

Transparency report 2021

Committed to audit quality

YEAR END - 31 DECEMBER 2021



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Foreword from the Managing Partner

I am pleased to present Grant Thornton's Transparency report for the financial year ended 31 December 2021.



In last year's report, I shared my optimism that innovative solutions and lasting advancements across many industries, including professional services, will emerge from the challenges of the previous year. While we continue to navigate a diverse set of challenges, both for our clients and our business, together with a somewhat unpredictable future, I am pleased to share that 2021 has been a very successful year for the firm.

Our people are our biggest asset, and are central to our Empower 2023 strategy, and this was more prevalent than ever throughout the challenging 2020-21 period. I am very proud of how our people have adapted and embraced the new ways of working, supported each other and remained steadfast in their commitment to continuously improving the quality of work we deliver to our clients. We introduced regular surveys throughout the pandemic, to measure our people's wellbeing and to assess their work preferences to allow effective planning for future working models. We also introduced regular firmwide Managing Partner communication updates to keep all of our people across the business, regardless of working location, up-to-date on developments throughout the firm. We rewarded all of our people with an additional annual leave day to express our appreciation for their hard work and commitment throughout this challenging period.

The way we live and work has shifted, and will continue to evolve. We all continue to gain the benefits of the new 'hybrid' approach to working, bringing greater flexibility and allowing teams to effectively deliver work of the highest quality.

Throughout this unprecedented period, we continue to be reminded that it is our culture and values that define who we are, what we stand for, and the quality of work we deliver. In late 2021, we commissioned a review of our firm values to challenge what they mean to our people and to assess whether they continue to represent what Grant Thornton stands for. This review has brought a renewed commitment to our existing firm values, and plans are now in place throughout 2022 to instil these values further throughout all areas of our business.

As a firm, we have remained focused on innovation, as it is a key enabler for enhancing efficiencies and quality. From an audit perspective, this means increased use of data analytics, integration of siloed systems, and improved quality controls – resulting in significantly increased efficiencies for Audit. Overall, our employees' valuable time is put to its best use as a result.

As a firm, we welcome regulatory changes, as they will further drive audit quality, increase competition, independence and public confidence in the profession. We also welcome feedback 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 their inspections.

This report demonstrates our strong position, and also shows that we are continuously investing in our systems and our methodologies, to ensure that they are optimised so that we can continue to deliver high quality and effective audits to our clients. Our commitment to quality in everything we do has come under increased focus in recent years, as we strive to create a culture of excellence. We at Grant Thornton recognise that continuous quality improvement is crucial for improving public confidence in the audit market.

We have actively engaged with our independent non-executives ('INE') throughout the year to identify areas where quality focus can be improved, and we have a very positive and respectful working relationship with them. I would like to take this opportunity to thank Brian and Aisling for their invaluable input over the last year. I also welcome Eugene, as our newly-appointed INE, and I look forward to the continued challenges and new perspectives that they bring, which help to drive improved governance and increases our focus on any impact 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 sector and for Grant Thornton as a whole, and we remain committed to further embedding our culture of quality within our firm, and meet any changing requirements in the future. As already mentioned, our people remain pivotal to our success, and I am committed to pioneering programs which 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 are set out in the Irish Audit Firm Governance Code (“the Code”) issued by the Chartered Accountants Regulatory Body (“CARB”).

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. In December 2021 Eugene McCague was appointed an Independent Non-Executive of Grant Thornton Ireland.

As recognised by the Code, audit firms, including Grant Thornton, share operations, brands and reputations with businesses that are subject to little or no regulation and this can pose significant risks to the reputation and continued existence of a firm including its audit practice. The INEs seek to provide independent assurance to all relevant stakeholders that sufficient consideration is given, and is seen to be given, to the public interest in all aspects of the firm’s decision making processes whilst at the same time playing an important role in safeguarding and enhancing the firm’s reputation and ensuring that stakeholder concerns are properly communicated at the highest level.

The Terms of Reference of our appointment are set out in **Appendix 4 on page 48.**

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

Meetings attended included most of the scheduled Management Committee meetings, a number of the monthly firm Risk Committees, the Annual National Partners meetings, meetings with the heads of Risk and Quality and of Ethics, and meetings with a number of Grant Thornton Partners outside of the Management Committee, and senior management within the firm. In all our engagements with the firm we have experienced a culture of openness and transparency and continuous improvement and a willingness to challenge and listen.

We welcome into their new roles Louise Barry, the new partner and Head of Risk and Quality who leads the Risk, Compliance and Professional Standards team, and Denise O’Connell, the partner newly appointed as Ethics Leader. We wish both every success in their roles as they strive to not only maintain but enhance the already high standards embedded in the organisation and its culture. They take over these responsibilities from Aidan Connaughton whom we wish well on his recent retirement.

The lessons from Covid include the importance of continued training updates and coaching, minding staff and watching standards, and strongly encouraging two-way contact between team members not just for problem solving but to ensure support for the challenges of their roles, at all levels.

Growth and the need for corresponding support systems always present challenges, never more so than when suitably experienced staff have become increasingly harder to come by in recent years and especially at present.

As the business continues to grow, continued investment in people, systems and processes are key to managing and mitigating those risks. The further investment by the leadership in governance and the use of, and help from, technology, and planned investment in internal audit, are welcomed by the INE’s and demonstrates the commitment of the firm to improving the effectiveness and efficiency of its operations and controls. Consistent with the firm’s culture of continuous improvement and innovation, the firm’s implementation of the new quality management standards is being embedded and owned by the firm, and the business is proactive in managing its risks and improving quality control.

