



Global



Governance



Quality

Transparency Report 2022

Grant Thornton Cyprus

Year End – 31 December 2022

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Foreword from the CEO

Another successful year, with our commitment to maintaining high quality standards being an ongoing strategic priority. Our unwavering focus remained on investing in our people and in our growth. It is unfortunate that the recent events further destabilize the already fragile global economy, with a significant impact on the markets and businesses. Despite any uncertainty that might continue to prevail, I have confidence in our ability to be resilient and to adapt quickly, when necessary.



Our people are key to our success from both a quality and commercial perspective. The Firm's ability to exhibit strength, agility, and flexibility in navigating challenges and maintaining our services at a high level of quality is largely due to the collective resilience, approach, and response shown by our people, at all times. Their unwavering determination and adaptability act as major driving forces behind overcoming any obstacles and in safeguarding our distinctive client service. Every year, we have a robust learning and development plan in place and our teams have access to all the necessary resources for them to be well prepared in dealing with challenges, including the identification of key risks requiring specific response. We will continue with the investments needed for fostering a culture of excellence and professionalism.

We live in an era of significant changes, with technology affecting the landscape and therefore the way we do business. The pace of change necessitates aggressive focus on new technologies. Having a sound knowledge of all new developments, is imperative for us. We have the obligation to comprehend how this disruption is affecting our stakeholders and the profession, and to act proactively with an overall perspective in mind. We will keep investing in innovation to ensure we have the skills and capabilities to provide our services, whilst improving the level of quality and our efficiency. Our people have access to learning opportunities that enhance their digital skills as well as to innovative resources for performing their work in a more technologically advanced manner. Analytical applications and tools have an instrumental role in the way we operate nowadays, and we will continue implementing any new technologies, whenever necessary. These technological advancements allow us to respond in a more timely and agile way to the needs of the business whilst still making informed, solid decisions.

As a professional services firm, we appreciate that we operate within a regulated environment, and we acknowledge the importance of our role in undertaking independent audits, for the public interest. For us, it is imperative to constantly focus on quality across every service line; something which we consider as a fundamental differentiator to our business. We will persist in safeguarding a culture where upholding our integrity and independence, promoting transparency, conducting high quality engagements and managing risks are instrumental in defining who we are. This report will provide you with insights and detailed information in relation to our commitment towards continuous improvements for securing the public confidence in the profession, as well as to our promise that our attention remains on delivering high quality services to our clients.

I take pride in the attitude demonstrated by the Grant Thornton Cyprus people; a strong team of professionals with diverse expertise across various areas and industries, delivering an excellent client service, on a multi-disciplinary basis. For us, at Grant Thornton Cyprus, our culture is built around care for people, clients and communities as well as an attitude towards high quality. We consistently uphold our values, and this is evidenced by our actions.

Up to this date, we have managed to make solid and significant progress. The future brings ongoing challenges and opportunities; an uncertain economic environment; growing focus on Environmental, Social and Governance (ESG) policies and rapid digital developments. As 2023 unfolds, the dynamics of collaboration and the need for an ethical stance are imperative. As a Firm, we are actively supporting all actions for shaping a better tomorrow for everyone; something which requires forming partnerships and engaging into discussions with other businesses, non-for-profit organisations, as well as with our government and regulatory bodies. We do not stand still, and we definitely do not take things for granted. We move forward, by staying focused towards our strategic goals, with confidence and determination. I strongly believe Grant Thornton Cyprus is extremely well positioned to respond to the market demands for change, whether regulatory, political, social or economic.



Stavros Ioannou
CEO

Report from the Head of Assurance

2022 has been a demanding year. The impact of the War in Ukraine, geopolitical strains, supply chain disruptions, inflation and workforce shortages have all impacted our people and our communities. We recognize that the audit profession is constantly evolving, and we are committed to staying ahead of the curve.



As head of assurance at our Firm, I am pleased to present our Transparency Report for the year 2022. This report highlights our commitment to transparency and quality in our audit services, and reflects our ongoing efforts to maintain the trust and confidence of our clients and stakeholders.

Our firm operates with the highest ethical and professional standards, and we believe that transparency is essential to maintaining the trust and confidence of our clients, stakeholders, and regulators. We are committed to providing high-quality audit services that deliver value to our clients while maintaining the public interest.

At Grant Thornton Cyprus, we strive to uphold the highest standards of professional excellence. We believe that quality is essential to our success, and we invest heavily in our people, our technology, and our processes to ensure that we deliver the best possible service to our clients. We are proud of our reputation for integrity and excellence, and we take our responsibility to serve our clients and the public interest seriously.

Our Transparency Report provides a detailed look at our approach to audit quality, including our quality control processes, our compliance with professional standards, and our efforts to further enhance our audit methodology. We also provide information on our governance structure, including the roles and responsibilities of our leaders and the oversight provided by our board of directors. It details the EU PIE Companies we audited during the year in question and the total revenue from our audit and non-audit work.

In this report, you will find detailed information about our governance, independence, and quality control processes, as well as our approach to audit risk assessment and materiality. We have also included information on our compliance with regulatory requirements and our efforts to enhance audit quality through continuous improvement and innovation. We continuously evaluate all inspection findings and take response actions where necessary.

2022 has been a demanding year. The impact of the War in Ukraine, geopolitical strains, supply chain disruptions, inflation and workforce shortages have all impacted our people and our communities. We recognize that the audit profession is constantly evolving, and we are committed to staying ahead of the curve. We invest heavily in the training and development for our audit professionals, and we leverage technology to enhance our audit processes and deliver more value to our clients. I look forward to implementing the new GTIL audit software 'LEAP' into the audit practice during 2023, following the successful implementation of our new audit methodology over the last two years. LEAP is a proprietary cloud-based tool which has been designed to enhance quality, improve delivery and enrich our people experience. LEAP will provide a high-quality audit tool to support all of our audit work.

We have a track record of delivering high-quality audit services that meet the needs of our clients and the expectations of the public, and this report reflects our commitment to transparency and our ongoing efforts to maintain the highest standards of quality in everything we do.

I am proud of the work that our people do and look forward to continuing to serve our clients with excellence and integrity. We will continue to go beyond for our clients and each other, and I am convinced that going forward we will create an even better experience for those who work with us, and for us.

Froso Yiangoulli
Head of Assurance



**Structure and
governance**

Legal structure and ownership

Legal structure and ownership

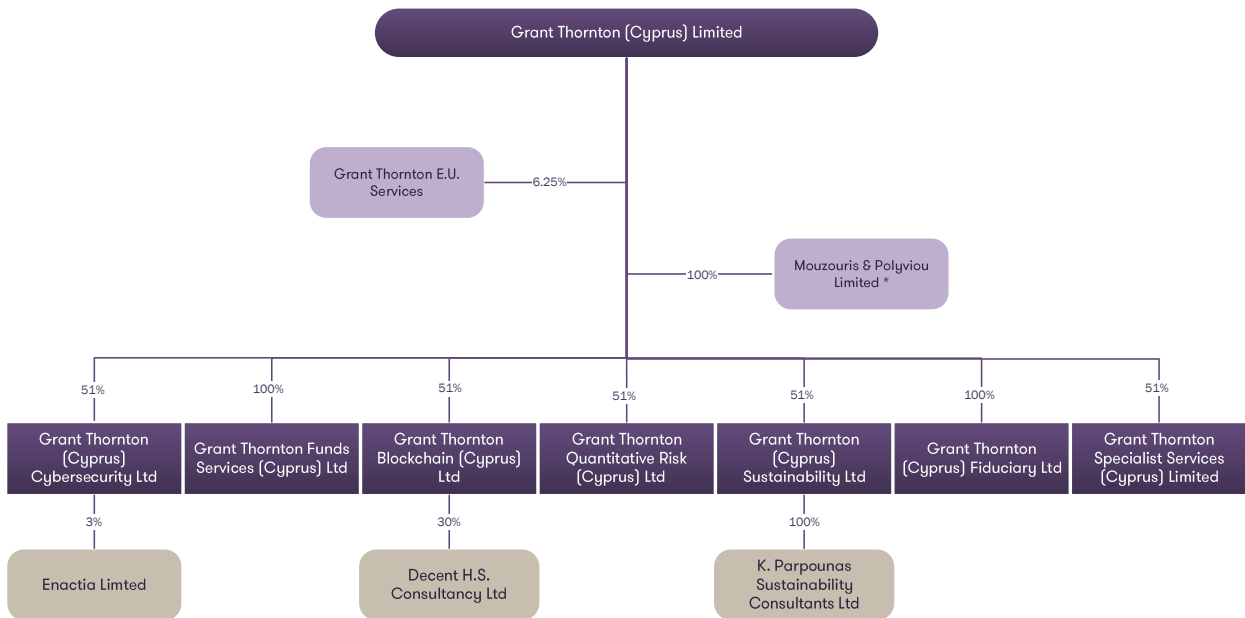
Grant Thornton (Cyprus) Limited (the “Company”) is incorporated in Cyprus as a limited liability company under the provisions of the Cyprus Companies Law, Cap. 113, with a registration number 267530. As at 31st of December 2022, the Board of Directors (the “Board”) comprised of fourteen (14) directors, two (2) of which are acting as non-executive directors.

The leadership team comprises of both equity and salaried partners. The Company is owned by its members (referred to as equity partners), whose rights and obligations are set out in the respective partnership agreement. A list of the members is available for inspection at the registered office address which is 41-49 Agiou Nicolaou, Nimeli Court, Block C, 2408 Engomi, Cyprus.

Our professional activities are conducted through Grant Thornton (Cyprus) Limited and its subsidiaries (together the “Firm”).

We are a full member firm of Grant Thornton International Limited (GTIL) which is a not-for-profit, non-practicing, 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.

GROUP STRUCTURE



*dormant company

Regulators

The Company is currently regulated by the Cyprus Public Audit Oversight Board (CyPAOB) with regards to its firmwide control procedures and to the audits performed of Public Interest Entities (PIE's).

We are also regulated by the Institute of Certified Public Accountants of Cyprus (ICPAC) for non-PIE audit engagements.

Our Firm is subject to domestic and international regulatory reviews; for further details please refer to section "Driving audit quality".

Certifications

The Company holds all the necessary professional certifications issued by ICPAC, with the following numbers:

- Practising Certificate (E280/G/2013)
- Auditing Certificate (E280/A/2013)
- Certificate for the provision of Administrative Services (E280/F/2013)

In addition, the Firm has been awarded with multiple certifications over the years, showcasing our unique culture and evidencing the values we live upon on an everyday basis:

- Great Place to Work (2021)
- Sound Industrial Relations 2014
- Equality ALLies at Work (2022)
- Equality Employer
- ISO 14001:2015 - Environmental management systems

Our range of services

Our principal services are audit, tax and advisory services. A full list of our services can be found below. Our website discloses all relevant details about our service offerings.

- Assurance
- Tax (Direct and Indirect)
- Advisory
- Outsourcing
- Insolvency and Asset Recovery
- Digital Risk
- Distributed Ledger Technology
- Regulatory Compliance and Fund services
- Quantitative Risk
- ESG and Sustainability
- Risk and Compliance
- Business Consulting

Other information

During the year 31 December 2022, the average number of employees was 164 (2021: 160) and they operated from our offices in Nicosia and Limassol. Our [website](#) has a current list of our office addresses.

Governance and management

Leadership

At Grant Thornton, we care for our clients and therefore we invest in listening, building relationships as well as understanding challenges they face along with their concerns; we make business personal. We want to be trusted in providing independent advice, rooted in the highest professional ethics, principles and professional standards.

We experience a dynamic pace, where markets are fast evolving, and business environments are becoming more demanding and diverse. Our team of professionals are poised to change with the required speed. Our flatter structure and agile approach also enhances any adaptability needed for responding to such changes and developments.

As a member firm of a global network, we are not limited by geographical borders, and we have replaced silos with relationships. We simplify any complex circumstances, and we provide access to the technical expertise, that exists on a global scale, through successful collaboration between the member firms.

Irrespective of how robust our brand position and reputation become as the years pass, these are never taken for granted. We always aim that our influence, in the markets and societies we operate within, has a positive impact, offering value as well as confidence towards a sustainable growth. There is a strong reliance and a strategic commitment upon delivering consistently high quality, and we are constantly leveraging our technical expertise and technological innovation to support this.

We want to be actively involved in creating commercial and social environments that enable long-term sustainable success. Our partners are closely collaborating with regulators, governmental authorities and professional bodies to help shape the business landscape, to support the profession, as well as to safeguard a healthy environment for people.

Part of our strategic priorities is to maintain the commitment for a strong ethical culture. The tone is set from the top; our partners empower our people to meet their potential. Above all, our people are encouraged to speak out, take responsibility as well as demonstrate integrity and agility. It is an instinct part of our culture.

We are passionate about conducting business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption, and we are dedicated to acting professionally and with integrity in all our business dealings and relationships.

Governance and risk management

We are committed to act in accordance with the appropriate professional behaviour and standard expected of us. Continuous investments are made, both on a local as well as on an international level, for ensuring the highest standards of quality; our Firm fully applies the principles of corporate governance in compliance with the professional requirements set by Grant Thornton International and more generally, with international best practices.

We strive in maintaining an ethical culture, focused on excellence. This, among other strategic priorities, involves constantly monitoring and evaluating developments in corporate governance, and benchmarking our performance against them.

