students from under-represented socio-economic groups in third level education. Our involvement sees our staff supporting, educating and guiding the young adults participating in the foundation course through mentoring and workshops. We are delighted that currently over 50 of our staff are now engaged as mentors with this.

The TAP foundation course for higher education-young adults is an academic and personal preparation course for students who may not otherwise have the opportunity to undertake degree course studies. The TAP course equips students with the necessary skills (IT, study skills, third level Vocabulary, as well as specialist subjects from the sciences, social science or arts) to participate in a third level course.

Successful candidates receive a certificate from Trinity College Dublin (TCD) and are eligible to compete for places on degree courses in TCD and other third level institutions. Throughout the academic year, Grant Thornton run workshops on a variety of topics including:

- transferable and life skills development;
- presentation skills;
- how to write and build a CV; and
- interview skills training.

After each workshop the mentors and mentees have the opportunity to discuss the content and a variety of topics around continuing education and career progression. In addition, fifteen TAP students are now placed in summer internship positions in various professional organisations, including Grant Thornton offices.

### **Sustainathon**

Since 2020, Grant Thornton has been the lead partner of the Irish Funds Sustainathon which involves students and professionals working together to develop solutions to sustainability challenges. It is a collaborative and fun event aimed at bringing the Irish Funds Industry together to identify solutions that promote sustainability. Sustainathon is centred around the UN's 17 Sustainable Development Goals. Participants were asked to assess and identify achievable and impactful steps that the Irish Funds Industry can implement - the proposed solutions could relate to product innovations, new platforms for engagement, corporate initiatives, use of technologies, and other ideas.

Trinity Centre for Persons with Intellectual Disabilities  
The Trinity Centre for Persons with Intellectual Disabilities (TCPID) is a non-profit organisation operating a pioneering programme for persons with intellectual disabilities, since 2016, which aims to promote the inclusion of these persons in education and society.

Grant Thornton has been in partnership with TCPID since 2020 and has offered three programme participants internships and has since employed two programme participants on a permanent basis. Each participant was allocated dedicated mentors and given specific roles and responsibilities in Financial Services Advisory; Tax; and Facilities teams. They were also supported in being successful in their new roles by a 'buddy' system.



### **Business in the Community**

We are a committed member of the Business in the Community (BITC) Ireland network – a movement for sustainable change in business. Our participation in BITC is to enable our firm to support a sustainable, low carbon economy and a more inclusive society where everyone thrives. In addition to holding a “leader” membership, Grant Thornton is also accredited with the BITC third party certified standard – the Business Working Responsibly Mark. The Mark is the leading standard for sustainability in organisations. It fosters a culture of continuous improvement, ongoing accountability and leadership.

## People

### Equity, Diversity and Inclusion

Equity, Diversity and Inclusion (ED&I) at Grant Thornton has always been at the forefront of our workplace culture agenda, and today, we continue to build and develop on our existing ED&I structure and strategy to meet our workplace culture needs. People are at the heart of our business and teams built with varied backgrounds, cultures, ages, gender identities, abilities and family types present diverse viewpoints, which need to be heard and valued. Our ED&I programme at Grant Thornton is called Embrace and has five main pillar Employee Resource Groups (ERGs): Ability, Gender Equality, LGBTQIA+, Family and Ethnicity & Culture.

### ED&I Structure and Governance

The Employee Resource Groups are the key component in the outstanding success of our ED&I strategy at the firm and work together as one collaborative team at the helm of driving positive initiatives and inclusive change in our workplace.

With the support from our ED&I Steering Committee, which consists of a range of seven senior leader colleagues, the Embrace ERGs are at the helm of driving positive initiatives and inclusive change in our workplace. The ED&I Steering Committee follows a detailed Charter that outlines its roles and responsibilities as thought leaders in the ED&I space. Managed by our ED&I Specialist (appointed in mid-2022) and with the support from our ED&I Steering Committee and headed up by their Pillar Leads, the ERG members are responsible for developing and implementing our future ED&I action plans. Our strategy is based around three principles – to ‘educate, integrate and celebrate’.

Over the last 12 months, Embrace has experienced a major increase in ERG members (approx. 80+ members) from over 50+ nationalities across the firm. We have implemented an ERG membership charter so each potential and existing member is aware of their role and responsibilities. Embrace has invested significantly in making tangible differences in how we operate and championing ED&I as a key component of our firm's DNA.

We align ourselves with key ED&I training programmes and partner with expert networks and organisations across our Pillars. We have successfully rolled out our Embrace initiatives across all offices in an inclusive one-firm approach to ED&I, including in Isle of Man, Gibraltar and Bermuda.

## Ability

### Mental health

Our Ability Pillar led the way in 2022 with the approval by our Management Committee of the ‘An Hour For Me’ initiative. This initiative granted permission for all our colleagues to avail of one hour per month to look after their mental-health self-care. We also saw expansion of our Mental Health First Aider group. Mental Health First Aid is the initial help offered to those who are developing mental health problems, experiencing a worsening of an existing mental health problem or a mental health crisis. Our group of dedicated, trained Mental Health First Aiders across the firm grew from 35 to 55 First Aiders and we rolled out a successful communications campaign across the offices so our colleagues would know who they are if they needed to reach out to someone.