We have observed that the required ‘tone at the top’ is appropriately matched by processes not only to drive audit quality but also to properly support compliance, including conflicts of interest, and the need for constant improvement.

The firm is sufficiently outwardly focused and cognisant of the risks and opportunities it faces as it expands in its chosen markets.

As INEs, we believe the risks have been well managed and evidenced through both good client outcomes and performance within the business. Grant Thornton’s audit and quality standard processes continued to be enhanced, as business practices and the working environment adapted to meet both client and staff needs.

We believe the nature of Grant Thornton’s engagement with Regulators, and others with an interest in professional standards, and the management of risk, support mutual understanding of the challenges and how those challenges can be managed successfully.



Brian Kearney
Independent Non-Executive



Aisling Dodgson
Independent Non-Executive



Eugene McCague
Independent Non-Executive



Report from the Head of Audit & Assurance

Regardless of the challenges we may face, it is critical for our clients, their stakeholders and our profession's regulators to maintain the same high level of confidence, trust and assurance from the work that we do.

2021 was truly an extraordinary year in many ways. I am immensely proud of how our Audit and Assurance team, which has grown to over 600 talented professionals, has adapted to, and embraced, the significant changes to the way we perform our audits. I have witnessed great resilience in coping with the continuing impact of the pandemic on their work and home lives and I, like all my partners, are extremely grateful for their dedication and commitment to their clients, their fellow team members, and to delivering on ever-increasing standards of quality.

Minding our people's mental health became (and continues to be) a high priority and, as a team, we have all responded to support each other on a daily basis. Our firm's formal "Be Well" initiatives were supplemented by great work by our people to show tolerance, respect and understanding for others. In a hybrid or remote workplace environment, it is much more difficult to appreciate and respond to the challenges or difficulties that our colleagues may be dealing with.

More than ever, I am convinced that our people are our greatest asset, and are at the heart of our success. Late last year, our audit Partners and Directors collaborated nationally to develop our new "Audit and Assurance Strategy for Success – EVOLVE 2025" which will guide us through the next four years. 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 that period.

Our key levers with EVOLVE 2025 will be under the headings of:

- Talent, values and culture;
- Innovative delivery of our services; and
- Strategic client and sector targeting.

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 look forward to giving a progress update in next year's report.

During 2021, 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. Throughout 2021, due to COVID-19 restrictions, physical classroom training sessions were largely replaced with virtual formats but still achieved their intended learning objectives.

In addition to our continued investment and roll-out of our firm's global audit methodology LEAP (Leading Effective Audit Practice), specific training and support was provided for areas that required clarity for all audit staff in consideration of the new environment and the unprecedented economic effects of the pandemic on many of our clients. These areas included remote inventory count observations, reliance on and authenticity of electronic format of audit evidence, impairment of goodwill and intangible assets, group audits, going concern, subsequent events and audit opinion considerations.

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.

Changes will continue to come in the form of regulatory advancements, different working practices (including remote working and, by extension, working-from-anywhere), 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 to deal with these changes successfully in order to strengthen our brand and reputation.

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 recent years 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 an unincorporated partnership under the Partnership Act, 1890 and comprises **56 partners**, at 31 December 2021. It is regulated by IAASA, PSCAI and PCAOB. The firm also conducts certain types of business through a number of incorporated entities as set out in the following table.

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.

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 Reorganisation	PSCAI
Grant Thornton Debt Solutions Limited	Limited Company	Personal insolvency services	PSCAI
Grant Thornton Pensioneer 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	PSCAI



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. Grant Thornton appointed Aisling Dodgeson 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.

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 his term in office. The Committee is responsible for:

- co-ordinating 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 communicates regularly with the firm's partners and people on a wide range of issues including strategy implementation, current developments and the firm's values in action. Communication methods include office visits, the Managing Partner's monthly blog, formal business updates across the firm and a formal meeting of the partner group, at least twice annually.

The Committee is focused on a framework of constant improvement. During the year ended 31 December 2021, 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;
- Stephen Murray; and
- Stephen Tennant.

Their brief biographies are set out in [Appendix 3, page 44](#).

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. Risk, Compliance and Professional Standards 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 2021 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 **56 partners** across eight locations as at 31 December 2021. 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 2021

Michael McAteer - Managing Partner	Peter Legge
Vic Angley	David Lynch
Aengus Burns	Sara McAllister
Fergus Condon	Peter McArdle
Aidan Connaughton	Niamh Meenan
Gareth Cosgrove	Brian Murphy
Jason Crawford	Stephen Murray
Nuala Crimmins	Michael Neary
Elaine Daly	Michael Nolan
Patrick Dillon	Denise O'Connell
Bernard Doherty	Oliver O'Connor
Sinead Donovan	Tim O'Connell
Trevor Dunne	Brian O'Dwyer
Colin Feely	Nicholas O'Dwyer
Kevin Foley	Declan O'Hanlon
Brendan Foster	Shona O'Hea
Patrick Gallen	Jarlath O'Keefe
Richard Gillan	Brian O'Sullivan
Damian Gleeson	Jillian O'Sullivan
John Glennon	Dwayne Price
Mike Harris	Michael Shelley
Dan Holland	Tracey Sullivan
Paul Jacobs	Neal Taylor
Michael Keenan	Stephen Tennant
Cathal Kelly	Tony Thornbury
Dara Kelly	Peter Vale
Louise Kelly	Gerard Walsh
Sasha Kerins	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 (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)

We are Grant Thornton

Grant Thornton is one of Ireland's largest professional services firms. With over 2,000 people in 8 offices across Ireland and Isle of Man and 62,000+ located in 140 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.