We adopt best practices 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.

The appointment of the CEO is made by simple majority vote of all members. The term has been set at five (5) years and the CEO can hold office for as many consecutive terms as the members decide to approve. Such term duration gives the CEO the authority to exercise strong and effective leadership of the business. Stavros Ioannou was re-elected CEO for a further term of 5 years, with effect from 1 January 2020. The CEO along with the members of the Board are empowered to run the Firm as an executive function.

The Firm's rights and obligations, our governance framework, and the key responsibilities for the management of our business are set out in the Memorandum and Articles of Association.

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 enhanced from time to time with additional appointments, formulation of management committees and/or non-executive appointments.

Management of our business

Management of the Firm is the responsibility of the members of the Board, headed by the CEO. The main responsibilities include the following:

- ensuring that the Firm operates according to its Strategy and Business Plan, both of which have been set out to guide the Firm up to 2025
- the appointment, appraisal and (where necessary) the removal of partners and employees, as well as determining their remuneration
- safeguarding the smooth efficient and effective management of the business, by sustaining an operating model which supports:
 - the profitable growth of the business
 - strengthening of our quality and ethical standards
 - compliance with the governance framework
 - excellence in service provided to our clients
 - acting according to our values
 - making a difference in the community, as well as the successful and fulfilling development of our people.

The members of the Board meet monthly, with additional meetings as and when required.

Members of the Board of Directors

- Stavros Ioannou, CEO
- George Poulos
- George Karavis
- Stephen Michaelides
- Polys Polyviou
- Froso Yiangoulli
- Melpo Konnari
- Dimitrios Chioureas
- Demetra Yipsiotou
- Haroulla Arkade
- Kyriakos Fili
- Sakis Moyseos
- Christos Makedonas (Non-Executive Director)
- Charis Savvides (Non-Executive Director)*
- Yiannos Ashiotis (as a Non-Executive Director)**

*appointed 1 March 2023

**departed on 31 December 2022

Organisational units

The Firm is divided into two (2) units, each one with its own objective. Those units are:

- Service Lines
- Operations

The basic responsibilities and the objective of each unit may be readjusted depending on the needs of the company at the time. Any readjustment requires the approval of the members of the Board.

Heads of Service Lines and other strategic responsibilities

The heads of the service lines are:

- Assurance: Froso Yiangoulli
- Advisory: Melpo Konnari
- Tax: George Karavis
- Outsourcing: Stephen Michaelides

Partners who assume other strategic responsibilities are:

- Finance partner: George Poulos
- Head of quality control: Dimitrios Chioureas
- Head of ethics, risk and AML partner: Haroulla Arkade
- Compliance officer: Haroulla Arkade
- Chief Information Security Officer (CISO) and Data Protection Officer (DPO): Christos Makedonas

In the profession

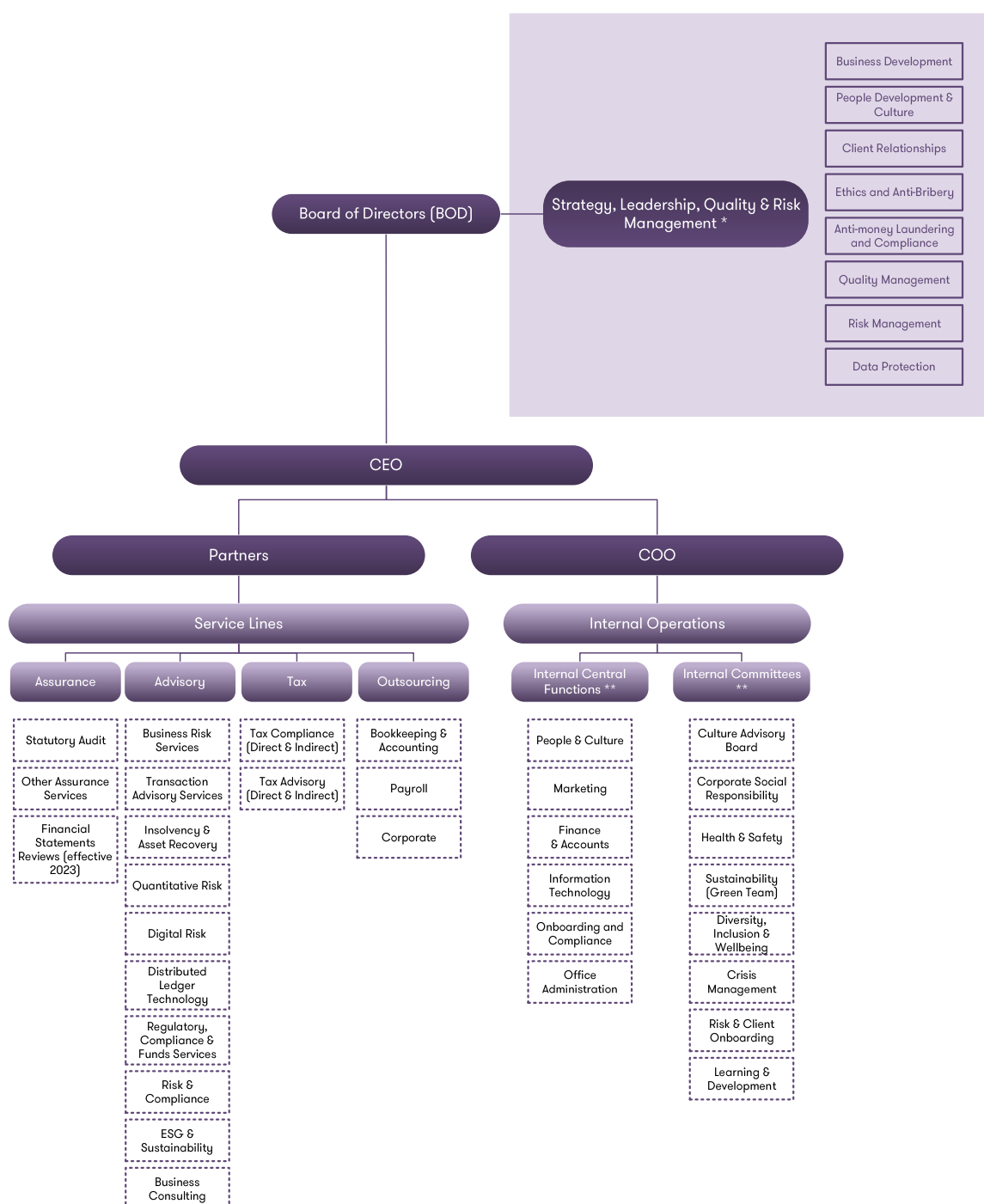
We are committed to investing the time of our senior people in professional leadership positions. This ensures that our clients have access to excellent technical support and awareness of emerging issues, and that their interests are properly represented as the public policy develops.

Our CEO, Stavros Ioannou, is a member of the Board of Directors of ICPAC.

Our partners and senior management are actively involved in various committees regarding the profession. Specifically, we have representatives on various committees of ICPAC:

- Dimitrios Chioureas as President of the CSR Committee
- Stephen Michaelides as a member of the Insolvency Committee
- George Karavis as a member of the Tax Planning and Policy Committee
- Kyriakos Fili as a member of the VAT Committee
- Haroulla Arkade as a member of the AML and Compliance Committee
- Andreas Zachariades as a member of the International Business and Foreign Investments Committee
- Antonis Socratous as a member of the Audit and Assurance Committee
- Kyriakos Parpounas as a member of the ESG and Sustainability Committee.

ORGANIZATIONAL STRUCTURE



* these represent the strategic pillars of focus. The BOD has the overall responsibility for the (i) design and implementation of policies and procedures (ii) monitoring of compliance with such policies and procedures

** Specific partners are involved either for supervising, acting as a sounding board and/or actively participating. All suggestions and decisions are communicated to the BOD for approval.

About Grant Thornton International Ltd (GTIL)

Grant Thornton (Cyprus) Limited is the Cyprus member firm of GTIL. GTIL is a private company limited by guarantee, incorporated in England and Wales. It is an umbrella organisation that does not provide services to clients.

Grant Thornton International Limited is one of the world's leading organizations of independent member firms that provide assurance, tax and advisory services. The network member firms, through a wide range of services, render services to listed and non-listed entities as well as public sector entities. As at 31 December 2022 the GTIL network had more than 62,000 people in over 140 member firms across the globe with the latest reported revenue being USD6.6bn (2021: USD5.8bn).

Member firms

Each member firm is a separate entity. The member companies are not part of an international partnership or otherwise legal partners with each other, nor is each of them responsible for the services or activities of the other. Each member company has autonomous management and handles its administrative matters on a local basis. Many of the member firms use the Grant Thornton name, either exclusively or incorporated into their national practice names.

Member firms are under obligation to comply with the intensive quality and other reviews carried out by GTIL to ensure that member firms adopt common policies and methodologies. Our people are not allowed to hold any direct or indirect interest that would violate the professional and GTIL principles of independence.

Board of Governors

The Board of Governors provides the principal and overriding authority for the network. The board has a number of responsibilities including:

- approving and overseeing the implementation of the global strategic direction and policies
- overseeing member firms including approving new member firms, suspending rights and expelling firms
- overseeing the financial health of GTIL, enterprise risk management, technology and innovation strategy and general governance.

The Board has an independent chair Judith Sprieser who was appointed on 1/1/2020 for three years. In addition, the Board consists of two independent members Martin Geh and Florence Tondumelique, the chief executive of GTIL and 13 managing partners of member firms. There are several standing committees to assist in the more efficient and effective discharge of the board's responsibilities.

Independent board members

The role is to support the networks recognition of public interest responsibilities. The networks attitude towards quality, risk management and governance as well as assessing the networks effectiveness in executing its strategic goals and market position.

Standing committees

There are seven standing committees with authority and powers for certain matters as delegated to them by the Board:

- **Governance committee (GC):** ensures efficient and effective operation and oversight of GTIL's leadership structures and performance.
- **Strategy committee (SC):** advises on the development, alignment and execution of the global strategy.
- **Budget and audit committee (BAC):** oversees the GTIL budget and audit processes to ensure the successful execution of the global strategy and adherence to the fiduciary responsibilities of GTIL.
- **Member firm matters committee (MFMC):** considers and determines resolution of recommendations made by the global leadership team relating to member firm matters including member firm terminations, complaint handling and proposed changes to the rules and agreements that materially affect member firms.

- **Enterprise risk management committee (ERMC):** has oversight responsibility for ensuring an appropriate enterprise risk management framework is maintained for GTIL and its member firms.
- **Technology and Innovation Committee (TIC):** governs and oversees Grant Thornton's global technology and innovation strategy and ensures that global technology and innovation projects are aligned with Grant Thornton's commercial objectives.
- **CEO compensation committee (CEOCC):** executes the Board's responsibilities relating to the annual performance evaluation and related compensation of the CEO, the adoption of policies that govern the CEO's compensation and performance, and the oversight of plans for CEO development.

Chief Executive Officer (CEO)

The Board of Governors has approved the reappointment of Peter Bodin as CEO of Grant Thornton International Ltd (GTIL) for a second term of three years, from 1 January 2023 to 31 December 2025. He is responsible for the:

- leadership of GTIL
- development and recommendation of strategy priorities for the board to ratify
- appointment of the global leadership whom he works closely with to implement the strategy including monitoring global policies and procedures.

Global leadership team (GLT)

The GLT develops and drives the execution of the global strategy and is chaired by the CEO. It is a full-time management group dedicated to leading the network in the successful execution of the strategy. Between them, GLT members have global development, service lines, functional and regional responsibilities.

A critical role of the GLT is to work with member firms in driving the execution of the GTIL global strategy.

Our vision is to be known as the leading business adviser to dynamic organizations by unlocking the potential for growth in our people, our clients, and our communities. We care about the work we do for clients; the impact we have in society and the way we treat people. And, as dedicated professionals, our work and influence builds trust and integrity in the markets we work in. We help create the commercial and social environments that enable long-term success and growth for businesses and where people flourish. We do this because we are committed to shaping a vibrant economy.

The global strategy sets out how Grant Thornton will achieve its vision and identifies the actions Grant Thornton will take. Its implementation builds on strategic frameworks, prioritised investments and growth strategies that are appropriate for our chosen markets.

Our global strategy for 2025 is focused on the following strategic objectives, each of them having specific KPIs, for measurement of success, on a network level:

- ① Strategic capabilities
- ② Risk management and quality
- ③ Culture

Global leadership team - structure



Risk management

Risk management is an enterprise-wide activity overseen by the enterprise risk management committee (ERMC). The ERMC is made up of several Board members, including one of GTIL's independent Board members. The ERMC reports on its activities to the Board.

Enterprise risk management at Grant Thornton focuses on processes to identify, monitor and manage key risks in a prioritised manner including a strong emphasis on continuous procedures to monitor quality and improvements to the quality of service delivery. Member firms manage their own risks locally. The GLT monitors professional risks with operational support from the GTIL risk management function under the direction of the global head of risk management and independence.