By signing up to the See Change Workplace Pledge, a six-step programme, which helps Irish companies challenge mental-health stigma and support a positive mental health culture in the workplace, our firm is underlining the importance of looking after your mental health to all our colleagues.

### Disability in the workplace

The Ability Pillar highlights disability in the workplace by bringing in the experts and we welcomed Ability Focus to host a webinar and training programme in December to coincide with International Day of Persons with Disabilities. We have incorporated Emergency Cord cards in all our disabled and gender neutral bathrooms to ensure cords are left hanging for those who may need assistance.

We have also recently permanently employed members of the Trinity College Persons with Intellectual Disabilities Programme and are proud to have them represented on our teams.

### Neurodiverse community

At Grant Thornton, we are huge supporters of our neurodiverse communities and sponsor and support AsIAm, Ireland's national autism charity. We have aligned to the AsIAm Same Chance Commitment Charter and support AsIAm activities. If our colleagues within the neurodiverse community at Grant Thornton request a ‘Please Offer Me A Seat’ badge for public transport purposes, we are also able to provide these as the initiative internally was spear-headed by members of the neurodiverse community within the Ability ERG.

## Gender Equality

Our Gender Equality ERG held an inspiring International Women's Day event for all our colleagues, bringing a much-needed social event to the fore at the close of the pandemic. This year, we hosted a week of sustained video campaigns and social gatherings, culminating with an Empowering your Health by Embracing your Body panel session with a well-known healthcare professional hosting and with partner participation on the panel.

We hosted International Men's Day events to celebrate our male allies and colleagues, where we focused on highlighting topics such as role models, challenges and changes in today's workplace society. We provided key physical and mental health resources for men at the events. Through our Gender Equality ERG, we are also affiliated with the Professional Women's Network, the 30% Club, Lean in Network and Women in Finance. From a training perspective, Grant Thornton has implemented tailored training programmes. Aspire and Accelerate Programmes (also aligned with Gender Equality) are focused on promoting and helping women progress to senior leadership roles at the company. We are also very proud to have an award-winning mentoring programme, which has equal male and female allies.

## LGBTQIA+

In 2022, our LGBTQIA+ ERG led both educational and fun Pride celebrations across Dublin, Belfast and Cork, with hundreds of our colleagues celebrating the LGBTQIA+ community. Our Gender Expression and Gender Identity Policy was also launched in 2022. The ERG provided educational webinars with topics including the history of the Pride Flag, and a useful guide to pronouns; members took part in a 'Belong To' video for the charity, which highlighted their 'coming out' stories and shared their experiences within the community.

## Family

Our inclusive Family Pillar policies received extensive media coverage in 2022 as market-leading family-friendly initiatives. The policy updates covered compassionate; fertility; IVF; and miscarriage leave; as well as updating surrogacy, adoption and donor policies and also ensuring same-sex couples could avail of the same supports. The Pillar also hosts family-friendly events throughout the year.

## Ethnicity & Culture Pillar

In 2022, we had our inaugural Culture Night, hosted by the Ethnicity & Culture Pillar and it demonstrated our dedication to representing all our diverse colleagues in one forum. Participants represented over 50 different ethnicities and backgrounds who work in Grant Thornton. The Ethnicity & Culture Pillar is responsible for creating an International New Joiner Package Guide to be launched this year, to help and facilitate our new joiners to embed into Irish society in a more seamless transition. This pillar is integral International Hire Sessions and is a welcoming group for new joiners coming from overseas. We also participated in the Chartered Accountants Ethnicity Network – officially launching the Network in conjunction with EY in December 2022.

## Recognition of ED&I Efforts

In September 2022, we were awarded the Investors in Diversity Silver Accreditation. This Accreditation is highly valued in Ireland and is the benchmark for Diversity and Inclusion Standards and was driven by our outstanding Embrace ED&I programme, with firm-wide support.

We continue to actively engage with external groups such as the Irish Centre for Diversity, the 30% Club, AsIAm, Fusion and the Financial Services Inclusion Network who are supporting our firm with initiatives to achieve our Diversity and Inclusion goals.



# Financial information

The EU Regulation No. 537/2014 requires disclosure of financial information that shows the importance of statutory audit work to the overall firm's results. The results set out below for the year to 31 December 2022 have been extracted from Grant Thornton's and Grant Thornton (NI) LLP's annual accounts and financial records for the period ending 31 December 2022.

The financial information given is based on unaudited figures.

Revenue attributed to Grant Thornton	Dec 2021 (€'000)	Dec 2022 (€'000)
Statutory audit for PIEs	2,748	2,603
Statutory audit for other entities	38,882	50,044
Non-audit services provided to audit clients	17,468	10,395
Non-audit services provided to other entities	125,449	179,445
<b>Total</b>	<b>184,547</b>	<b>242,487</b>

This overall revenue table includes the below Grant Thornton (NI) LLP revenue translated to Euro at the period end date.