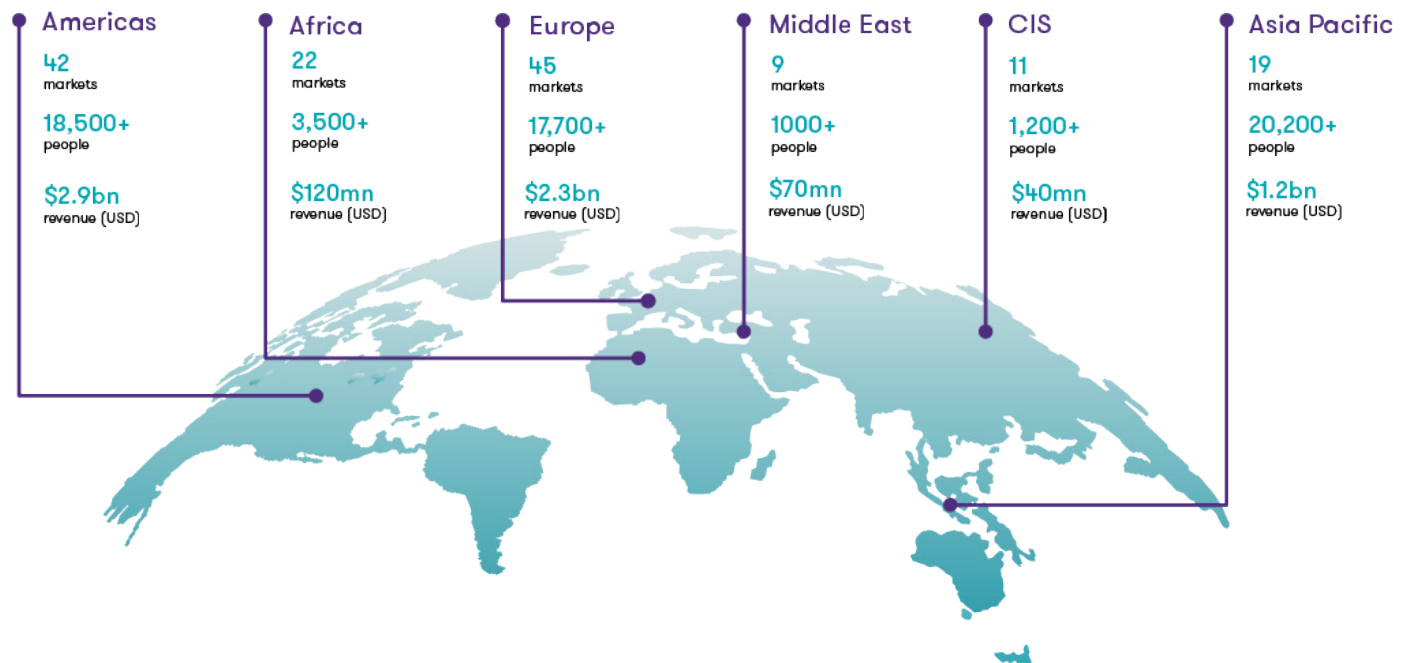
We deliver solutions to all business challenges. Clients choose us because the breadth of financial and business services they need is available, delivered innovatively and always to the highest standards. At Grant Thornton we are committed to long term relationships.

Grant Thornton operate from offices in Dublin, Belfast, Cork, Galway, Kildare, Limerick, Longford and Isle of Man.

About Grant Thornton International Ltd (GTIL)

We are a global network made up of 62,000+ passionate people in member firms in 140 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 2021.

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



Driving quality

Delivering audit 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 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.

Audit leadership

We understand that everyone can have a different definition of value and this is no different when receiving audit 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 teams are comprised of dedicated audit professionals who understand clients' businesses as well as their sectors. Together, these teams not only deliver a high quality audit to stakeholders, they also take the opportunity to provide additional value by providing insights and observations about important and relevant topics - insights which may lead to new ways of thinking, performance improvement or efficiencies.

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

Risk, Compliance and Professional Standards (RCPS) team

The RCPS team supports the audit partners in the development and enhancement of audit quality. This is done through the provision of training and technical guidance on audit 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 on-going monitoring of compliance with key quality and risk management controls.

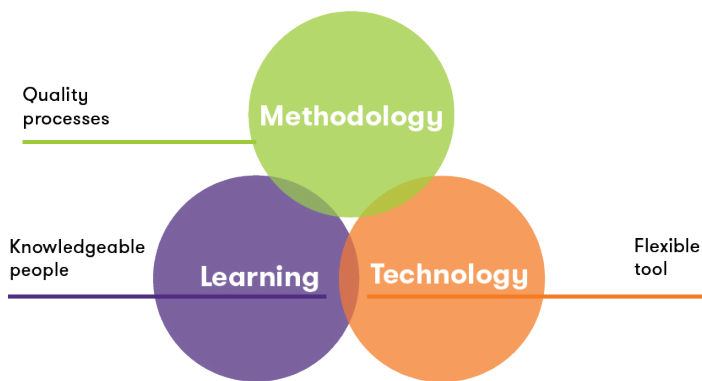
The RCPS team is also responsible for the management and implementation of the firm's audit quality monitoring programmes which is a key mechanism for measuring the quality of our audits.