Risk management includes:

- managing the GTIL risk register including operational support to the GLT, the ERMC and the Board on the assessment and prioritisation of key risks facing the network
- reporting to the ERMC and Board about key risks and risk management activities
- developing, communicating and maintaining global policies and procedures designed to: – maintain independence and objectivity of member firms and professionals – establish policies and procedures for enhancing and monitoring quality of service delivery – establish standards for client acceptance and client continuance activities of member firms
- developing training programmes covering the above
- developing and maintaining technology solutions to facilitate the effective and efficient execution of the procedures referenced above
- monitoring the effectiveness of the design and operation of member firms' systems of quality control over providing high-quality services
- reporting to the ERMC on member firm progress in executing action plans developed in response to quality inspection programme findings. The global service lines have primary responsibility for the development, communication and maintenance of global policies and procedures regarding the delivery of professional services.

Cybersecurity

One of the most significant risks facing the profession is the risk of a cybersecurity breach. GTIL has implemented an ongoing global cybersecurity programme to mitigate the network's exposure to cybersecurity threats through an integrated legal, risk, and technology approach.

Specific cybersecurity standards must be met by all member firms, as a minimum.

Annual compliance self-assessments are validated with periodic, risk-based third-party reviews.

The network's global monitoring programme also utilises a third-party security ratings service to identify real-time changes in public security vulnerabilities. Member firms are also required to share real-time information regarding cybersecurity incidents which affect more than one member firm, which helps to mitigate the risk of an attack on the wider network.

Finally, incident response is key to preparedness and all firms are required to have incident response plans in place and test their plans regularly. Many firms have secured cybersecurity insurance to obtain rapid support in the event of an incident which exceeds the capability of a firm's existing resources. All member firms also have access to 24/7 expert incident response support.

Crisis management

Given today's age of connectivity and technology, situations can rapidly develop into 'crises', with cross-border implications. It is important to have a common approach for identifying such situations and responding to them. GTIL requires from all member firms to have specific policies and procedures in place, as a minimum.

Member firm admissions and other business combinations

Prospective member firms must meet certain criteria for membership. The criteria for membership include:

- the prospective firm's reputation for quality and its adherence to high standards
- completion of a thorough client review process. The objective is to identify any potential independence and conflict issues and to have them resolved in accordance with applicable professional standards before admittance to the network
- commitment to adopting GTIL policies (including those focused on cybersecurity), procedures and methodologies
- maintenance of a system of quality control that meets or exceeds the International Auditing and Assurance Standards Board's (IAASB) as well as the International Standard on Quality Management 1 (ISQM 1)
- agreement to the periodic evaluation of their system of quality control by our global quality monitoring teams.

Admission as a member firm is dependent on the outcome of a due diligence process performed to determine whether the prospective firm meets the criteria for membership.

All member firms are subject to ongoing obligations set out in the member firm agreements and global policies.

In addition to prospective member firms, other business combinations, such as member firms pursuing transactions such as mergers, acquisitions, joint ventures, lateral hires, or other arrangements for sharing of interests are subject to the above criteria.

Independence policies, guidance and training

Member firms adopt GTIL's global policies and procedures that are designed to safeguard independence and identify circumstances that could cause a potential independence impairment or a conflict of interest.

Auditing Firms in EU and EEA

Disclosures under Article 13.2 (b) of Regulation (EU) No 537/2014 of the European Parliament and of the Council.

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

*EU/EEA revenues exclude the United Kingdom.

All information was collected from the global Grant Thornton annual member firm survey. Details are correct as of 30 September 2022.

Country	Legal entity
Austria	Grant Thornton Austria GmbH
Austria	Grant Thornton ALPEN-ADRIA Wirtschaftsprüfung GmbH
Belgium	Grant Thornton Bedrijfsrevisoren CVBA
Bulgaria	Grant Thornton OOD
Croatia	Grant Thornton revizija d.o.o.
Cyprus	Grant Thornton (Cyprus) Ltd
Czech Republic	Grant Thornton Audit s.r.o.
Denmark	Grant Thornton Statsautoriseret Revisionspartnerselskab
Estonia	Grant Thornton Baltic OÜ
Finland	Revico Grant Thorton Oy
Finland	Idman Vilen Grant Thornton Oy
Finland	Advico Finland Oy
France	Grant Thornton
France	AEG Finances
France	IGEC
France	Tuillet Audit
France	Cabinet Didier Kling & Associates
France	Carib Audit & Conseil
Germany	Grant Thornton AG
Germany	Grant Thornton GmbH & Co. KG
Germany	Trinavis GmbH & Co. KG
Germany	WPG Wohnungswirtschaftliche Prüfungs- und Treuhand GmbH
Gibraltar	Grant Thornton (Gibraltar) Ltd

Country	Legal entity
Greece	Grant Thornton SA
Hungary	Grant Thornton Audit Kft.
Ireland	Grant Thornton
Ireland	Grant Thornton (NI) LLP
Italy	Ria Grant Thornton S.p.A.
Latvia	Grant Thornton Baltic Audit SIA
Lichtenstein	Grant Thornton AG, Schaan
Lithuania	Grant Thornton Baltic UAB
Lithuania	Grant Thornton Baltic UAB Kauno filialas
Lithuania	Grant Thornton Baltic UAB Klaipėdos filialas
Luxembourg	Grant Thornton Audit & Assurance
Malta	Grant Thornton Malta
Netherlands	Grant Thornton Accountants en Adviseurs BV
Norway	Grant Thornton Revisjon AS
Poland	Grant Thornton Frąckowiak Sp. z o.o sp.k.
Poland	Grant Thornton Polska Sp. z o.o. Sp.k
Portugal	Grant Thornton & Associados, SROC,Lda
Romania	Grant Thornton Audit SRL
Slovak Republic	Grant Thornton Audit, s.r.o.
Slovenia	Grant Thornton Audit d.o.o.
Spain	Grant Thornton, S.L.P.
Sweden	Grant Thornton Sweden AB



Driving quality

Driving 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. Audit teams comprise 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, but 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 to embed key practices, disseminate key messages and demonstrate the standards and behaviors we expect in our people.

Global audit methodology and technology

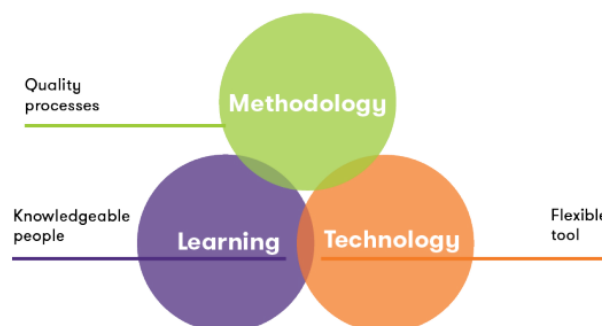
GTIL assists all Grant Thornton member firms in delivering consistent, robust, rigorous and high-quality audits. This is achieved through the provision of a global audit methodology and software, protocols to facilitate consultation with audit specialists in other member firms, a comprehensive intranet 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 monthly 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 everyone to move forward together with consistency.

LEAP (Leading an Effective Audit Practice) is an ongoing, collaborative effort led by GTIL to re-energise our audit practice and prepare our global organisation and people for the future audit.

The LEAP project has two core streams, a new 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 2021, our Firm commenced using the LEAP methodology across all engagements during 2022.

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:

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

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. The Firm is on track to commence the roll out of the new audit tool later in 2023.

LEAP

Audit innovation

Recognising the relevance of Audit Data Analytics (ADA) in today's audit landscape, Grant Thornton International Ltd 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 focus area during 2021 onwards.

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 continue to transform the way we work with, and share information with clients as Grant Thornton Cyprus explored new ways to incorporate innovative techniques, such as Data analytics and collaborative tools in our engagements. Our audit business uses Inflo, with its Data analytics tools, as well as a uniform platform to communicate and has added value to the clients we serve by increasing the efficiency, accuracy and speed of the audit process.

Audit quality

Underpinning our commitment to continuously improve audit quality is a robust system of quality control. Grant Thornton International Ltd 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 Management 1 (ISQM1) for firms and the IESBA Code of Ethics. These policies and procedures are set out in the Firm's Quality Management Manual and have been tailored to ensure they also comply with our local regulatory requirements.

In addition to our own quality control procedures which comprise robust and frequent peer review of audit files and client's financial statements 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 at least once every three years by independent and suitably qualified partners and managers from other member firms under the overall direction of GTIL.

The Firm is currently regulated by the Cyprus Public Audit Oversight Board (CyPAOB) with regards to its firmwide control procedures and to the audits performed of PIE's. We are also regulated by the Institute of Certified Public Accountants of Cyprus (ICPAC) for non-PIE audits performed. CyPAOB and ICPAC conduct practice reviews on a periodical basis.

Details of external reviews are given in section "measuring audit quality" (page 21-22).

Supervision, consultation and review

We have a strong culture of consultation, supervision and support, which is embedded throughout the audit methodology. Involvement of the Firm's experts and where necessary the head of assurance, provide appropriate levels of quality control as well as support for all audit personnel. The Firm has taken into account the requirements of International Standard on Quality Management 2 (ISQM 2).

The Firm's system of quality management incorporates policies and procedures addressing the specific requirements for the appointment and eligibility of the engagement quality reviewer and the performance and documentation of the review.

An engagement quality control review (EQCR) is required for:

- audits of financial statements of listed and PIE entities
- audit engagements, if any, for which the Firm has determined that an EQCR is required and
- any other audit for which an EQCR is required as a result of the GTIL Key Assurance Assignment (KAA) process.



EQC reviewers are persons with technical expertise and experience to carry out the EQCR and be a person of sufficient authority and competence. The EQCR reviewer has sufficient time to perform the reviews and our policies reflect this. EQC reviewers are determined by the head of quality control and during 2022 were allocated to a designated partner.

The Firm's culture enhances the authority of the engagement quality reviewer by creating a culture of respect for the role of the engagement quality reviewer.

The appointed person is an experienced partner who is independent of the core engagement team.

The Quality Control Review partner is involved throughout the audit process for timely input. She is responsible for reviewing key aspects of the audit, including independence, significant risks and their responses, judgements made, uncorrected misstatements, documentation of work done in the areas reviewed, the financial statements, communication with those charged with governance and the appropriateness of the audit report to be issued. She also seeks to challenge the audit team in the judgments made and work prepared.

Appropriate professional expertise is being dedicated to support audit and non-audit teams within the Assurance practice to meet professional standards, regulatory and legal requirements. Consultation requests are documented in the assigned working papers, which is the responsibility of the assurance engagement partner.

Differences of opinion

Grant Thornton Cyprus has policies in place regarding difference of opinion. In the case that a difference of opinion arises between the Engagement Leader and the Engagement Quality Control Reviewer on a technical or ethical issue, or between any individuals concerning an ethical issue, the authority to take the ultimate decision has been assigned to specific individuals based on their expertise.

In the case that the assigned individual for the relevant consultation area is one of the parties to the difference of opinion, then the Firm's CEO has the authority to resolve the difference of opinion.

Where there is a difference of opinion that affects a report, conclusions reached are required to be documented and implemented and the report to be dated after the matter has been resolved.

Client acceptance and continuance

Achieving professional excellence means accepting and retaining clients that share Grant Thornton's values of quality and integrity.

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.

Our teams ensure for all new potential clients and any new assignments, the Firm's rigorous acceptance and continuance processes are adhered to and documented.

Approval is required by the appropriate engagement partner and in certain cases by the head of assurance, before the appointment is accepted.

As a member firm, we need to monitor and implement the principles, regulations and procedures prescribed by GTIL for Key Assurance Assignments (KAA). KAA represents assignments for which specific criteria need to be applied. Where specific high risk indicators are identified, then approval is required from GTIL. Certain conditions may be imposed on member firms, such as the appointment of an engagement quality control reviewer from another member firm.

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 the head of assurance and the head of ethics and/or GTIL may again be required.

International Financial Reporting Standards (IFRS) support

A GTIL IFRS team is responsible for promoting high-quality consistent application of IFRS throughout the network. An IFRS interpretations group, a financial instruments working group and an insurance working group (made up of IFRS experts from member firms), provide advice, guidance and support to the team.

The team promotes consistency across all member firms by:

- offering face-to-face training programmes and e-learning resources
- operating an IFRS help desk service
- providing an IFRS checklist and an IFRS interim reports checklist
- publishing extensive technical, interpretive guidance, newsletters and other tools and resources, internally and externally.

GTIL communicates these materials and updates on IFRS developments to the network of designated IFRS champions in member firms. The IFRS team carefully considers whether training or additional guidance is necessary in response to new IFRS developments and IFRS issues or concerns raised by the member firms.

Grant Thornton also actively contributes to the development of IFRS. For example, we submit global comment letters on International Accounting Standards Board (IASB) proposals for new and amended standards, we respond to IASB outreach requests on a wide variety of evolving accounting topics, and we participate in relevant events, such as round-table expert discussions.

Every year, Grant Thornton Cyprus engages an external financial reporting expert, to provide IFRS training to our auditors. This covers recent and upcoming changes to IFRS, or deal with specific issues identified where different interpretations require judgement.

Measuring audit quality

Audit quality control systems

A rigorous quality management system ensures all our people understand the role they play in delivering quality work and achieving the high standards we set as a Firm – 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 governing audit appointments and the independence of partners and employees, including:

- technical and procedural manuals, to ensure work is delivered to a consistently high standard
- training and development of all partners and employee (including induction and appraisal)
- quality control procedures, to ensure each assignment meets required standards and quality
- 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 resources committed to ensuring audit quality, consultation, on-the-job and technical training;
- the **skills and personal qualities** of our partners and people
- a **consultative culture**, where partners and employees are always encouraged, and in certain circumstances required, to consult
- **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 assessed annually as part of our internal quality review processes.