Revenue attributed to Grant Thornton (NI) LLP	Dec 2022 (€'000)
Statutory audit for PIEs	-
Statutory audit for other entities	3,175
Non-audit services provided to audit clients	1,193
Non-audit services provided to other entities	8,215
<b>Total</b>	<b>12,583</b>

Revenue for Grant Thornton (NI) LLP is presented individually as Grant Thornton (NI) LLP are separately registered with the FRC since November 2022.

The EU Regulation No. 537/2014 requires disclosure of financial information that shows the importance of statutory audit work to the overall firm's results.

Revenue is presented in accordance with the EU Regulation No. 537/2014 and included for:

1. revenues from the statutory audit of annual and consolidated financial statements of PIEs, and entities belonging to a group of undertakings whose parent undertaking is a PIE;
2. revenues from the statutory audit of annual and consolidated financial statements of other entities;
3. revenues from permitted non-audit services to entities that are audited by the audit firm; and
4. revenues from non-audit services to other entities.

## Partner remuneration

Partners are remunerated from their share of profits of the firm. A partner's share of the firm's profits is determined either by the number of profit-sharing points held by that partner or by fixed allocation. Partners' profit-sharing points are reviewed annually, based on criteria set out in the partnership policy. Further information on partner remuneration is outlined in the **Governance and management section on page 11**.

## Responsibility for financial reporting

The financial information is prepared by Grant Thornton's finance department for presentation to the partner group. Their reporting responsibilities include:

- compiling and recording all financial information; and
- preparing reports for review by the partners and Management Committee.

## Going concern

The Management Committee consider the firm to be a going concern as it has appropriate financial resources to meet its operational requirements for the foreseeable future.

# Risks and uncertainties

## Principal risk and uncertainties

The principal risks and uncertainties the firm faces and how they are managed are outlined below.

Risk	Response
<p><b>Reputation:</b> adverse impact on reputation due to failure to ensure appropriate levels of service quality, transparency and public engagement.</p>	<ul style="list-style-type: none"> <li>• Providing appropriate levels of support and training for all our people and embedding a culture of acting ethically;</li> <li>• Continued programme of internal communications to inform and engage our people around the firm's priorities and performance, as well as reminding them of their obligations around compliance and confidentiality;</li> <li>• Confidential whistleblowing hotline available to employees, clients and member of the public;</li> <li>• Engagement with regulators, institutes and governmental bodies to play our part in developments within the profession;</li> <li>• Engaging with our clients and building trust in our services and approach as a firm;</li> <li>• Development of firm wide ESG strategy to deliver our plan to achieve net zero, make a positive contribution to society and conduct business responsibly;</li> <li>• Participating in local initiatives and actively contributing to enhancing the greater community; and</li> <li>• Ensuring appropriate conflicts of interest are avoided.</li> </ul>
<p><b>Quality of work:</b> that a significant quality failure will arise due to inadequate services or engaging with an inappropriate client or failure to comply with relevant ethical or regulatory requirements.</p>	<ul style="list-style-type: none"> <li>• Rigorous quality management standards including: governance and leadership, risk assessment process, skills and competence, clear and efficient procedures and quality management;</li> <li>• Dedicated service line quality and risk management teams drive application of quality standards;</li> <li>• Extensive training programmes and regular service line technical updates supplemented by dedicated technical support;</li> <li>• Employee quality and ethics survey;</li> <li>• Dedicated resources to drive implementation of ISQM 1 and testing against the requirements;</li> <li>• Global audit methodology and rigorous global quality assurance programme, which includes the implementation of Leap, the new global audit technology platform;</li> <li>• Quality goals set for all staff;</li> <li>• Robust client and engagement continuance and acceptance procedures;</li> <li>• Appropriate recruitment and staff development and review policies;</li> <li>• Quality reviews conducted internally, by network firms and by regulatory bodies;</li> <li>• Complaints/potential claims reporting procedures and maintenance of sufficient professional indemnity insurance;</li> <li>• Dedicated resources focused on innovation to drive more integrated and efficient processes to enhance our client delivery and regulatory compliance; and</li> <li>• Engagement methodologies supported by developed practices, tools and resources.</li> </ul>
<p><b>Regulatory compliance:</b> failure to comply with relevant independence, legal, ethical, regulatory or professional requirements.</p>	<ul style="list-style-type: none"> <li>• Establishment and maintenance of compliance and independence management systems including: <ul style="list-style-type: none"> <li>• Clear policies, procedures and guidance;</li> <li>• Mandatory training for all partners and staff;</li> <li>• Rigorous client and engagement acceptance procedures, including relationship checking, risk based client due diligence and ongoing monitoring; and</li> <li>• Annual independence and compliance submissions for all partners and staff.</li> </ul> </li> <li>• Ethics Leader and Ethics function provide support and guidance on ethics and independence issues and centralised GIS monitoring;</li> <li>• Suspicious activity reporting and whistleblowing procedures in place;</li> <li>• Mandatory third party due diligence procedures and monitoring to ensure we only engage acceptable suppliers and other third parties;</li> <li>• Management of firm wide regulatory obligations and GTIL firm requirements;</li> <li>• Regular monitoring and reporting; and</li> <li>• Timely updating of the firm's processes and procedures to ensure compliance with current and developing regulation.</li> </ul>