Global audit methodology and technology

GTIL assists all Grant Thornton member firms in delivering consistent, robust, rigorous and high quality audits. This is achieved through the provision of a global audit methodology and software, protocols to facilitate consultation with audit 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, collaborate effort led by GTIL to promote and retain quality and compliance throughout all our member firm audit practices. LEAP currently has two core streams, a global audit methodology referred to as 'LEAP' and a suite of centrally developed, globally consistent learning. The third stream is the technology / audit tool discussed below.



Following some early pilot engagements, in October 2020, GT Ireland commenced using the LEAP methodology across all engagements. Among other benefits, the new 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.

A new archiving tool was released alongside this tailored audit tool platform. This archiving tool automates and manages the entire archival, storage and file retrieval process, supporting compliance with key quality control requirements.

GTIL is currently developing and testing an updated, specifically tailored, new cloud based LEAP audit tool to support the ongoing and future quality and efficiency of our audit practice. GT Ireland is on track to commence roll out of the new audit tool later in 2022 or early 2023.

LEAP

Audit innovation

Recognising the relevance of Audit Data Analytics (ADA) in today's audit landscape, GTIL have tailored our global audit methodology to allow teams to utilise evidence obtained from ADA as part of risk assessment or as part of substantive procedures. Exploring meaningful ways to utilise evidence obtained from software tools available for data extraction, visualisation and analysis within our audits was a continued focus area during 2021.

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.

Client collaboration tools like Fund Recs, Inflo, and Altryx, continue to transform the way we work with, and share information with, clients. GT Ireland continues to explore new ways to incorporate innovative techniques, such as the use of robotics, with our engagements.

Audit quality

Underpinning our commitment to continuously improve audit quality is a robust system of quality control. Grant Thornton International has developed policies of quality control which apply to all member firms. These policies are based on the requirements set out in International Standard on Quality Control 1 (ISQC1) 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 Control Manual. The policies and procedures have been tailored to ensure they also comply our local standards issued by Chartered Accountants Ireland and IAASA.



Firm wide audit methodology:

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

Audit client services review:

- 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.

We continue to make investments to advance our audit quality and our system of quality control, ensuring we effectively implement the new International Standards on Quality Management that are effective 15th December 2022. This involves ensuring our quality processes and controls 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 control procedures which comprise robust and frequent peer review of audit files and client financial statements – and as a member of the forum of firms – we are required to abide by a system of quality control. The Global GTIL Audit Review (GTAR) programme reviews the conduct of audit work performed by each member firm. GTAR is a systematic check of the quality of member firms’ audit procedures, carried out regularly by independent and suitably qualified partners and managers from other member firms under the overall direction of GTIL. Grant Thornton Ireland consistently achieves some of the highest ratings in the global network.

Grant Thornton Ireland is currently regulated by the Irish Auditing and Accounting Supervisory Authority (IAASA) for the direct audit inspections of PIE’s and 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.

Details of internal and external monitoring are given in the **measuring audit quality section on Page 23.**

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, GT Ireland 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 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 engagement is categorised by reference to its risk, complexity and any specialised experience requirements. This categorisation is used to drive appropriate quality control 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 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 methodology. Involvement of a second Responsible Individual (RI), our RCPS team and where necessary the Head of Assurance, provide appropriate levels of quality control as well as support for all audit 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 process. Audit clients of Public Interest Entities or entities whose securities are publicly traded are subject to an engagement quality control review (as required by ISQC1) 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 audit.

One indicator of audit quality, emanating from our people, is the culture of our firm, including whether our people are encouraged to perform high quality audits. We encourage this by being provided with the time, resources and training and development which they need to make this inevitable. 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.

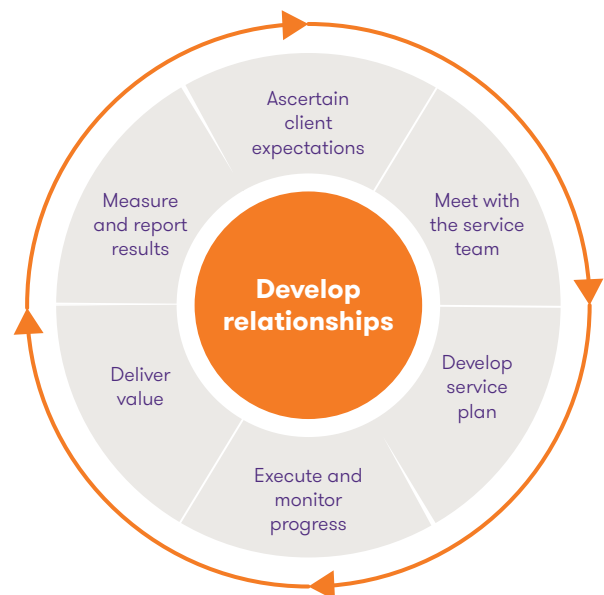
Grant Thornton endeavours to create a culture of openness and involvement and where people are encouraged to contribute their views. These are areas we continue to focus on as we foster a coaching, learning and collaborative environment. Technical excellence, audit quality, critical thinking and ethical behaviours are also reinforced to everyone involved in audit 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 assurance service line, there are annual and quarterly technical updates, as well as courses on financial reporting, company law, ethics and auditing 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 2021. Our auditors received approximately 22,772 hours of audit related training. In addition, recognising the importance of supporting not just their technical development, our trainees received soft skills training. The total number of non-technical training for all audit staff (incl. trainees) came to 7,680 hours. Of that, trainees and seniors received 3,408 hours in Personal Development Skills training and a further 1,080 hours on our online competency framework learning path.