Our system on quality control is conducted in accordance with the International Standard on Quality Management (ISQM1) – ‘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, 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 ICPAC and CyPAOB.

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 for continuous improvement.

“We measure the quality of our audit through **internal** as well as **external** monitoring.”

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 across all of our offices locations.

A rating system of “pass – fail” 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 process 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
- each engagement partner is reviewed at least every three years
- Engagement partner with files reviewed falling below expected standards are reviewed again within 12 months
- all new engagement partners are reviewed within a year of appointment
- engagements for review are selected with a bias towards more complex or higher risk assignments
- reviews are undertaken by experienced auditors, using standard methodology developed by GTIL and under the direction of the head of quality control to ensure integrity and consistency of the process
- the setting of file grades is moderated by the head of quality control to ensure consistency between reviewers and with the approach of external reviewers
- the head of assurance develops and implements a targeted action plan to address the findings of the review
- on an annual basis the Internal Audit Review findings are summarised and reported to the Board of Directors
- themes arising from the Internal Audit Review are communicated to the audit practice through training events and other technical update channels
- root cause analysis is completed on all significant deficiencies arising and appropriate action plans are developed.

The results of our Internal Audit Review are disclosed to both GTIL and the Firm's external audit regulatory bodies, who scrutinize the review process and results during their review and ensure our processes are sufficiently robust.

In 2022, 5 audit engagement files were reviewed as part of the internal monitoring process. All received a grading of "Pass".

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.

The Board considers that the Firm's internal quality control systems are operating at an effective level.

At the same time, findings identified by the reviews are seriously considered and any necessary steps are taken to address them.

Serious consideration is given by management to any recommendations made as a result of internal reviews and action is taken to implement appropriate changes.

Global 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 review for Grant Thornton Cyprus was conducted in October 2018, we are due for another inspection during 2023. The results of GTAR are evaluated and communicated to improve quality.

Management takes measures to resolve audit quality matters noted from GTAR. Their inspection did not identify any audit performance issues that, in sufficient appropriate audit evidence to support an audit opinion in any of the four audit engagements reviewed or fulfil the objectives of its role in other engagements.



External monitoring

Every external inspection review is a valuable and beneficial experience for us. These exercises are valuable in enabling us to benchmark to current practice, highlighting areas of strength and provide constructive discussion on areas we could develop our practices. Our Firm's policies and procedures have been updated to incorporate the findings arising from the most recent external reviews.

Further to the Internal and Global reviews, Grant Thornton Cyprus is monitored by the Cyprus Public Audit Oversight Board (CyPAOB) for its firmwide control procedures and the audit inspection of PIE's, and also from the Institute of Certified Public Accountants of Cyprus (ICPAC) for non-PIE audits performed. CyPAOB and ICPAC conduct practice reviews on a periodic basis.

Our Firm is also subject to periodical reviews by the Association of Chartered Certified Accountants (ACCA) and the Institute of Chartered Accountants in England and Wales (ICAEW) as part of their Approved Employer Programmes.

The latest completed full cycle inspection of the Firm by the Cyprus Public Audit Oversight Board took place in 2018 and a follow up of certain areas took place in 2022. The audit files reviewed during the 2022 audit cycle were satisfactory with improvements required. On the basis of the results of this inspection, the Firm continues to be registered to conduct statutory audit work in Cyprus. Areas for improvement identified as part of the regulatory inspection have been taken into consideration and formed part of an action plan, the implementation of which is monitored by the Firm's Directors.

The last external quality assurance review of Grant Thornton took place in December 2022, by ICPAC. The overall outcome of the visit was assessed as satisfactory, since the majority of the audit files inspected was considered to be generally satisfactory.

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.



System of quality management

The Firm has designed and implemented a system of quality management to manage the quality of engagements performed by the firm. Our system of quality management ensures that the policies and procedures of the Firm are in line with the requirements of the International Standard on Quality Management 1 (ISQM 1) and follows the guidelines prepared by GTIL.

The implementation procedures have been completed by the effective date of the standard, 15th December 2022.

It is intended that the Firm and its personnel fulfil their responsibilities and conduct their work in accordance with professional standards and regulatory requirements. It is also intended that engagement reports issued by the Firm are appropriate in the circumstances.

Our system of quality management relates to our overall firm procedures and the requirements of ISQM 1 are applicable to audits or reviews of financial statements or other assurance and related services including tax engagements.

In particular, engagements performed under the following standards are in scope for ISQM1:

- ISA – International Standards on Auditing
- ISAE – International Standards for Assurance Engagements
- ISRE – International Standards for Review Engagements
- ISRS – International Standards for Related Services

We acknowledge that where we use services from a network firm or resources from an external party, we continue to own the responsibility for the quality of all engagements and deliverables and consequently of our system of quality management.

Key to the system of quality management is the public interest which is served by the consistent performance of quality engagements.

The Firm's system on quality management addresses the following components in line with the requirements of ISQM 1:

1. Governance and leadership showing commitment to quality at the top of the Firm.
2. Risk Assessment in line with the risk-based approach mentioned below.
3. Relevant ethical requirements to ensure that we only accept and continue to provide services to clients where any threats to our independence and any conflicts that may exist are managed to the extent that there will be no impact to the quality of the work performed and deliverables.
4. Acceptance and continuance to ensure that decisions to accept or continue a client relationship or specific engagement are appropriate.
5. Engagement performance to ensure quality engagements.

6. Resources to ensure that the Firm obtains, develops, uses, maintains, allocates and assigns resources in a timely manner to enable the design, implementation and operation of the system of quality management.
7. Information and communication within the Firm and with external parties.
8. Monitoring and Remediation including root cause analysis and action plans.



We have applied a risk-based approach in designing, implementing and operating the components of the system of quality management. This incorporates :

(a) Establishing quality objectives in relation to each component of the system of quality management mentioned above.

(b) Identifying and assessing risks to the achievement of the quality objectives which will provide a basis for the design and implementation of responses.

(c) Designing and implementing the risk responses.

The process of establishing quality objectives, identifying and assessing quality risks and designing and implementing risk responses is iterative and ongoing monitoring is key to this process.

In applying a risk-based approach, we have taken into account:

(a) The nature and circumstances of the Firm, and

(b) The nature and circumstances of the engagements performed by the Firm.

Commitment to quality through the Firm's culture and values supports a consistent approach to quality and is present in the way it has designed its policies and procedures including controls and risk responses. Our partner, Haroulla Arkade, has acted as champion for the design and implementation of the system of quality management. Responsibilities for the system of quality management have been assigned as follows:

- **Ultimate responsibility and accountability for the system of quality management** – This has been assigned to the Firm's CEO, Stavros Ioannou and the Board of Directors collectively.
- **Operational responsibility for the system of quality management** – The Firm's head of quality control, Dimitrios Chioureas, undertakes the responsibility for the operation for the system of quality management as well as for its monitoring.

Quality

We're committed to delivering consistently high quality which is key to all that we do. Quality is impacted and influenced by many factors and it remains the key responsibility of everyone to deliver quality in everything they do.

Quality Components

Our quality components provide clarity to everyone based on our shared expectations around quality.



Culture

We create a culture where quality is embedded in everything people do



Reputation

We behave ethically and meet the expectations of our regulators and society



Leadership and governance

We ensure that we have appropriate accountable leadership and governance structures to support quality



Technology and data

We have a digital mindset. We manage our information and records to protect confidentiality, maintain their integrity, ensure accessibility and support work done



People

We recruit, develop and nurture people from all backgrounds. We ensure they have the skills, ability, confidence, and enthusiasm to deliver quality work across the business



Take on

We only accept and continue (Take-on) work with clients aligned to our purpose, where we can deliver quality and only once all legal, commercial and ethical requirements have been met



Risk assessment, mitigation and resilience

We manage risk and build our resilience to support the firm's strategy and deliver quality in all our work



Delivery

We provide clear and easy to understand policies and procedures to guide and support our people to deliver quality assignments. We challenge each other, prior to providing assignment delivery, to ensure our work meets our high-quality standards



Operating environment and new initiatives

We monitor our operating environment for changes impacting quality. We consider quality, risk and legal requirements for new initiatives, including digital solutions, services and market offerings



Monitoring, reporting and root cause analysis

We monitor processes and controls on an ongoing basis. Reporting and root cause analysis allow us to take appropriate actions to address issues and focus on continuous quality improvement

Risk management, ethics and compliance

The Firm has established business unit risk working groups to specifically address the risk issues impacting each function in the Firm.

Areas covered by risk management policies and procedures include independence, client acceptance, client re-acceptance and Anti-Money Laundering (AML).

Acceptance and re-acceptance of assurance clients in particular, is considered a cornerstone of the firmwide risk management approach.

Ethics and independence

Our global independence policies and procedures are based on the International Ethics Standards Board's Code of Ethics for Professional Accountants with supplements to govern compliance with our global independence and international relationship checking processes.

The Firm has a designated partner, Haroulla Arkade known as the head of ethics who has the overall responsibility for implementation of the global independence policies and procedures.

The Firm's policies and procedures have been designed in order to ensure its independence and that of its members while rendering services.

The Firm's personnel, including partners, are required to complete the annual 'independence' and 'fit and proper' confirmations, whereby they confirm their compliance with the internal independence policy. The policy requests from all members to disclose their own personal independence, business relationships and/or interests.

All personnel are under obligation to examine, every time they undertake the conduct of an audit, whether their independence is threatened in any possible way. In particular, our people need to examine whether their relations (financial, professional, personal) with every client or an associate or an entity might lead a knowledgeable, objective and prudent third party to reach a conclusion that the independence of the Firm is threatened. In such a case, they are under obligation to inform the head of ethics about such relationships, who will take action in line with GTIL policies.

The specific policies and procedures that serve the above objectives of independence are described in our Quality Management Manual (QMM) and are reviewed and revised annually by the head of ethics and head of quality control. Our people are informed whenever there is a change in relation to the QMM.

Tone at the top and compliance culture

Creating a culture of compliance and doing the right thing are becoming center to the way organisations operate. At the same time the emphasis on quality is core, regulation is tighter, and the importance of ethical behavior is paramount, all of which make the work of any professional an even bigger challenge.

The development of a compliance culture within the Firm is the strongest and most important safeguard we can have, and only if we have the right tone at the top will the Firm be able to support such a culture.

The tone at the top defines management's leadership and commitment towards its strategy and for maintaining the brand and quality.

During 2022, emphasis was placed on enhancing the culture and tone at the top through annual training and making the topic present on agendas for partner and senior management meetings.

Relationship checking

Maintaining integrity and objectivity 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 its people.

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, that might impact on our independence, have been provided before engaging with new audit clients; this process includes obtaining approval from the audit engagement partner and the head of ethics. As mentioned above, we also require the engagement team to confirm their independence on each audit file. Furthermore, for all PIE clients, we obtain approval for other services provided from the client's audit committee and the head of ethics.

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 list through a system maintained by GTIL. Professional personnel in member firms have access to this via the GTIL intranet.

The Global Restricted List (GRL) serves as a point of reference for member firms considering providing non-audit services to public companies. When a prospective client appears on the GRL, 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 GRL is also reviewed by GTIL on a regular basis.

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

These financial interests are monitored against the Firm's client base. GIS 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 GRL. 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.

Each member firm has a designated manager for the GIS, who assumes the responsibility in updating, on a monthly basis, the GRL, on which GIS is based, making entries of listed companies and their subsidiaries (public interest companies), that constitute the "audit clients" of the Firm. This way, the companies in question are presented as 'restricted' throughout all GTIL network.

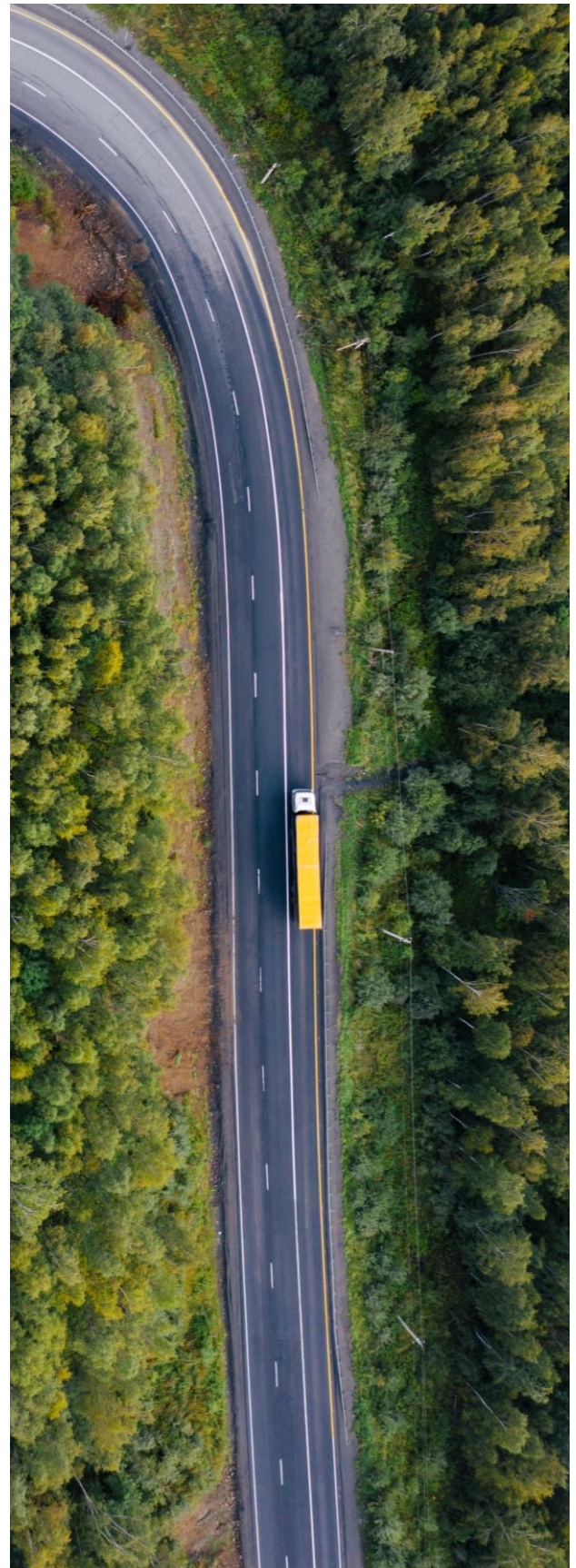
The implementation of this procedure ensures that no member of Grant Thornton network can hold shares of any company marked as restricted by another member firm.