Risk	Response
<p><b>Business Resilience:</b> failure to appropriately plan for, respond to and recover from disruptive events, to ensure the firm can continue to operate and service its clients effectively.</p>	<ul style="list-style-type: none"> <li>• Business Continuity, Crisis Management and Disaster Recovery planning and regular testing;</li> <li>• Established incident management and disaster recovery teams to respond to incidents;</li> <li>• Robust IT infrastructure capable of supporting remote working;</li> <li>• Business unit level business impact assessments;</li> <li>• Robust supplier onboarding and monitoring processes; and</li> <li>• Investment in new technology solutions to enhance our connectivity and agility.</li> </ul>
<p><b>Litigation:</b> that a significant litigation will occur leading to a considerable reputational or financial loss.</p>	<ul style="list-style-type: none"> <li>• Supporting the provision of quality engagement thus limiting the risk litigation arising; and</li> <li>• Monitoring, timely review and addressing of all claims or litigation arising.</li> </ul>
<p><b>Technology:</b> failure to develop and invest in our technology infrastructure and processes to address current and future needs.</p>	<ul style="list-style-type: none"> <li>• Significant investment in new and innovative technology solutions for existing services;</li> <li>• Commitment to new platforms to allow delivery of quality services;</li> <li>• Data protection assessment to ensure all data handling in accordance;</li> <li>• Full assessment covering ethics and independence standards compliance, data security, cybersecurity and compliance with auditing standards if applicable required before available for use; and</li> <li>• Digital Strategy Committee to drive investment in the use of technology and data to create value for our peoples, our clients and our business.</li> </ul>
<p><b>People:</b> failure to attract and retain high quality talent, including partners, to ensure the provision of quality services to our clients.</p>	<ul style="list-style-type: none"> <li>• Well developed and focused staff recruitment policies;</li> <li>• Continuous engagement with our people through establishing communication channels and support networks;</li> <li>• Annual measure of staff satisfaction through PeopleVoice survey and dedicated champions to drive firm wide initiatives based on results;</li> <li>• Diversified resourcing model including utilisation of global network resources;</li> <li>• Robust diversity and inclusion programme, Embrace;</li> <li>• Delivery of support, training and advancement opportunities;</li> <li>• Technical and leadership development programmes and a focus on coaching to support career development;</li> <li>• Driving a culture of continuous staff feedback;</li> <li>• Supporting employees in effectively adopting hybrid working models;</li> <li>• Regular benchmarking of reward and benefits;</li> <li>• Distinct employer brand bringing our values to life for our people and new hires and building connections;</li> <li>• Providing annual and interim reviews and constructive development supports; and</li> <li>• Monitoring the market to better understand the firm's competitive position relative to other competing firms.</li> </ul>
<p><b>IT security:</b> failure to ensure appropriate safeguards regarding the firm's information technology including confidential information.</p>	<ul style="list-style-type: none"> <li>• Continued focus on the maintenance of a robust, secure and resilient IT environment with policies and processes to protect the firm's and clients' data;</li> <li>• Physical security controls;</li> <li>• ISO 27001 accreditation;</li> <li>• Cyber incident response procedure in place;</li> <li>• Full-time, dedicated team to ensure appropriate resources are available at all times;</li> <li>• Provision of appropriate training, IT security and awareness program to all staff;</li> <li>• Robust due diligence completed on all technology suppliers with ongoing relationship management;</li> <li>• Collaborative approach with GTIL and major GTIL member firms to ongoing support IT infrastructure development and strategy;</li> <li>• Data protection team develop and maintain the necessary data protection and privacy policies and procedures including breach management processes;</li> <li>• Developed procedures and policies for safeguarding client and staff data and other information;</li> <li>• Supplier risk assessment and review process in place;</li> <li>• Incident monitoring and response;</li> <li>• Supporting the provision of quality engagement thus limiting the risk litigation arising; and</li> <li>• Monitoring, timely review and addressing of all claims or litigation arising.</li> </ul>



## Risk

## Response

### Financial

**management:** failure to effectively manage financial position and performance.

- Annual budgeting process, which is subject to various levels of approval;
- Management Committee role in budget and performance oversight;
- Increased focus on managing overheads and central costs;
- Monthly reporting to all partners on key financial metrics;
- Finance partner has full visibility of material decisions; and
- Finance policies in place including timesheet management and expenses policy.

### Sustainability &

**ESG:** failure to tackle environmental, social or governance related risks and opportunities as a firm and meet the expectations of our people, clients, markets and regulators.