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 control 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 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 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 control 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 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 resource 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 on quality control is conducted in accordance with International Standard on Quality Control (ISQC1) - “quality control for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements”.

This system provides our clients, GTIL, other member firms and our local regulators, IAASA 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, 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 work in our audit department which includes 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 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 risk profile of responsible individuals portfolio is carried out at the outset to ensure 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 Working Group 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, Head of Risk, 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 2021, 17 audit engagement files were reviewed as part of the internal monitoring process. 88% 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 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 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 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 control 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 standards
- Implement the global audit methodology (and in turn, the ISAs as a minimum)
- Issue audit reports that are appropriate in the circumstances
- Comply with international ethical and quality control policies
- Comply with quality assurance standards during the audit
- Have designed and implemented an effective system of quality control
- Identify root causes for significant findings
- Have implemented the requirements of previous action plans
- Comply with global risk management policies and procedures.

The most recent GTAR for Grant Thornton Ireland was completed in September 2017 and our audit quality control system was evaluated as "suitably designed and implemented to provide reasonable assurance of confirming 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 Public Interest Entities (“PIEs”) 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 control and of a selection of PIE audit engagement files. IAASA recently published the results of the 2021 annual inspection of the firm; the report is available on the [IAASA website](#). Some areas from 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 December 2017 and involved a detailed review of 1) one US registrant audit client, 2) one engagement where the firm played a role but was not the principal auditor and 3) a detailed review of our system of quality control. PCAOB published their report in September 2019 and it is available on the [PCAOB website](#). We have considered each of the findings and recommendations and have implemented the necessary remedial actions to address the findings.

Grant Thornton is also subject to review by PSCAI in relation to non-PIE entities. The last external quality assurance review of Grant Thornton took place in January 2021. PSCAI issued their report to the firm in June 2021, which concluded that the firm’s audit work was generally of a good standard on the files reviewed, and that the firm demonstrated a positive attitude towards compliance. PSCAI was satisfied with the firm’s proposed actions to address matters raised.

We remain dedicated to improving our systems of quality control, including monitoring audit quality and implementing changes to our policies and practices in order to enhance audit quality. The IAASA inspection process and dialogue with the inspection staff provided us with valuable information, as we strive to enhance our audit quality and meet our responsibilities to investors and other stakeholders.

GTIL member firms continue to demonstrate their commitment to transparency, integrity and quality control by undergoing independent internal and third party inspections. The member firms and GTIL welcome the results of these inspections, which assist in a constant search for improvement of member firms’ service provision.



Client Voice

In addition to internal and regulatory monitoring, a key measure of quality is understanding our clients' satisfaction. On a monthly basis, we chose 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 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.

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 utilisation of inclusive sourcing methods to attract the best candidates from diverse backgrounds and making the hiring experience promote Grant Thornton as the place to work;
- promoting the importance of the firm's culture and values from onboarding and throughout the employee's career;
- 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;
- promoting 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; and
- 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.

Sourcing and hiring a diverse group of people for our business allows us to better reflect the markets we work within. To support this we have a dedicated resourcing team whose primary objective is to source both internally and externally the best available talent for the roles within the firm. 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.

Diversity and inclusion are essential elements of our firm's culture. 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. Our D&I Steering Committee is responsible for creating a D&I strategy that defines measurable enhancements to our working environment and this has now been recognised externally as the firm has gained a Bronze Award from Investors in Diversity.

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 training 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. 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 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 four 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. These core principles and values are key to our success.

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 are pivotal to our success and I am excited to pioneer programmes which will empower our people to achieve the best and in turn deliver the best service and quality to our clients.

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:

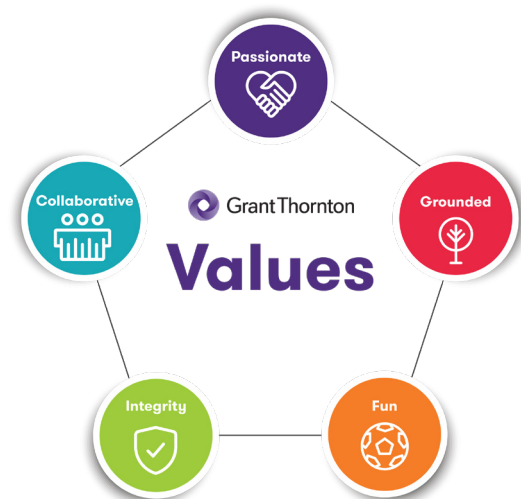
- acting for high quality clients; and
- attracting and retaining quality people at all levels who are proud to be part of the firm.

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 focussing 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 control exists. Our leadership team instils 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 the 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 Control 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, 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 reports directly to the Managing Partner and is responsible for ensuring that the firm complies with the 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;
- 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 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.

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.

- Public interest entities 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 which 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 a two year cooling off period.
- 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.

Corporate Social Responsibility (CSR)

We recognise not just the value of CSR and the positive contribution it can make to our staff and to our local community but also the wider impact we can have on the environment and society in how we conduct all aspects of our business.

Grant Thornton is focussed on becoming recognised as a leading business with Sustainability and Corporate Social Responsibility (CSR) at its core. We recognise not just the value of CSR and the positive contribution it can make to our staff and to our local community but also the wider impact we can have on the environment and society in how we conduct all aspects of our business. The touchstone of the firm's CSR policy remains our commitment to education, particularly to support those from disadvantaged backgrounds, and ensuring Grant Thornton is seen as a truly diverse workplace.