The aforementioned systems and procedures are followed within the frame of the general plan of Global Independence & Risk Management of GTIL and are aimed at providing further assurance that member firms and executives comply with all applicable independence requirements.

As part of monitoring the effectiveness of our quality control system in managing compliance with independence requirements, we perform the following:

- compliance testing of independence controls and processes
- personal independence compliance testing of a random triennial selection of partners, directors, senior managers, managers and supervisors to monitor compliance with independence policies.

The results of the Firm's monitoring and testing are reported to the its management on an annual basis.



“ During 2022, we confirm that we have conducted an internal review of our independence practices, with no exceptions identified. ”

Conflicts of interests

In providing services to clients, situations may arise that could be viewed as a conflict of interest. For instance, in cases where the Firm's interests are not in line with those of the client, or where the Firm offers services for clients whose interests are in conflict such as through competition or dispute.

Potential conflicts of interests pertaining to an assignment undertaken in Cyprus as well as at the global level are being closely monitored.

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 the approach to conducting these checks for potential relationships, where the client or prospective client has international operations.

Identifying conflicts of interest and/or threats to independence

The Firm uses a search tool to interrogate a suite of databases where potential relationships could be identified. Individuals are asked about relationships where the search identifies a possible match.

As mentioned above, the international network also maintains an electronic Global Independence System to match the investment holdings of all relevant personnel with restricted entities to avoid personal investments threatening audit independence.

Domestic checks

In the case of any potential client (audit or non audit), a domestic check (DC) is run by asking any partner or client facing manager to identify any relationship [personal or other] with the potential client or any other related party appearing in the structure. In cases when such a relationship is being identified, an assessment is carried out by the head of ethics, to ensure that appropriate safeguards are implemented, where appropriate. If the Firm is not able to place appropriate safeguards, the engagement is rejected.

Potential clients with international operations

If potential clients have international operations [including international beneficial owners, subsidiaries, branches], an international relationship check (IRC) is performed to identify any relationships of other member firms of GTIL that may present a conflict of interest and/or a threat to independence.

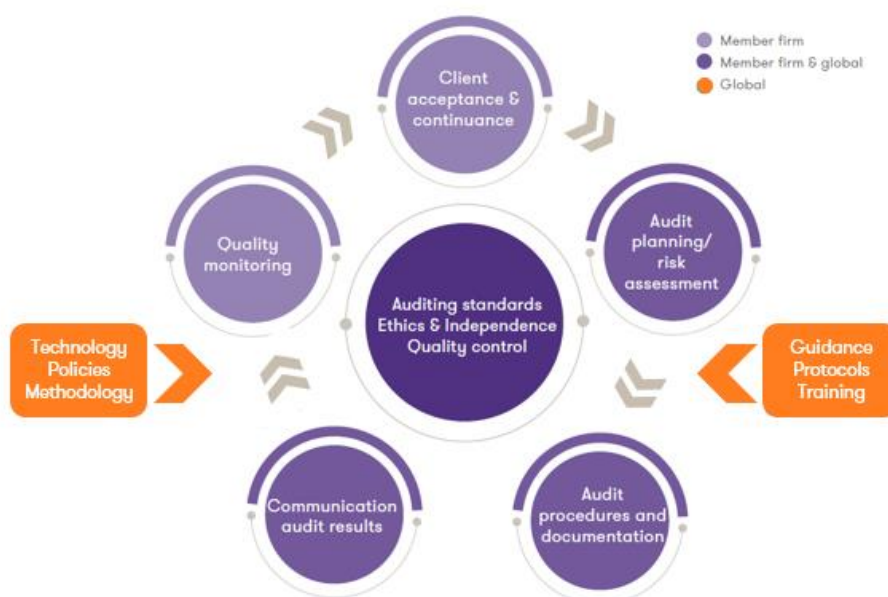
Furthermore, the international network maintains databases of restricted entities (GRL) and other relationships that could create a conflict. These are searched as part of the IRC process.

When the prospective client is already an audit client of a member firm of GTIL, consultation is required with the relevant audit engagement leader to ensure that the proposed non-audit service is permitted, and that any perceived threats to independence created by the proposed non-audit service can be adequately safeguarded.

Where required, the circumstances are communicated to the audit client's audit committee and, in the case of PIEs, are approved by them prior to commencement of work.

Dealing with potential conflicts of interests

If a potential conflict is identified, appropriate procedures are put in place to obtain the informed consent of the interested parties, to protect confidential information and to ensure potential conflicts are, and are seen to be, effectively managed. In exceptional circumstances, the relevant head of service line and the head of ethics must be consulted. To the extent that conflicts cannot be adequately safeguarded or where we believe that an objective, reasonable, informed third party might query our objectivity, we either do not undertake the non-audit service or withdraw from the audit. Such a decision is made with the full involvement of the client(s) concerned.



Client acceptance and continuance process

The Firm continues to invest in enhancing its processes. Our teams undertake client identification and due diligence for AML purposes; this procedure applies for all new and existing clients. The team also conducts family tree research for international operations, as well as database searches that underpin our relationship checking processes.

The risk assessment takes into consideration the Anti-Money Laundering / Countering the Financing of Terrorism (AML/CFT) procedures.

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 following:

- requirement to consult and obtain specific GTIL Key Assurance Assignment (KAA) approval before accepting and continuing with certain new clients
- need for the audit partner role and on-site roles to be performed by team members with relevant experience
- need to appoint an appropriately experienced review partner for certain categories of audit
- 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 to ensure that the acceptance does not prejudice our independence, objectivity or integrity.

All new assignments require approval before the appointment is confirmed with a formal contract and before the assignment starts. This approval is by the appropriate lead partner. In cases of identification of potential conflicts, approval is required by the head of ethics. In certain circumstances, consultation with the the Firm's CEO or GTIL is required.

A key part of the client acceptance and continuance process is ensuring we have the right people involved in assignments. For certain audit assignments, we specify levels of experience and completion of specific learning programmes to make sure that the individuals are competent to undertake those audits.

We recognise that performing work for clients who are subject to international sanctions or who are from countries subject to international sanctions can threaten the reputation of the Grant Thornton network as well as subject member firms to severe penalties and loss of significant business. In particular, as a result of the Russian - Ukraine conflict our efforts have been strengthened to this extent and as well as to support the humanitarian efforts to aid the people of Ukraine.

Prospective and existing clients are screened against international lists of restrictive measures (sanctions lists) and all clients are monitored during their relationship with the Firm to identify any factors that could lead to the conclusion that the client is in breach of such measures through its transactions or operations.

During 2022, the Firm has issued a separate Sanctions policy in line with the Directive issued by ICPAC to its members on the matter.

The GTIL network's response to the war in Ukraine resulted in several actions including the decision that, under the circumstances, Grant Thornton should not have member firms in Russia and Belarus and subsequently all such firms have exited the network.

Onboarding committee

As of the beginning of 2021, the Firm has set up an onboarding committee which is made up of:

- Stavros Ioannou, CEO
- George Poulos, partner, assurance
- Stephen Michaelides, partner, head of outsourcing
- Haroulla Arkade, partner, risk and compliance, head of ethics

The committee focuses on clients with high AML risk and the purpose is for the Compliance Officer to present for discussion, the following:

- enhanced due diligence procedures, and/or,
- other external or reputational matters that should be taken into account before onboarding a client.

The continuation of clients is approached in the same manner.

As of December 2022, Haroulla Arkade has been given the title of risk partner and part of her responsibilities which include assessing new products / services / technologies prior to their launch. She works closely with the rest of the onboarding committee members in performing her responsibilities.

Firmwide risk exposure and tolerance

The Firm has considered its firmwide risk exposure, considering the risk that the services offered could be to any extent used by the client to carry out any illicit activity. In particular, the considerations are:

- Services offered
- Geographical areas and client base
- Distribution channels
- Customer Due Diligence (CDD)

Safeguards are implemented where areas of risk are identified in any of the considerations presented above.

We adopt a zero-tolerance approach to the compliance with regulatory requirements, both as an ICPAC member and as a Grant Thornton International network firm. The nature and extent of the work performed in respect to client acceptance and continuance is scalable in respect to the risk of each client, but in no way is the quality of the work performed and the extent of compliance with obligations compromised.

Non-audit services to audit clients

Every member firm of GTIL, prior to provision of any kind of non-audit service to a client is under obligation to ascertain whether another GTIL member firm conducts an audit for the very same client or to a client's related party (parent or subsidiary).

Client Confidentiality

The relations with the clients are confidential and all the protective measures are taken in order to avoid breach of confidentiality.

During the conduct of an engagement, the audit team might become aware of confidential information about the client, such as future business plans, current operations results, procedures pertaining to payroll or personnel issues etc. Particular attention is being paid to keeping the required confidentiality.



Engagement Letters

Conduct of all kinds of assignments requires prior written expression of acceptance by the client. Grant Thornton uses the so called “engagement letters”. The engagement letters include the description of the assignment that the Firm is required to undertake each time, as well as, written statement, issued by client representatives, certifying that they accept all the relative terms and conditions. The content of “sample” Engagement Letters is conducted by the head of assurance in full compliance with International Standards on Auditing and the Institute of Certified Public Accounts in Cyprus and varies depending on the type of engagement involved.

Engagement Performance

Assignment of individuals to engagement teams

Assignment of members in every engagement team requires prior assessment of professional skills and experience of the team, as well as those of every individual team member. The assessment takes into account factors, such as the size and the complexity of the particular audit, professional skills required, available time of the members and the partner-in-charge, audit conduct, deadlines, etc.

Supervision

Supervision involves monitoring and controlling the operations of audit team members by the project manager or partner throughout the audit.

In all cases, the responsible partner shall supervise the implementation of the Firm’s professional standards, regulatory requirements, policies and operating procedures. This way, the necessary procedures can be evaluated in time to make appropriate changes/modifications to the audit approach in the audit program. Furthermore, the project manager or partner reviews the audit team’s capabilities, determines whether there is sufficient time to perform the work, and identifies issues that are subject to consultation with more experienced members.

Review

A review of the audit work is carried out by the responsible partner in order, inter alia, to examine whether (i) the audit has been carried out in accordance with professional standards, (ii) it supports the arising conclusions, (iii) appropriate consultations have been conducted, and (iv) evidence obtained is adequate and appropriate to verify the report. EQCR reviews are also conducted, when necessary in line with our policy.

Rotation of Partners and other senior team members

KAPs responsible for audits are required to rotate off the engagement after specified periods of time, depending on their role and the type of entity.

The term “Key Audit Partner” includes the engagement partner and the individual responsible for the engagement quality control review of the engagement. In the case of a group audit it also includes the statutory auditor of a significant subsidiary.

Rotation in respect of listed and PIEs is initially recorded when individuals are first assigned to a client. This record is maintained on a central database.

The Firm’s policy concerning the rotation of partners requires that KAPs for public-interest entities can act for seven years and then must rotate off the engagement for at least two years.

For EU PIEs, the KAPs tenure is the same, followed by a three-year period within which they have no involvement in the audit.

For managers and other senior team members the maximum time period is set for 10 years followed by a three-year cooling off period.

Withdrawal from an engagement

Grant Thornton Cyprus has in place policies and procedures, in accordance with legal and professional obligations, for circumstances in which we determine that we should or are required to withdraw from an engagement. Appropriate consultations both within the Firm and with those charged with governance of our clients are being held. Circumstances where we become aware of information after accepting an engagement which, had we been aware of that information earlier, would have led us to decline it, are also included in these policies and procedures. Our AML policies and procedures are also consulted accordingly.



Other ethical considerations

Gifts, favours and hospitality

The Firm's policy on gifts, favours and hospitality is not to accept any gifts or hospitality from a client of the Firm or any other party with whom the Firm and its partners and employees have dealings unless the value is clearly insignificant. Partners and employees are not permitted to accept from, or give to, audit clients, suppliers or third parties any gifts, favours or hospitality that might, or might be seen to, prejudice our integrity and objectivity in relation to our audit clients.

Gifts and hospitality with a value of less than €100 are assumed to be insignificant. If a client or other party attempts to offer a gift or hospitality in excess of this amount the individual must follow the Firm's consultation procedures.