- Developed a sustainability strategy to drive leadership in the areas of Environment, People, Community and Governance;
- Network of ED&I resource groups work towards making everyday inclusion a reality and ensuring that all of colleagues can succeed and thrive;
- Established Climate Action and Circular Economy working groups as part of our Green Scene Environmental Network;
- Initiated the development of Carbon dashboards to provide transparent data on emissions across scopes 1, 2 and 3 to meet disclosure requirements and measure progress on net zero targets;
- Achieved both ISO 14001 and ISO 50001 accreditations for our operations at our City Quay headquarters;
- Completed a number of leadership workshops with a focus on understanding unconscious bias;
- Monitored and reviewed inclusion and diversity data and the policies and processes that support how we work, to support and ensure fair and equitable opportunities for all employees; and
- Promoted an independent and confidential whistleblowing hotline available to employees, clients, and members of the public to ensure the highest standard of integrity are maintained at our firm.

**Regulatory reviews:** the outcomes of regulatory reviews may have an adverse impact on the firm's reputation, ability to attract clients and ability to deliver appropriate quality services.

- Open communication with regulatory bodies and monitoring of regulatory updates to ensure complete compliance;
- Liaising with professional accountancy bodies;
- Ensuring quality by systematic and independent review thereby minimising the possibility of adverse findings;
- Development of action plans to promptly and effectively address areas of improvement; and
- Employment of a full-time dedicated team to ensure regulatory compliance and communication and training of requirements throughout the firm.





# Appendices

# Appendix 1: Public Interest Entity (PIE) clients

The below list covers all PIE clients for whom Grant Thornton issued an audit opinion in 2022. As at the time of this report, no audit opinion has been issued for UK PIE clients by Grant Thornton (NI) LLP. This list has been prepared in accordance with the provisions of Directive 2014/56/EC<sup>4</sup>:

1. Schenker Re DAC
2. Eudora Investment Funds plc
3. Titanium Capital PLC
4. Pantheon Master Fund Public Limited Company
5. P&G Umbrella Fund
6. Iridium Capital PLC
7. EG Capital Advisors ICAV
8. House of Europe Funding V PLC
9. Euromax V ABS PLC
10. Euromax VI ABS PLC
11. Dekania Europe CDO II PLC
12. Dekania Europe CDO III PLC
13. Hewlett Packard International Bank DAC
14. Camber 7 PLC
15. Premium Green PLC
16. United Health Care Insurance DAC
17. St. James' Place International PLC
18. GD Insurance Company DAC
19. Willow No.2 (Ireland) Public Limited Company
20. Lightpoint Pan-European CLO 2007-1 PLC
21. Lansdowne Mortgage Securities No. 1 PLC
22. Lansdowne Mortgage Securities No. 2 PLC
23. Proteus RMBS DAC
24. Custom Markets Securities PLC
25. Iris SPV PLC
26. Galaxy Capital Public Limited Company
27. Aysgarth Finance DAC
28. Lusitano Mortgages No. 6 DAC
29. Lusitano Mortgages No. 7 DAC
30. Canterbury Insurance DAC
31. Scottish Re (Dublin) DAC
32. Orkney Re II PLC
33. Nomura Investment Solutions PLC
34. Argon Capital PLC
35. Hawthorn Life DAC
36. Slandia Finance (Ireland) Ltd
37. Xenon Capital PLC
38. Alhambra SME Funding 2019-1 DAC
39. Camber 4 PLC
40. Turbo Aero International DAC
41. Jepson Residential 2019-1 DAC
42. Shamrock Residential 2019-1 DAC
43. Pegmatite PLC
44. White Horse Insurance Ireland DAC
45. PIMCO ETFS PLC
46. Delta Spark DAC
47. Banna RMBS DAC
48. Strandhill RMBS DAC
49. Pillar Finance DAC
50. Grenke Finance PLC
51. GPF Metals PLC
52. Vera Financial DAC
53. Surestone Insurance DAC
54. Atlantis International Umbrella
55. Canaccord Genuity Investment Funds plc
56. Alexandria Capital PLC
57. Granitshares Financial PLC
58. LT Autorahoitus Designated Activity Company

<sup>4</sup> 'Public-interest entities' means entities governed by the law of a Member State whose transferable securities are admitted to trading on a regulated market of any Member State within the meaning of point 14 of Article 4(1) of Directive 2004/39/EC, credit institutions as defined in point 1 of Article 1 of Directive 2000/12/EC of the European Parliament and of the Council of 20 March 2000 relating to the taking up and pursuit of the business of credit institutions and insurance undertakings within the meaning of Article 2(1) of Directive 91/674/EEC. Member states may also designate other entities as public interest entities, for instance entities that are of significant public relevance because of the nature of their business, their size or the number of their employees.

<sup>5</sup> As defined by the FRC's Glossary of Terms, a Public Interest Entity (PIE) under UK legislation is:

- An issuer whose transferable securities are admitted to trading on a UK regulated market;

- A credit institution within the meaning of Article 4(1)(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council, which is a CRR firm within the meaning of Article 4(1)(2A) of that Regulation;

- A person who would be an insurance undertaking as defined in Article 2(1) of Council Directive 91/674/EEC of 19 December 1991 of the European Parliament and of the Council on the annual accounts and consolidated accounts of insurance undertaking as that Article had effect immediately before exit day, were the United Kingdom a Member State.