We believe it makes sense to leverage the skill sets prevalent throughout the organisation, namely education and training, to assist the wider community. This holistic approach, combining Grant Thornton's core values with its approach towards CSR, reinforces what Grant Thornton is striving to achieve as a firm, with our clients' and staff's needs at the heart of what we do. In addition, it is important to us to be able to demonstrate to all our stakeholders that we have embedded sustainability throughout our business and one of our key goals for 2021 was to successfully achieve Business Working Responsibly Mark certification from Business in the Community. There has been considerable work undertaken across all areas of our operations to meet the standards required of this Mark. We were delighted to be notified in December that we had successfully achieved certification.

As a firm, we recognise that achieving the Mark is only the first step on a process of continual improvement and we are committed to working with Business in the Community to ensure that we become a leading example of a sustainable financial services business.

Our four CSR pillars are community, wellbeing, environment and education which allow us to consider the true value of what we can contribute.

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 continuing professional development amongst staff. Examples of some of our CSR initiatives are set out below.

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) (main charity partners)
- Time to Read
- St Vincent De Paul
- Athletics Ireland (Young Athletes programme)

In addition, funds raised through targeted events for our main charity partner were matched by the Grant Thornton CSR Committee.

As a result of the Covid-19 pandemic, 2021 proved to be a very challenging year for our CSR activity due to the continued lockdown and social distancing restrictions in place for various periods of the year with the CSR. There is no doubt that virtual fundraising fatigue set in to an extent but the CSR committee worked hard to keep staff engaged in fundraising for our charity partners.

Alzheimers Society of Ireland and Alzheimers Society (NI)

Alzheimers Society and Alzheimers Society (NI) were not only two of the charities we supported during the year, they were our chosen charities of the year. This meant the majority of our efforts were focused on working with them on an all-Ireland basis.

The main fundraising effort in the year occurred in October during our all firm CSR Day. This saw people participate in various challenges, quizzes and raffles to raise over €20,000 for our charity partners.

In addition, over the course of the year we undertook a number of other fundraising initiatives for them with the GT Virtual 5km run held in the place of our normal 5km run series being a particular success and raising €14,000 in entrance fees of which €5,800 went to our charity partners and the rest to Athletics Ireland Young Athletes programme. In total we raised over €26,750 for our charity partners in the year.

Trinity Access Programme (TAP)

We are now into our thirteenth 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 programme and whilst this support was provided virtually for most of 2021 it was still very rewarding for all involved.

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.

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.

Grant Thornton's relationship with Higher Education institutions

Grant Thornton supports a prize for first place in the accounting and finance degree at DCU Business School. It also supports the NUIG Access programme and we currently sponsor two students on the Limerick Institute of Technology's Leaders@LIT Scholarship programme.

Environmental initiatives

We are committed to reducing the impact that our business has on the environment. One key step was for us to sign the Carbon Pledge which our Managing Partner did in 2020. This means we are committed to reducing our carbon footprint by 50% by 2030. To drive this initiative we have created a Green Scene Committee which is responsible not only for reducing carbon usage throughout the business but also in educating our staff in how they can act more responsibly in this area.

We are in the process of implementing systems to capture key data across all our sites. For our Dublin office we have already decreases of 22% in our gas usage, 29% in our electric usage and 91% in our water usage based upon our baseline of 2019 usage.

Some of the steps we have already taken to manage the environmental impact of our operations as a whole include:

- NTA Site and Staff Sustainable Travel Survey undertaken;
- Plan to achieve ISO 14001 and 50001 accreditations by June 2022;
- IOT sensor installation throughout all offices;
- Delivery of a pilot national school education programme for 7-10 year olds in association with City Quay National School; and
- Introduced a sustainability score card survey for supplier onboarding.

Diversity and Inclusion Programme EMBRACE

Given the bedrock of our business in Grant Thornton is 'our people', we are fully committed to our Diversity and Inclusion programme 'EMBRACE – Diversity at our core'. The firm wide initiative, involves all our people and is intrinsically linked to the values of this firm. It focuses on five key pillars of Multicultural, LGBTQ+, Gender, Ability and Family. The programme is governed by the Diversity & Inclusion steering committee which consists of a selection of Partners and Directors working across the different service lines and office locations within Grant Thornton. In order to ensure the strategies we adopt address the key areas for our people we periodically run a confidential survey internally to understand the views of our people. This feedback is key to helping us set targets and objectives for this programme. Individual Employee Resource Group networks have been established for the various pillars to help focus on individual areas and ensure involvement of all our people. Many of our people have shared their experience of Diversity & Inclusion within the firm via blogs which have been posted on our website.

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.

We were recently received the Investors in Diversity Bronze accreditation award which is evidence of our continued investment to maintain our culture of valuing diversity and promoting inclusion. We very much look forward to the journey ahead to achieve the Silver accreditation and ultimately gold.

EMBRACE

Diversity at our core

Developments in CSR

As noted above we were delighted to achieve BITC accreditation this year. Through this process it became clear that for us to continue to improve in this area and given its increasing importance and reach we needed a senior full time resource to drive all our sustainability initiatives. In October, the Management Committee gave approval for the recruitment of a new position of Head of Sustainability. This role has now been filled with the successful applicant taking up this role by the end of the summer 2022. We look forward to the impact this role will have on the ongoing improvements we seek to make across all areas of sustainability and CSR.

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 2021 have been extracted from Grant Thornton's annual accounts and financial records for the period ending 31 December 2021.

The financial information given is based on unaudited figures.