Monitoring compliance with ethical and independence requirements

We monitor our people's compliance with ethical and independence requirements through:

- the Firm's Annual Declaration process. All of our people are required to confirm that they understand and have complied with the Firm's policies relating to independence, confidentiality, market abuse, gifts, favours and hospitality, as well as whistleblowing;
- quality control and quality assurance reviews of assignment files across service lines to confirm (i) compliance with internal controls and specifically engagement acceptance procedures, and (ii) compliance with independence policies
- enhanced monitoring with regard to client take-on and ethics during the course of the year, specifically around work in progress of assignments, as part of our continuous improvement in relation to monitoring compliance with regulation
- review of the Global Independence System accounts of all new partners, against evidence to support their recorded financial interests
- an annual review (audit) of our independence practices
- encouraging our people to consult with others when faced with a difficult decision or to speak up on areas of concern.

Code of Conduct and complaints reporting

We have developed our Code of Conduct based on Global guidance. It sets forth the standard we expect from our people, for their actions and behaviours.

We believe in conducting business and serving our clients by following the highest ethical standards of conduct and behaviour.

Grant Thornton Cyprus follows the network's effort to foster an environment in which people feel safe to report perceived unethical behaviour without the fear of retaliation or retribution. There are multiple channels available within the Firm to report violations, and people are encouraged to use them. If any person feels that any laws have been violated, or any policies or principles breached, this should be reported immediately. Grant Thornton will make all efforts to protect the confidentiality of those who raise concerns. No retaliation will be permitted against employees who report a concern in good faith, or who assist with an investigation.

The Grant Thornton Cyprus Code of Conduct and complaints reporting policy is available on-line for all internal and external stakeholders at grantthornton.com.cy/About-us/code-of-conduct/. Moreover, the anonymous and confidential means of communication, as shown on our website, act as a basis for external parties to express any complaints or concerns they have.

Training in relation our Code of Conduct has been offered to Grant Thornton Cyprus people on an annual basis and it is part of induction training for any new joiners.

Protection of whistleblowing

We do not permit reprisals or retaliation against someone who raises a concern, reports suspected misconduct or provides information for a related investigation. We encourage our colleagues who believe that they or someone else has been retaliated against, to report this matter to the Firm's head of ethics.

The Firm has adopted an internal policy on whistleblowing in line with the EU Whistle-blowers' Directive. Our policy aims at introducing effective, confidential and secure reporting channels and takes on the legal environment which prohibits reprisals and introduces safeguards against involved parties being suspended, demoted, intimidated or other forms of retaliation.

A designated email address (ethicsleader@cy.gt.com) and hotline has been communicated to all colleagues. Any communication coming to this email is treated as highly confidential by the Firm's head of ethics. Our People Handbook refers to the Firm's reporting policies concerning other disciplinary matters including harassment and grievances.

Employment with Clients

All employees are under obligation to directly inform the CEO and/or the head of their department about employment offers made to them by a client. In case the independence regulations are threatened, an employee is excluded from performing any kind of work for the client till the employment offer is declined or withdrawn.

Data Protection and Privacy (GDPR)

Grant Thornton is in line with the provisions and main principles of no. 2016/679 European General Data Protection Regulation (GDPR) and Law 4624/2019.

Grant Thornton has established relevant internal procedures and policies that apply to processing personal data related to, indicatively mentioned, its employees (including candidates and former employees), clients, suppliers and outsourced collaborates so that any processing may take place in accordance with the requirements of the regulatory framework.

Moreover, the Firm applies appropriate technical and organisational measures, contractual commitments, and other guarantees, regularly reviews their content and scope of implementation and monitors sound and constant compliance of the entire personnel with the aforementioned regulations, always aiming at the maximum possible protection and the lawful processing of personal data.

Finally, Grant Thornton ensures a high level of personal data protection, since during transfers of personal data to third countries, for which no adequacy decision of the European Commission has been issued, it applies the new standard contractual clauses of the European Commission (effective from 27.09.2021) for the transfer of personal data to third countries.

The Firm's latest Privacy Policy can be found on its website grantthornton.com.cy/privacy-policy/

Crisis management

A crisis management policy and plan have been developed as a fundamental aspect of effective crisis management, and is critical for dealing with intrusions before they occur. It falls into the Firm's overall risk assessment framework and allows Management to respond to the suspected and detected crisis incidents in a consistent and comprehensive manner.

It includes a holistic approach to resilience planning and validation including business continuity and crisis management processes across all areas of the Firm's activities including client and business activity, technology, third parties, property and physical security.

The Crisis Management Team is led by the Firm's CEO, Stavros Ioannou, and the following persons have been appointed as members of the team:

- Haroulla Arkade, partner, risk and compliance, head of ethics
- Froso Yiangoulli, partner, head of assurance
- Dimitrios Chioureas, partner, head of quality control, health and safety partner
- Christos Makedonas, partner, digital risk leader
- Panagiota Victoros, chief operations officer
- Michalis Michael, manager, information technology

The crisis management team will coordinate with other key functions of the Firm, such as the people and culture team which might play a key part in crisis management.

Ethics survey

During 2022, the Firm conducted the annual anonymous ethics survey amongst all personnel, in the form of a questionnaire, on the Firm's ethical decision making. In particular, the survey was used as part of our evaluation for compliance with relevant ethical requirements throughout the Firm, as well as to how clearly ethical values have been communicated to all Grant Thornton people.

Supplier relationships

Our independence requirements extend to our relationships with suppliers. Checks are carried out before we enter a supplier contract to establish whether they are an audit client, and if they are, special consideration is given to whether a threat to independence might arise. Where applicable, the head of ethics is being consulted.

Bribery and corruption

The Firm will in no way accept the involvement of any Grant Thornton personnel, irrespective of level, in any cases of bribery and corruption of any form. This will involve any such cases between a Grant Thornton personnel member and a client, business associate or other Grant Thornton personnel member.

Grant Thornton's policies as documented in the QMM make it clear that it is unacceptable for our people to solicit, accept, offer, promise, or pay bribes. Policies, procedures with respect to anti-corruption are in place.

Situation in Ukraine

As the war in Ukraine has changed during the past few weeks, our risk management processes have led to a number of changes. These have involved not only the Cyprus firm but also the wider network, taking also into account the new and changing sanction regimes particularly in the UK, and across the world.

On 1 March 2022 GTIL announced that, FBK, the Grant Thornton member firm in Russia was leaving the network with immediate effect. In addition, the Belarus member firm has also left the network effective 30 November 2022.

Our Compliance and Development department has supported a detailed project to understand any potential sanctioned entities/ individuals with whom we have relationships. We have evaluated our client base in detail and made necessary changes considering ownership, client operations and trading in Russia and Belarus as well as any audit reporting requirements. Our assessment also considered any clients with significant trading/engagement with the area.

People and culture

2022 marked a significant year of transition, beginning with the lifting of all COVID-19 restrictions. The world around us continued to evolve and transform at an even faster pace, due to the various social, economic, and political challenges faced in 2022.

As a professional services organisation, we recognize that our employees are our most valuable asset and the cornerstone in achieving a consistently positive client experience and high-quality work.

In this rapidly changing world, we continue to evolve and our focus is on finding a better way of working. Taking a holistic approach to the current trends that shape the new world of work we continue to transform ourselves, making necessary changes to further support our people. Throughout the year we have kept engaging in proactive measures, adjusting our work practices, to ensure the protection and wellbeing of everyone.

Our purpose

We remain loyal to our overall purpose which unifies and motivates our people: to put humanity back into business by demonstrating genuine care and actively helping in creating a positive, sustainable impact in the world. And we do it in support of our CLEARR values.

Our values

Our values are built around collaboration, agility, and care for our people, clients, and communities and serve as a foundation in everything we do. These are embedded in all our practices, and they define how we behave. They form the basis for developing trust and confidence and creating a consistent experience for everyone, internally with our fellow colleagues and externally with our clients and the communities we operate and live in.

“Everything we do is focused on developing professionals, who demonstrate leadership in all their actions, who respect others, who support and champion equal opportunities.”



Our People strategy

Creating an exceptional People Experience and guaranteeing the success of an exceptional Client Experience.

Responding to the new reality with flexibility and a learning mindset, we are continuously striving to develop our people experience further; nurturing physical and virtual environments that promote wellbeing, as well as psychologically safe places is considered a priority for us.

We are creating an environment where our people can be themselves, are able to speak out, can challenge, are treated with respect, and have equal access to opportunities and resources to contribute fully to their own personal success and ultimately to the success of our organisation.

Our “go beyond” commitment is focused on the following pillars:

- build a culture of collaboration, innovation, trust, and confidence;
- encourage a diverse workforce at every level where everyone feels included;
- create a high-performance culture where people with passion for their work, dedicated and committed to make a difference, know their role, and are supported towards fulfilling it;
- empower everyone to achieve their aspirations, through ensuring high quality learning, coaching, mentoring, continuous support for development and the best possible preparation for the future;
- cultivate a culture of belonging where everyone is encouraged to contribute their ideas and suggestions.

In 2022 we introduced a plethora of initiatives with a focus on diversity, inclusion, equality, equity, wellbeing and positive people experiences including but not limited to:

- supporting our people in the post-covid transition and maximising the benefits of flexible working arrangements prioritizing their overall work-life balance;
- recognizing extra effort through the “working extra recognition” scheme while at the same time we safeguard the wellbeing of all our people and the quality of our services;
- revised our position titles and salaries bands to remain competitive and offer our people a sustainable living together with announcing a “variable pay recognition” scheme effective as of January 2022;
- celebrated more than ten international days while contributing for a great cause and a handful of internal events with our fellow colleagues.

Award winning culture

We are an award-winning recognised Firm.

Here are some of our awards:

- **ISO 14001:2015**, an international standard that specifies the requirements for an environmental management system;
- **Great Place to Work 2021**, an award which recognises good employers by means of certification;
- **Sound Industrial Relations 2014 (SIR 2014) Model**, which is part of the “Sound Industrial Relations - Contemporary Enterprises” project and is co-funded by the Republic of Cyprus and the European Social Fund of the European Union;
- **Equality Employer 2021**, certified by the National Certification Body of the Ministry of Labor, Welfare and Social Insurance;
- **Equality ALLies at work**, a programme delivered in collaboration with and led by the University of Cyprus, which aims to support participants in developing themselves into honest allies for individuals who belong in groups that are socially less valued or privileged.



Employee engagement

One of our most important elements of People and Culture strategy is our high level of success with our employee engagement program.

Every year, our company takes part in a worldwide employee engagement survey, the “People Voice Survey” to measure our Employee Net Promoter Score (eNPS). This score represents the probability that employees would suggest our company as a desirable place to work. In September of 2022 we ran our annual survey with a great response rate – 94%.

“Over the past three years, our eNPS has consistently risen, surpassing the global average.”

Diversity and inclusion

At Grant Thornton we are intentional about creating an inclusive environment where each colleague is valued for their unique differences and supported to develop their career and to grow both professionally and personally.

Diversity, Equity and Inclusion (D, E&I) represent a fundamental part of our strategic agenda, with priority given on initiatives which ensure that everything we do is underpinned by respect, psychological safety, acceptance, as well as by providing healthy working environment conditions where the development of everyone is supported.

Diversity of thought, background and experience is vital to us. It brings better decision-making, improves the quality of our delivery and helps us to meet the needs of our clients. Building an inclusive culture, where we value difference and respect our colleagues, is the right thing to do, helps our people to perform at their best and to grow to their full potential.

In December of 2021 we were certified as an Equality Employer by the National Certification Body of Ministry of Labour, Welfare and Social Insurance. We were awarded for our comprehensive commitment regarding the fair treatment between men and women, on hiring and advancement procedures, the opportunity to receive professional training, on fair evaluation and fair payment that reconciles professional and family life, the active participation of people in decision making and the compliance in all matters of harassment or/and sexual harassment with zero tolerance policies in practice.

In support of our D, E & I mission and creating a sustainable business we are continually investing in the education of our people. A very important strategic initiative is our collaboration with the ‘Equality Allies at work’ programme, led by the University of Cyprus. The programme aims to support participants in developing themselves into honest allies for individuals who belong in groups that are socially less valued or privileged.

In 2022, we successfully completed an additional milestone for which we are proud of; building our own community of allies made up of seventeen colleagues who have successfully completed the programme. We now have a team of colleagues who assume the role of a workplace Ally for women and LGBTQ+ individuals, while reinforcing them to gradually develop as an ally for other groups by enhancing their understanding of why workplace allies are valuable, identifying and cultivating the skills that allies need and identifying actions that allies can take in the workplace

Wellbeing

Wellbeing is an integral part of our efforts for nurturing a caring environment, one that supports the overall wellbeing and happiness of our people, taking a comprehensive approach and focusing on three pillars that will enable us to safeguard our greatest asset and unlock our full potential:

- promoting a caring, supportive, and collaborative culture. One that actively promotes and contributes to wellbeing, mental resilience and addressing/preventing stress and burnout
- helping our people be stronger themselves (physical, mental, social & emotional)
- everyone helps each other – collective responsibility - to be stronger and more capable; creating a sense of belonging and ensuring all our people are engaged.

In 2022 we continued investing in programs and schemes including but not limited to: working arrangements survey, wellbeing check-in meetings, awareness / educational workshops focused on taking care of our physical health.