# Appendix 2: Leadership and governance

<b>Management Committee</b>	<b>Number of meetings attended in 2022</b>
Michael McAteer	15
Sinead Donovan	15
Colin Feely	15
Fergus Condon	15
Stephen Tennant	15
Stephen Murray	15
Bernard Doherty	15
Brendan Foster	14
Richard Gillan	15
Patrick Dillon	13
Aisling Dodgson (INE)	11
Brian Kearney (INE)	3
Eugene McCague (INE)	11

# Appendix 3: Management Committee



**Michael McAteer**  
Managing Partner

Michael joined the firm in 1999 and is the current Managing Partner for Grant Thornton after previously leading the firm's Advisory Services offering. He has specialised in all forms of insolvency and corporate recovery across numerous industries including: construction, retail, telecoms, banking and aviation amongst others.

Over the last two decades Michael has assisted hundreds of companies, through finding innovative solutions to their financial problems. He has also acted for various financial institutions in both informal restructurings and as receiver in formal appointments. Michael has also been appointed to a number of high profile companies including:

- examiner to SIAC Construction;
- joint liquidator to Treasury Holdings;
- examiner to Eircom, Ireland's largest telecoms provider;
- examiner to Aer Arann, Ireland's regional airline; and
- examiner to Irish car rental trading as Europcar.



**Sinéad Donovan**  
Partner

Sinéad is a partner in our Financial Accounting Advisory Services department which she founded in 2012, and was recently appointed as Chairperson of the firm.

She is very experienced in coordinating international teams, with particular regard to central reporting for multiple jurisdictions and/or central management of global statutory audits. She works closely with all the major Grant Thornton member firms across the world and manages some of the firm's largest and complex multi-jurisdictional projects. Sinéad has extensive knowledge of Irish/UK GAAP, International Financial Reporting Standards (IFRS) and US GAAP.

Sinéad's client portfolio includes some of the largest global listed companies and she specialises in assisting the Global Business Centres for these companies. Sinéad was instrumental in founding the Irish/US Group, which is a permanent department, consisting of Irish team members based in the US West and East coast.

Sinéad is a fellow of the Institute of Chartered Accountants in Ireland (the Institute), is the current Deputy President for the Institute and sits on the Council. She has a Diploma in International Financial Reporting Standards (IFRS).



**Fergus Condon**  
Partner

Fergus joined Grant Thornton in 2012, as a partner in our Financial Accounting and Advisory Services (FAAS) team. FAAS specialises in providing accounting advice across the corporate and financial services sectors. Prior to joining Grant Thornton, Fergus was with a Big Four firm where he was the leader of the FAAS practice. He also previously held an audit portfolio and was formerly head of the Financial Reporting Group of that Irish practice.

Fergus provides accounting advice to board and audit committee members and senior finance executives of large corporates and publicly listed companies. He has been involved in the International Financial Reporting Standards (IFRS) conversions of over a dozen public companies across many sectors. He has extensive experience of providing accounting advice relating to business combinations, group restructurings and share based payment plans.



## Patrick Dillon

Partner

Patrick joined Grant Thornton in 2005 and is Head of Corporate Finance in Ireland. He has recently been appointed Global Co-Head of Transaction Advisory Services for GTI.

His main area of expertise is in merger & acquisitions and transaction advisory services. He has extensive experience in advising companies on sell-side and buy-side transactions and strategic funding options. A significant amount of Patrick's recent transaction experience has been multi-jurisdictional in nature and he has worked cohesively with a number of the Grant Thornton member firms.

Patrick's recent experience includes:

- 120+ due diligence assignments for a range of Irish and International clients including Kingspan Group plc, DCC plc, Sports Direct, Renault Bank, Bain Capital, and Keelings;
- advising all Irish Banks and a number of Irish companies on restructuring options; and
- corporate Finance advice to LAYA Healthcare, Ireland's second largest health insurer.

Patrick is an associate of Chartered Accountants Ireland (CAI). He holds a Bachelor of Commerce (BComm) and a Masters in Accounting from University College Dublin (UCD).



## Bernard Doherty

Partner

Bernard joined Grant Thornton in 2003 from a large Dublin law firm, where he was a tax partner. He has extensive experience in tax structuring of acquisitions, disposals, reorganisations, Management Buy Outs (MBOs) and public to private transactions.

Bernard has considerable experience in international corporate tax structuring including intellectual property exploitation, financing structures and international re-organisations/reconstructions.

He has particular experience in dealing with inward investment projects into Ireland advising on withholding taxes, tax treaties, permanent establishment issues, research and development tax credits and the availability of an IP deduction.

Bernard served as President of the Irish Taxation Institute (ITI) 2011-2012.



## Colin Feely

Partner

Colin joined Grant Thornton as an audit partner in 2007 having previously been an audit partner in the Dublin financial services arm of his predecessor firm. Prior to this Colin worked as a manager in a Big Four firm specialising in insurance.

More recently his experience covers a broad range of clients in various business sectors, predominantly within the financial services sector, including, but not limited to asset management, banking and capital markets, insurance and regulated Fintech. Current client's large global institutions operating within these sectors.