Revenue	Dec 2020 (€'000)	Dec 2021 (€'000)
Statutory audit for PIEs	2,539	2,748
Statutory audit for other entities	34,027	38,882
Non-audit services provided to audit clients	14,210	17,468
Non-audit services provided to other entities	112,807	125,449
Total	163,583	184,547

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>Reputation: 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"> • Providing appropriate levels of support and training for all our people and embedding a culture of acting ethically; • Continued program 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; • Confidential whistleblowing hotline available to employees, clients and member of the public; • Engagement with regulators, institutes and governmental bodies to play our part in developments within the profession; • Engaging with our clients and building trust in our services and approach as a firm; • Participating in local initiatives and actively contributing to enhancing the greater community; and • Ensuring appropriate conflicts of interest are avoided.
<p>Quality of work: 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"> • Rigorous quality standards including: leadership tone at the top, skills and competence, clear and efficient procedures and quality control; • Dedicated service line quality and risk management teams drive application of quality standards; • Extensive training programmes and regular service line technical updates supplemented by dedicated technical support; • Employee quality and ethics survey; • Dedicated resources to drive implementation of ISQM 1; • Quality goals set for all staff; • Robust client continuance and acceptance procedures; • Appropriate recruitment and staff development and review policies; • Quality reviews conducted internally, by network firms and by regulatory bodies; • Complaints/potential claims reporting procedures and maintenance of sufficient professional indemnity insurance; • Dedicated resources focused on innovation to drive more integrated and efficient processes to enhance our client delivery and regulatory compliance; and • Engagement methodologies supported by developed practices, tools and resources.
<p>Regulatory compliance: failure to comply with relevant independence, legal, ethical, regulatory or professional requirements.</p>	<ul style="list-style-type: none"> • Establishment and maintenance of compliance and independence management systems including: <ul style="list-style-type: none"> • Clear policies, procedures and guidance • Mandatory training for all partners and staff • Client and engagement acceptance procedures • Annual independence and compliance submissions for all partners and staff • Regular monitoring and reporting; and • Timely updating of the firm's processes and procedures to ensure compliance with current and developing regulation.
<p>Business Resilience: 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"> • Business Continuity and Disaster Recovery planning and regular testing; • Established incident management and disaster recovery teams to respond to incidents; • Robust IT infrastructure capable of supporting remote working; • Business unit level business impact assessments; • Robust supplier onboarding and monitoring processes; • Investment in new technology solutions to enhance our connectivity and agility; and • Continued central coordination and management of firm's response to ongoing challenges posed by COVID.

Risk	Response
<p>Litigation: that a significant litigation will occur leading to a considerable reputational or financial loss.</p>	<ul style="list-style-type: none"> • Supporting the provision of quality engagement thus limiting the risk litigation arising; and • Monitoring, timely review and addressing of all claims or litigation arising.
<p>Technology: failure to develop and invest in our technology infrastructure and processes to address current and future needs.</p>	<ul style="list-style-type: none"> • Significant investment in new and innovative technology solutions for existing services; • Commitment to new platforms to allow delivery of quality services; • Data protection assessment to ensure all data handling in accordance; and • Digital Strategy Committee to drive investment in the use of technology and data to create value for our peoples, our clients and our business.
<p>People: 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"> • Well developed and focused staff recruitment policies; • Continuous engagement with our people through establishing communication channels and support networks; • Annual measure of staff satisfaction through PeopleVoice survey and dedicated champions to drive firm wide initiatives based on results; • Robust diversity and inclusion programme, Embrace; • Delivery of support, training and advancement opportunities; • Technical and leadership development programmes and a focus on coaching to support career development; • Driving a culture of continuous staff feedback; • Supporting employees in effectively adopting hybrid working models; • Distinct employer brand bringing our values to life for our people and new hires and building connection; • Providing annual and interim reviews and constructive development supports; and • Monitoring the market to better understand the firm's competitive position relative to other competing firms.
<p>IT security: failure to ensure appropriate safeguards regarding the firm's information technology including confidential information.</p>	<ul style="list-style-type: none"> • Continued focus on the maintenance of a robust, secure and resilient IT environment with policies and processes to protect the firm's and client's data; • Full-time, dedicated team to ensure appropriate resources are available at all times; • Provision of appropriate training, IT security and awareness program to all staff; • Robust due diligence completed on all technology suppliers with ongoing relationship management; • Collaborative approach with GTIL and major GTIL member firms to ongoing support IS infrastructure development and strategy; • Data protection team develop and maintain the necessary data protection and privacy policies and procedures including breach management processes; • Developed procedures and policies for safeguarding client and staff data and other information; • Security management system aligned to ISO/IEC 27001:2005 which includes: – physical, technical and human resource controls; and • Incident monitoring and response.

Risk

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.