The below new wellness schemes have also been introduced:

- “We never miss a public holiday”; that is if a public holiday falls on a weekend the immediate working day preceding or following the specific weekend is assumed as public holiday. In 2022 we enjoyed three additional free days and in 2023 our people will enjoy another 6 additional days off.
- 4-day week, in the month of August
- changes in relation to days that our people are entitled to leave (Paternity, Parental, Caring, flexible working arrangements for work-life balance), going above and beyond the provisions of the statutory law.



Continuous Professional Development (CPD)

Grant Thornton Cyprus is committed to establishing learning as a strategic imperative and invests accordingly, providing its people with high quality learning programs that enhance individual and organisation potential. Our Learning and Development policy is integral to our strategy and to the achievement of our vision. Enhancing everyone's ability to contribute today and prepare for the future is the key to our success.

We are a learning organisation and continuous improvement enables us to provide quality services to our clients. We encourage all our people to take ownership of their own personal development, to always be alert and to seize opportunities for learning.

Our people take part in appropriate programs of CPD for maintaining their technical knowledge, professional skills, soft skills and values. Being an approved employer by ICAEW (Institute of Chartered Accountants in England and Wales) as well as a platinum approved employer awarded by ACCA (Association of Chartered Certified Accountants) and ICPAC (Institute of Certified Public Accountants of Cyprus), we always ensure that we meet CPD requirements.

Our annual training plan is determined considering, but not limited to, areas of development of our people. These areas are identified through ongoing formal and informal evaluation and feedback and include knowledge, skills, competencies, attitudes, behaviours for current and future roles, findings identified through hot and cold financial statement reviews, findings identified during IQCR, GTARs, other quality reviews, common queries and consultations requested, new market developments, law and government regulations, GTIL requirements, technological and other new developments. The plan is revised when this is necessary, ensuring the best possible professional development of our people.

We have introduced mandatory inhouse trainings to ensure consistent and ongoing learning and development with emphasis on quality, risk management, ethics, compliance and more. The successful completion of these compulsory yearly training programs, is closely monitored. These include programs on ethics and independence, inspection findings, Anti-Money Laundering (AML), International Standards on Auditing (ISA), International Financial Reporting Standards (IFRS), as well as Tax & Vat.

Our training plan, which is drafted by the People and Culture team, with the help and guidance of the Learning & Development committee and the relevant partners, also ensures compliance with the International Education Standard (IES) 7 "Continuing Professional Development (Redrafted)" and IES 8 "Professional Competence for Engagement Partners Responsible for Audits of Financial Statements" (Revised) by the International Accounting Education Standards Board (IAESB) of International Federation of Accountants, IFAC.

The training plan also includes series of soft skills development programs (e.g. professional and personal leadership, managing people and performance for success, new managers coaching skills).

Within audit we continuously invest in our training programmes throughout the year with several mandatory and recommended training modules.

To support the Firm's commitment for all our people to perform in a more effective and efficient manner and to deliver quality and success in their roles, all new colleagues and interns joining the Firm are invited to attend an onboarding program.

Our training plan is supported through many mediums, all sponsored by the Firm. There is a wide range of learning and development opportunities available for our people to build their technical capability, leadership skills and commercial acumen; these include inhouse face to face sessions and "Learning Nuggets", external seminars in Cyprus and abroad, on the job training, coaching, mentoring, being part of the "Buddy scheme" for newcomers, virtual courses, e-learning materials, shadowing, continues feedback, technical alerts and circulars, professional memberships, participation in external and internal committees, internal meetings for guidance, etc.

Being a member firm of Grant Thornton International Ltd we have access to great learning opportunities, like forums, conferences, online trainings, workshops, mentoring programs, the GTConnect dedicated website and more.

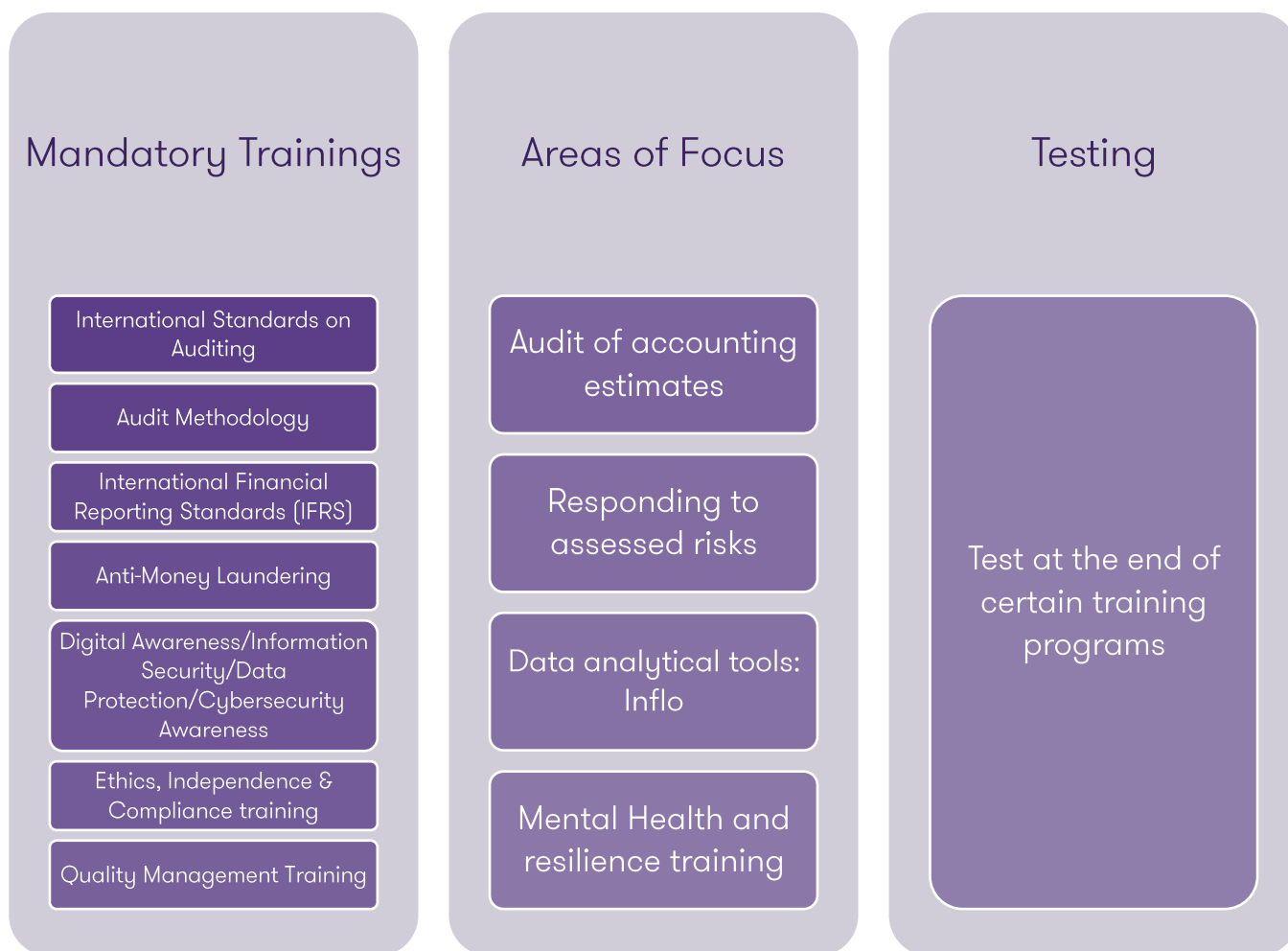
Through our GTLearnConnect learning management system (LMS) our people have access to more than 2.000 courses. The platform includes material, such as GTIL learning, technical training (e.g., ISA, IFRS, LEAP) and off-the-shelf courses on both technical and soft skills, available to access at any time from any place.

Significant client service-related learning is offered that equips Grant Thornton people with the knowledge and skills to support clients in achieving their operational and strategic goals. Service line learning is also available both within member firms and through global training on an ongoing basis.

Grant Thornton's global learning goal is to provide world class learning on leadership, business development, client management and technical subjects. And as a member firm, we are fully committed to sponsoring participation of our people in all learning opportunities provided by our network.

2022 training hours achieved





Leadership Programmes by Grant Thornton International

Programs to help partners and managers reach their leadership potential are also available:

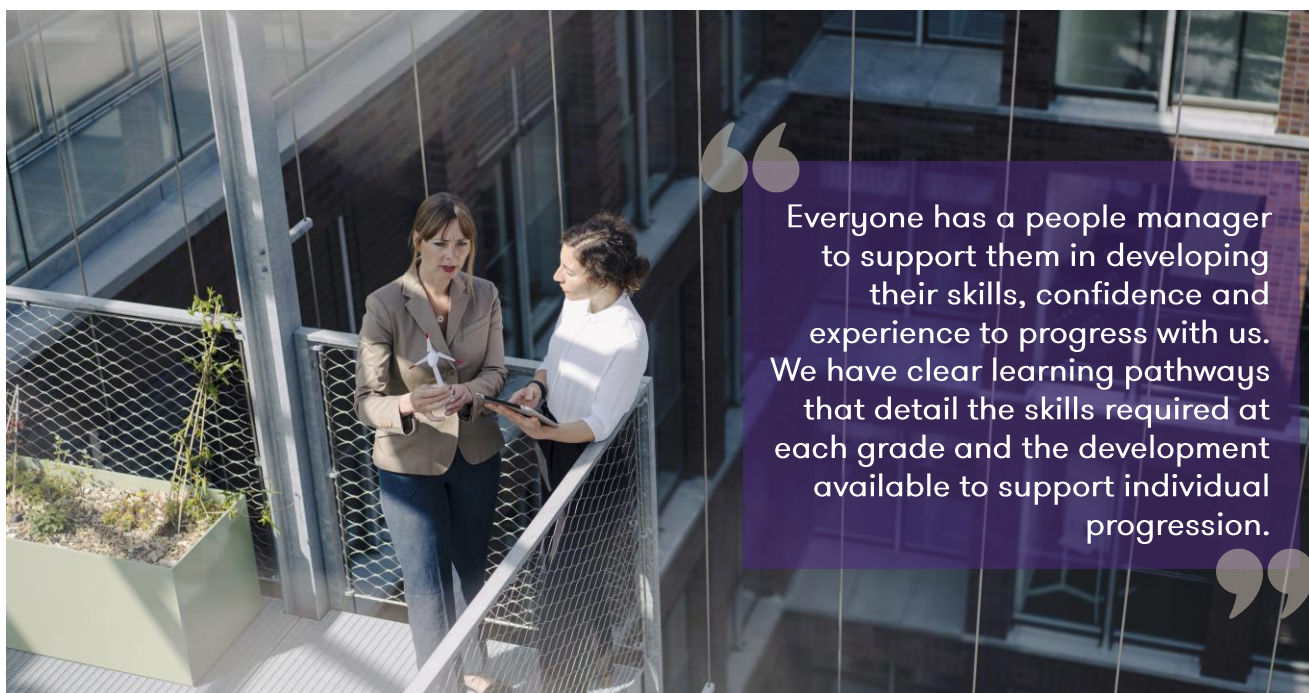
- **Senior Leadership Programme (SLP):** The programme is for CEOs and leaders in senior strategic positions or those who are starting a firmwide leadership role. It is also ideal for those leaders who have been identified as high potential partners who are increasingly playing an important leadership role in Grant Thornton. The SLP provides the opportunity for leaders to have access to thought-provoking new thinking, leadership theory, and strategic frameworks from Harvard Business School.
- **Advanced Leadership Programme (ALP):** The programme is for senior managers, directors and new partners. It is a year long programme that takes place in strategic growth markets around the world providing participants with access to global clients, senior leaders, colleagues and thought leaders. It focuses on expanding their global perspective, deepening their engagement and leadership skills while building a professional network within the global organisation.
- **Emerging Leaders Programme (ELP):** ELP is a foundation programme for high performing managers and senior managers who are recognised as future leaders.

The programme provides participants an opportunity to develop the knowledge, skills and confidence to maximise collaboration and impact across the region. This programme consists of one virtual session plus 3 day in-person, based regionally, to support cross border and cross service line collaboration.

- **Exceptional Coach Programme:** Addressed to all senior managers, including CEOs, with an interest in growing their firm and clients through developing others. This 12-month programme develops leaders' skills in supporting and inspiring others to achieve their potential and results in an international recognised coach accreditation.

Of equal importance are the opportunities provided through global mobility programs for working abroad on short-term or long-term secondments to other member firms. To date, we have supported numerous global assignments in various locations, including the US, Cayman Islands, UK and Ireland.

Finally, our people have the opportunity to work on cross-border projects all over the world. This is instrumental for both their professional and personal development. They experience a meaningful collaboration with the respective teams abroad; as a result, this interaction allows for more involvement in international projects and a global mindset.



Feedback and continuous development

We continued nurturing a feedback culture through our new system “Clear review”. The system allowed us to move to a more continuous performance development approach where performance management processes take place throughout the year. We have chosen “Clear review” as its philosophy is perfectly aligned with our people strategy and what we want to achieve, focusing on ongoing coaching & developmental conversations around creating a supportive, wellness-focused environment where we encourage and recognise accomplishments.