During 2018 Colin was appointed to the role as Head of the Financial Services Audit practice having successfully grown the domestic audit practice over the previous five years as Head of our Corporate Audit Department. This change coincided with the recent introduction of EU Audit Reform and our firm's recognition of the need to invest and develop its service offering in this area to meet increasing market demands.



## Brendan Foster Partner

Brendan joined Grant Thornton in 2008 after the merger of the firm with Foster McAteer of which he was principal partner. A strong advocate of business planning and strategic positioning, Brendan assists clients in identifying key business drivers and formulating an actionable plan to deliver objectives.

Brendan is Head of our Advisory division which includes Business Risk Services, Business Consulting, Energy, Forensics and Cyber and Corporate Finance advisory divisions, which provides strategic planning, business processing, re-engineering and performance management services to a range of public and private sector clients.

Brendan is a fellow of the Association of Chartered Certified Accountants in Ireland (FCCA) and was the Irish president in 2008/09. He is also a Certified Management Consultant. Brendan was elected as a member of the Council of the Dublin Chamber of Commerce in 2011 and served as President in 2017. Brendan was elected Chairperson of the Audit Committee of Dublin City Council in 2015 and served until 2019.



## Richard Gillan Partner

Richard joined Grant Thornton in 2014 to lead the Belfast office's advisory offering. In March 2015 he was also appointed partner in Charge of Grant Thornton (NI) LLP.

He trained as a Chartered Accountant with a Big Four firm and worked in the Belfast, London and Luxembourg offices prior to joining a rival Big Four firm, during which time he was based in Belfast and Johannesburg.

In 2004 Richard acquired a shareholding in a manufacturing business. As Joint Managing Director, he took the business in to new geographical territories, leading to significant revenue and profit growth prior to a successful disposal in 2007. In 2008 he led the acquisition of a Northern Ireland-based outsourcing company out of administration. As Managing Director, Richard was responsible for restructuring the business and returning it to healthy profitability prior to a successful exit. Richard now advises businesses on strategic and corporate finance issues.

Richards holds an Accountancy degree (BSc) and post-graduate diploma from the Queen's University of Belfast.



## Stephen Murray Partner

Stephen is the Head of our Audit and Assurance team, comprising over 600 professionals nationwide. He joined Grant Thornton in 2008 having previously spent ten years with a Big Four firm in Dublin. He has over 25 years' experience providing audit, assurance and technical accounting advisory services to numerous Irish and multi-national companies.

Stephen works closely with publicly listed and private clients in the diagnostics, medical devices, biotech, diagnostics and pharmaceuticals sectors. He has also worked with clients across a wide range of other business sectors including telecomms, technology, construction, manufacturing and distribution.

He provides his clients with a broad range of services including audits of SEC registrants and internal controls over financial reporting (Sarbanes Oxley), statutory audits, technical accounting support and advice.

Stephen is a Fellow of the Association of Chartered Certified Accountants (FCCA) and a member of The Institute of Internal Auditors.



## Stephen Tennant Partner

Stephen joined Grant Thornton in 2009 as a director within the Advisory department and was admitted to the partnership in 2012. He has spent ten years with a professional services firm in the UK where he undertook a central role in the management and development of the insolvency department. Stephen currently leads the firm's Financial Services Advisory offering.

Stephen specialises in advising companies in financial distress providing innovative and practical turnaround solutions. He also leads statutory insolvency appointments such as examinerships, receiverships and liquidations.

His advisory sector experience includes:

- construction;
- financial services;
- funds;
- leisure;
- manufacturing;
- pensions;
- printing;
- property services; and
- retail.

Stephen is a fellow of the Association of Chartered Certified Accountants UK (FCCA UK). He holds a Bachelor of Arts Honours degree (BA) in Business Studies from Robert Gordon University, Aberdeen.



# Appendix 4: Independent Non-Executives (INEs)



**Aisling Dodgson**  
Independent Non-Executive

Aisling Dodgson joined the Management Committee in June 2020. Aisling has over 25 years of experience and a proven track record in financial services. She has strong experience in treasury, risk management and analysis, credit, compliance and regulatory and financial markets.

Aisling is currently an Executive Director of a subsidiary company of a large international banking group, whose European investment firm is based in Dublin. She has experience in start-up and scaling of business as well as working in a large, matrix organisation and is responsible for the management and operational delivery of a service offering in Ireland. Her client experience spans across a range of client types, professional and retail, and industry sectors including Finance, Aviation, Consumer Staples, Funds and Technology.

She holds a number of professional qualifications: Chartered Director from the Institute of Directors, Certified Banker from the Institute of Bankers, a Harvard Business School alumni and a Finance Masters graduate from University College Cork. Aisling also served as a former President of the RVEEH Hospital Group and serves as a current Council member.



**Eugene McCague**  
Independent Non-Executive

Eugene McCague joined the Management Committee in January 2022. He practised as a corporate Lawyer for more than 35 years specialising in corporate restructuring and corporate governance. Eugene was a partner for 30 years in a leading Irish corporate law firm, Arthur Cox, where he served as Managing Partner and subsequently as Chair of the partnership.