Response

- 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 2021. This list has been prepared in accordance with the provisions of Directive 2014/56/EC¹:

1. Schenker Re DAC
2. Findlay Park Funds Plc
3. Eudora Investment Funds plc
4. Bank of Montreal Ireland plc
5. CBOM Finance PLC
6. Deco 7 Pan Europe 2 PLC
7. Transregional Capital DAC
8. Pantheon Master Fund PLC
9. Motif Finance (Ireland) PLC
10. P&G Umbrella Fund
11. Scotiabank (Ireland) DAC
12. Iridium Capital PLC
13. EG Capital Advisors ICAV
14. House of Europe Funding V PLC
15. Euromax V ABS PLC
16. Euromax VI ABS PLC
17. Credit Linked Enhanced Asset Repackaging (CLEAR) PLC
18. Alfa Bonds Issuance PLC
19. Alfa Holdings Issuance PLC
20. Mori Umbrella Fund PLC
21. Zoo ABS IV PLC
22. Dekania Europe CDO III PLC
23. GPB Eurobond Finance PLC
24. Hewlett Packard International Bank DAC
25. Camber 7 PLC
26. Premium Green PLC
27. United Health Care Insurance DAC
28. St James Place International PLC
29. GD Insurance Company DAC
30. Stratus Capital PLC
31. Willow No.2 (Ireland) PLC
32. Lightpoint Pan-European CLO 2007-1 PLC
33. Natinium Financial Products PLC
34. GTLK Europe DAC
35. Lansdowne Mortgage Securities No. 1 PLC
36. Lansdowne Mortgage Securities No. 2 PLC
37. Proteus RMBS DAC
38. Orchard Funds PLC
39. Custom Markets Securities PLC
40. Iris SPV PLC
41. Galaxy Capital PLC
42. Lusitano Mortgages No. 4 PLC
43. Lusitano Mortgages No. 5 PLC
44. Canterbury Insurance DAC
45. Scottish Re (Dublin) DAC
46. Orkney Re II PLC
47. Nomura Investment Solutions PLC
48. Argon Capital PLC
49. Hawthorn Life DAC
50. Slandia Finance (Ireland) Ltd
51. MMK International Capital DAC
52. Uralkali Finance DAC
53. Xenon Capital PLC
54. Alhambra SME Funding 2019-1 DAC
55. Phosagro Bond Funding DAC
56. Xelo VI Limited
57. Rushydro Capital Markets DAC
58. Aysgarth Finance DAC
59. Camber 4 PLC
60. Jepson Residential 2019-1 DAC
61. Shamrock Residential 2019-1 DAC
62. Pegmatite PLC
63. White Horse Insurance Ireland DAC
64. PIMCO ETFS PLC
65. Gedesco Trade Receivables 2020-1 DAC
66. Deco 9 - Pan Europe 3 PLC
67. Delta Spark DAC
68. VEB Finance PLC
69. Cronus Finance DAC
70. Banna RMB DAC
71. Strandhill RMBS DAC
72. ICE 1 EM CLO Limited
73. RZD Capital PLC
74. MTS International Funding DAC
75. Emerald Capital DAC
76. Greenshore Finance DAC

¹ '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.

Appendix 2: Leadership and governance

Management Committee	Number of meetings attended in 2021
Michael McAteer	15
Sinead Donovan	13
Colin Feely	14
Fergus Condon	15
Stephen Tennant	14
Stephen Murray	15
Bernard Doherty	15
Brendan Foster	12
Richard Gillan	15
Patrick Dillon	12
Aisling Dodgson (INE)	11
Brian Kearney (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 Ireland 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 co-ordinating 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 Vice 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 GTI 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 reorganisations/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 and a member of the Institute of Management Consultants and Advisors. 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. He is a Fellow of Chartered Accountants Ireland and is Chairman of Chartered Accountants Ulster Society.



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 also leads Grant Thornton Ireland's International Business Centre (IBC).



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 firms 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.



Appendix 4: Independent Non-Executives (INEs)



Brian Kearney
Independent Non-Executive

A Chartered Accountant with a B.Comm from UCD, qualified in what became KPMG, his background comprises a very wide range of business experience and roles.

Brian's recent involvement has been at Board level – whether as Chairman or NED, in the CEO role, Group Finance Director, CRO role and in focused “hands-on” management advisory and support roles.

With experience in the Retail & Wholesale, Banking, Software, Engineering, Manufacturing and Infrastructure sectors including Renewable Energy, Waste Recycling, Wireless Communications infrastructure, Toll Roads, and Waste Water Treatment infrastructure, his directorships have included Towercom, AMT-Sybex, Arnotts, Lifestyle Sports, Powerscreen International, Moffett Engineering and NTR.

He has been Chairman of a number of Audit Committees and Remuneration Committees, including at Lifestyle, NTR Plc and IWP International Plc.

Brian has been a member of the Professional Standards Committee of the Chartered Accountants Regulatory Board. He was previously a member of the Strategy Development Board of Chartered Accountants Ireland and the Irish representative on the Professional Accountants in Business Committee of the International Federation of Accountants, based in New York.



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 asset management and 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 serves as President of the RVEEH Hospital Group and as a member of the Finance Committee.



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 executive 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 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 management 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 management 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.

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

	Requirement	Page(s)
1	A description of the legal structure and ownership	11
2	Where the subject belong to a network, a description of the network and the legal and structural arrangements of the network	11
3	A description of the governance structure of the subject	11-13
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	18-26
5	An indication of when the last quality review referred to in chapter 2 of part 8 took place (quality review of statutory auditors by competent authority)	25
6	A list of Public Interest Entities (PIEs) for which the subject has carried out statutory audits during the preceding financial year	42
7	A statement concerning the subject's independence practices which also confirms that an internal review of independence compliance has been conducted	31-33
8	A statement on the policy followed by the subject concerning the education of statutory auditors referred to in Regulation 39, namely: <ul style="list-style-type: none">• 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.	27-30
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	37
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	33
12	Information about the total turnover of the statutory auditor or the audit firm, divided into the following categories: <ul style="list-style-type: none">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; andiv. revenues from non-audit services to other entities.	37



**Further
information**

Further information

To find out how Grant Thornton may be of assistance to you and your business, contact us.

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