Eugene has served as a non-executive director and as Chair of a number of companies in the public, private and voluntary sector. He is currently a member of the board of Icon plc and of AON Ireland and is Chair of Ibec and Chair of The Alzheimer Society of Ireland. He served as President of Dublin Chamber of Commerce and as Chair of the Governing Authority of University College Dublin. Eugene also served for seven years as an independent member of the Council of Chartered Accountants Ireland.

### Terms of reference

The role and purpose of the INE are as follows. “The Code identifies the three key areas of decision-making, management of reputation risk and stakeholder dialogue where the involvement of independent non-executives can enhance the confidence of stakeholders. While such non-executives have no executives or operational responsibilities, their objective is to enhance confidence by providing oversight of the firm’s application of the Code. The role that an independent non-executive plays might, therefore, involve observing and assessing, the firm’s:

- procedures for considering proposed appointment and reappointment of the firm as auditors;
- adherence to the relevant ethical standards and principles, in particular those relating to audit independence;
- quality control procedures;
- procedures for partner and audit team member performance evaluation; and
- policies and procedures for the identification and management of professional risk.

As such it has been determined that an independent non-executive will attend meetings or portions thereof, of partners and committees as will allow you to fulfil your duties as set out in the code.”



# Appendix 5: Statement on the firm's internal quality control systems

The Irish Audit firm Governance Code requires the firm to review the effectiveness of its systems of internal quality control, covering all material financial, operational and compliance controls and risk management systems, on at least an annual basis.

The Management Committee has ultimate responsibility for the firm's quality control systems and the establishment of appropriate internal control systems across the firm. The firm has carried out a review of the effectiveness of the internal quality control systems during the year and has taken into account:

- the findings from regulatory inspections;
- reports from GTIL on the firm's quality control systems; and
- the findings of the firm's internal review on the operation of quality control systems and the management of risk across the firm.

The internal quality control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, or in the case of financial controls, the risk of material misstatement of our financial statements.

Accordingly, they provide only reasonable and not absolute assurance against such failure or material misstatement. The review has not identified any failings or weaknesses that it considers to be significant, and therefore no further action is necessary.

On the basis of the review, the Management Committee is satisfied that the firm's internal quality control systems are operating effectively.

The above review was undertaken under ISQC 1; however, going forward, this evaluation will be performed under ISQM 1, effective 15 December 2022, which requires an evaluation at least annually of the firm's system of quality management to determine whether the system provides reasonable assurance that the objectives of the system of quality management are being achieved.

# Appendix 6: Compliance with transparency regulations

## Compliance with EU Regulation 537/2014 Article 13

The below outlines the requirements of the Regulation and where these are included in this report. In the UK, this has been subsequently incorporated into UK domestic law by Section 3 of the European Union (Withdrawal) Act 2018.

	<b>Requirement</b>	<b>Page(s)</b>
1	A description of the legal structure and ownership	11
2	Where the subject belongs to a network, a description of the network and the legal and structural arrangements of the network <ol style="list-style-type: none"> <li>i. a description of the network and the legal and structural arrangements in the network</li> <li>ii. the name of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network</li> <li>iii. the countries in which each statutory auditor operating as a sole practitioner or audit firm that is a member of the network is qualified as a statutory auditor or has his, her or its registered office, central administration or principal place of business</li> <li>iv. the total turnover achieved by the statutory auditors operating as sole practitioners and audit firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements</li> </ol>	11, 16
3	A description of the governance structure of the subject	11-14
4	A description of the internal quality control system of the subject, and a statement by the administrative or managerial body on the effectiveness of its functioning	18-27
5	An indication of when the last quality review referred to in chapter 2 of part 8 (Article 26 in the UK) took place (quality review of statutory auditors by competent authority)	25
6	A list of PIEs for which the subject has carried out statutory audits during the preceding financial year	47
7	A statement concerning the subject's independence practices which also confirms that an internal review of independence compliance has been conducted	32-35
8	A statement on the policy followed by the subject concerning the education of statutory auditors referred to in Regulation 39, (paragraph 11 of Schedule 10 of the Companies Act 2006 in the UK) namely: <ul style="list-style-type: none"> <li>• requiring the person to take part in appropriate programmes of continuing education in order to maintain his or her theoretical knowledge, professional skills and values at a sufficiently high level</li> </ul>	28-31
9	Financial information showing the significance, from the perspective of the market, of the subject, such as the total turnover divided into fees from the statutory audit of annual and group accounts, and fees charged for other assurance services, tax advisory services and other non-audit services	42
10	Information concerning the basis for the remuneration of the principals or partners	13
11	A description of the statutory auditor's or the audit firm's policy concerning the rotation of key audit partners and staff	35
12	Information about the total turnover of the statutory auditor or the audit firm, divided into the following categories: <ol style="list-style-type: none"> <li>i. revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity</li> <li>ii. revenues from the statutory audit of annual and consolidated financial statements of other entities</li> <li>iii. revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm</li> <li>iv. revenues from non-audit services to other entities</li> </ol>	42



**Further  
information**

# Further information

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