The system allows our people to set short term goals, arrange regular check-ins between managers and their team and gives everyone the ability to leave and receive real-time feedback to everyone in the Firm. In support of everyone’s personal development, our new system, further encourages instant, quality & transparent conversations ensuring that everyone is empowered and able to take ownership over their work, career, and daily experiences. As a result, increasing happiness, engagement, and productivity.

Our team members obtain feedback on their overall performance and contribution, including audit quality such as exhibition of technical knowledge, professional exams, professional conduct, ethics, compliance with quality control policies and procedures.

Sponsorships towards both ACA and ACCA professional qualifications

Grant Thornton Cyprus, as a platinum approved employer for ACCA and an approved training office for ACA, is offering training contracts to successful candidates committed towards a professional qualification. The Firm fully finances both qualifications. At the same time, gaining high standards of knowledge and ability in the workplace is an everyday effort enabling our trainees to receive practical experience as well.

This, will enable everyone to apply the knowledge and techniques they learn while studying for their exams and develop the skills, attitudes and behaviours required for becoming successful professionals and qualified accountants.

The Firm actively supports all Grant Thornton people to gain additional academic or professional qualifications and accreditations inspiring each person to find their talent and create value for themselves and others. Examples include but are not limited to master’s degrees, CFA, ADIT, CISA qualifications etc.

Corporate social responsibility (CSR)

At Grant Thornton, we recognise the contribution that our activities, could have on our people, our clients, our suppliers, the environment and the wider community. Corporate Social Responsibility represents an integral part of our strategy, with significant and conscious efforts being made collectively by all our people, securing that we, through our actions, have a positive impact and demonstrate our responsibility and respect.

Grant Thornton's CLEARR values combined with its holistic approach towards CSR, reinforces what Grant Thornton is striving to achieve as a Firm, along with the attention on quality at the heart of what we do. Strategy is always about making the right choices and success in CSR is no different.

We are committed in actively promoting best practices and making a difference through our involvement in and contribution to various integrated social initiatives, which are in line with our strategic goals as a business.

Our CSR pillars are based on the 17 UN Global Goals for Sustainable Development, through which, as presented below, we explain how people of Grant Thornton embrace, support and enact, in the areas below:



Our people

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



Global Goals for Sustainable Development

Our contribution

3 GOOD HEALTH AND WELL-BEING



Our focus and top priority are to ensure healthy lives and promote well-being (physical, mental, social, and emotional health) for all our people. Considering the challenges, the impact and the disruption on all aspects of our lives, resulting from the pandemic as well as from other social, economic and political adversities, it has never been clearer to us that our main concern remains the health and safety of all our people and their families. During the year, we engaged in more proactive measures and new ways of working to ensure the protection and well-being of everyone. At the same time, we remain close to all our people, confirming immediate availability and support and elevate our “care and connection” message through a plethora of specialized programs and other initiatives.

At the same time, we focus in promoting the importance of maintaining a healthy lifestyle and well-being by organizing awareness sessions.

4 QUALITY EDUCATION



We are an equal opportunity employer, and we are committed to the best sourcing methods to attract candidates, with different experiences and backgrounds, in support of our “Equality, Diversity and Inclusion” strategic priority. At the same time, we make sure our applicants are taking part in a fair recruitment process based on skills and experience, not personal characteristics, ensuring a distinctive candidate experience through our processes.

Every year we offer opportunities for fully sponsored training schemes that will enable people to earn the qualification of their choice while building new skills and knowledge. As a result, they can pursue a career that will enable them to fulfil their ambitions and live a happy life.

Through our “Learning & Development” strategy and related practices we ensure an inclusive and equitable professional and personal development for all our people, while promoting life-long learning opportunities for everyone through fully sponsored internal and external learning opportunities, programs, certifications, and more.

5 GENDER EQUALITY



At Grant Thornton, we celebrate diversity and we do not discriminate based upon race, colour, religion, gender identity, national origin, sexual orientation, age, hierarchy level or any other characteristic. Gender equality specifically is a necessary foundation for a sustainable business and future. We are committed to empower everyone to reach their full potential and we do so through the promotion of policies, processes and programs that advance gender equality.

Our Diversity, Equity and Inclusion team leads year around initiatives for the education of all our people and for inspiring inclusive behaviours. To accelerate progress, we are consciously generating statistics since data enables us to monitor our actions and their impact, taking corrective bold decisions where needed.

8 DECENT WORK AND ECONOMIC GROWTH



We are committed to go beyond for our people to keep enhancing our EVP (Employee Value Proposition) going over and above of what the law requires, to deliver a distinctive Grant Thornton people experience and a secure working environment for everyone.

We actively empower our culture of collaboration where everyone feels inclusive, respected, and appreciated. We strongly believe that views and ideas shared by everyone, result in broaden perspectives and greater success. Therefore, we invest in leadership, where everyone is valued for their contribution and involvement. We continuously support our people in fulfilling their aspirations, ensuring the provision of high-quality learning, continuous development, of resources, innovative solutions and the best possible preparation for the future. We collectively assume the responsibility in establishing and maintaining the required policies and procedures, which comply with international standards of conduct and related laws and regulations for Human Rights.

Our health and safety committee members act as employee safety advocates ensuring a healthy and safe working conditions. At the same time, promoting a healthy work-life integration for everyone, supported through various initiatives and arrangements.

We run compensation reviews to ensure decisions taken reflect a fair and equal treatment for all colleagues in combination with the ‘one rank, one pay’ policy; that is we offer equal remuneration for colleagues at the same level, based on contribution and performance.

Our clients



Global Goals for Sustainable Development	Our contribution
	<p>For us, the development of practices that promote transparency and the consistent commitment focused on eliminating corruption, are a significant part of our strategy and successfully implemented in all our actions.</p> <p>We have strict policies and procedures in place, and we are closely monitoring internal compliance; these are outlined below and are presented in detail within this report.</p> <ul style="list-style-type: none"> o Code of Conduct o Code of Ethics o Whistleblowing policy o Quality Management Manual (QMM) o Other internal policies which form part of our People Handbook <p>We consider it our ongoing obligation to apply effective risk management, to comply with the principles of sound corporate governance as well as to operate in accordance with international best practices and with transparency in all our activities.</p> <p>Every year, we organise various training programs for awareness purposes and updating our people on changes in the relevant laws and regulations (e.g. ethics, anti-money laundering, etc.). We have various committees, represented by all levels within our organisation, so that our people are aware of business operations and are actively involved in decision making. Our partners also facilitate meetings as well as participate in discussions – both internally and externally – focused on the enhancement of transparency and systematic fighting of corruption.</p> <p>One of our main service offerings is the “Risk and Compliance” which is headed by our head of ethics; the purpose is to pass on the knowledge and best practices to our clients.</p> <p>We value our relationship with our clients and business partners, and we conduct unbiased and ethical business, focused on quality. In addition, there are processes in place, for everyone to apply prior entering into agreements with our clients and business partners, to ensure compliance with our policies and procedures.</p> <p>Since 2019, Grant Thornton Cyprus is a member of the Business Integrity Forum (BIF), established in Cyprus by the Cyprus Integrity Forum (CIF). Our membership in the Business Integrity Forum is a significant milestone for us, as it recognises our efforts and demonstrates our appreciation for all the actions and initiatives of BIF, aimed at encouraging Cypriot businesses to contribute to the efforts in diminishing corruption, enhancing accountability and transparency. The Business Integrity Forum (BIF) members publicly demonstrate support for the mission and values of CIF and are openly committed to high anti-corruption and ethical standards in business practices.</p>
	<p>Our efforts are being focused in collaborating with networks, organisations, institutions and business associations in order to contribute to the actions made for the achievement of the goals for sustainable development. Sharing expertise, best practices based on our experience, as well as by exchanging views, knowledge and perspectives are a few means through which we contribute in achieving the targets. Our goal is to engage in impactful and constructive collaborations in order to shape a better, more sustainable tomorrow, for everyone.</p> <p>In particular, our senior people – partners and senior managers – are actively participating in committees through which they are engaged in relevant discussions, and they influence decisions making. We also take advantage for every opportunity for our people to have their “voice” made available directly to the public by participating in panel discussions, participating in conferences and forums as speakers, conducting interviews, writing opinion articles in business magazines and many other actions by which we can positively influence public mindset and therefore enhance the success of the Sustainable Development Goals.</p> <p>In addition, as a member firm of Grant Thornton International (GTIL) network we have the opportunity to form collaborations and partnerships with member firms located in other countries; through these, we are successful work together on solutions to modern problems. It is a great chance for sharing resources, technology, know-how and good practices and therefore effectively supporting our clients' strategic plans as well as promoting the achievement of the goals for sustainable development in multiple countries.</p>

Our community and environment



Global Goals for Sustainable Development	Our contribution
	Every year we focus on helping battle hunger amongst less privileged people, by focusing on relevant charitable contributions (please see the following page for details). In 2022, we allocated the cost that was budgeted for buying Christmas gifts for our clients and associates, to purchasing supermarket coupons and donating them to families in need.
	<p>Every year, we offer the opportunity to more than a hundred students, school leavers, newly graduates and experienced people from all fields of study and backgrounds to join one of our internships, graduate training programs and / or pursue one of our experienced positions.</p> <p>We sponsor a number of University awards and University societies. Our people attend classes for participating in lectures and/or presentations; this is a great opportunity for transferring knowledge as well as for awareness on emerging issues. In addition, we support various University career and student events, including but not limited to business games, presentations and internships.</p> <p>Our people founded the Grant Thornton (Cyprus) Foundation, with the aim to help underprivileged persons pursue their educational dream.</p>
	Our policies, procedures and actions are focused in ensuring that we all operate and act responsibly, not only whilst at our offices, but our homes as well. Our offices provide proper waste sorting and management, supporting the principles of circular economy. We recycle paper, plastic, batteries, glass, and from time to time we organise the collection of electronic devices which are then sent for recycling. In 2022, we organised and delivered informative sessions in our offices for all our people, on waste management, composting and cooking for healthy lifestyle and reduced zero waste.
	We are sensitive about climate change, and we ensure that our people are aware about environmental protection and the effects of climate change. We have been certified with ISO 14001:2015, that specifies the requirements for an environmental management system. In 2022 we have aimed to reduce our environmental footprint by consciously monitoring our consumables consumption (e.g. toner, printing paper, straws, paper rolls, plastic bags, etc). We have also organized various internal workshops for our people in order to raise awareness for environmental issues and we are continuously introducing internal initiatives in order to improve our environmental performance. During 2022 we organized with WEEE a collection of electrical appliances and similar items for recycling from our offices.



We have established the Sustainability team, joining representatives of all the departments. The Committee will ensure the optimal implementation of the aforementioned, as well as the potential to undertake further ongoing improvement actions. Among other things, the Committee's main objective is to develop Grant Thornton's new ESG Strategy



Charitable contributions

Throughout the year, we have raised money, contributed time, resources and became actively involved in numerous good causes. In 2022, we supported the below charitable organisations:

- Cyprus Association of Cancer Patients and Friends “PASYKAF”
- “Sophia for Children”
- “Hope for Children”
- Pancyprian Association of Rare Genetic Diseases “Unique Smiles”
- “Make-A-Wish”
- “Babies with Love” (UK registered NGO)
- Cyprus Red Cross
- Association for Heart-Diseased Patients.

During Christmas, instead of sending gifts to our clients and associates, we partnered up with the Pancyprian Volunteerism Coordinative Council and supported twenty families in need with supermarket vouchers.

Collaboration with Reaction-SupportCY

Acknowledging the valuable work of the NGO “Reaction-SupportCY” in times of crisis and disaster, we donated a significant amount towards the purchase of equipment for its volunteers.

Grant Thornton (Cyprus) Foundation

Volunteers from our Firm formed a team and founded the Grant Thornton (Cyprus) Foundation. The aim of our Foundation is to help at least one underprivileged person pursue his or her educational dream. In order to raise money for this cause, we organise internal and external events.

Growing Together in the community

Founded on our six guiding principles, Growing Together in the community is Grant Thornton's commitment to community engagement. It advocates the impact each person can make by being passionately involved in their community. Every year, Grant Thornton hosts a global event called 'Growing Together in the community'. Grant Thornton Cyprus participates in GTIL's global CSR initiative, which takes place in September and encourages people to take part in a community-based project.

In 2022, we partnered with the non-for profit organisation “Hope for Children” in an effort to support their cause to offer a warm home to unaccompanied children. Our people volunteered for two days at the shelters in Nicosia and Limassol, where they undertook a number of chores such as painting, gardening and cleaning.



Mentoring sessions

Since early 2018, mentoring sessions open to our people are offered by our CEO, Stavros Ioannou.

These mentoring gatherings are designed for the development and well-being of the mentees as individuals, and not just as employees.

The discussions are being mainly focused on the following:

- sharing of thoughts and experiences
- discussions around articles focusing on topics such as emotional intelligence, authenticity, the importance of being grounded, etc.
- expressing concerns and possible ways to overcome them
- sharing of ideas.

Diversity, Inclusion and Equality

Diversity, inclusion and equality are at the top of our strategic agenda. We have reviewed our policies for ensuring these are unbiased of gender and that these promote a culture where there is no discrimination in terms of gender, professional / academic background, religion, ethnicity or age.

A very important strategic initiative to promote diversity, inclusion, and equality is our collaboration with the “Equality Allies at work” programme, led by the University of Cyprus, where many of our people received the certification.

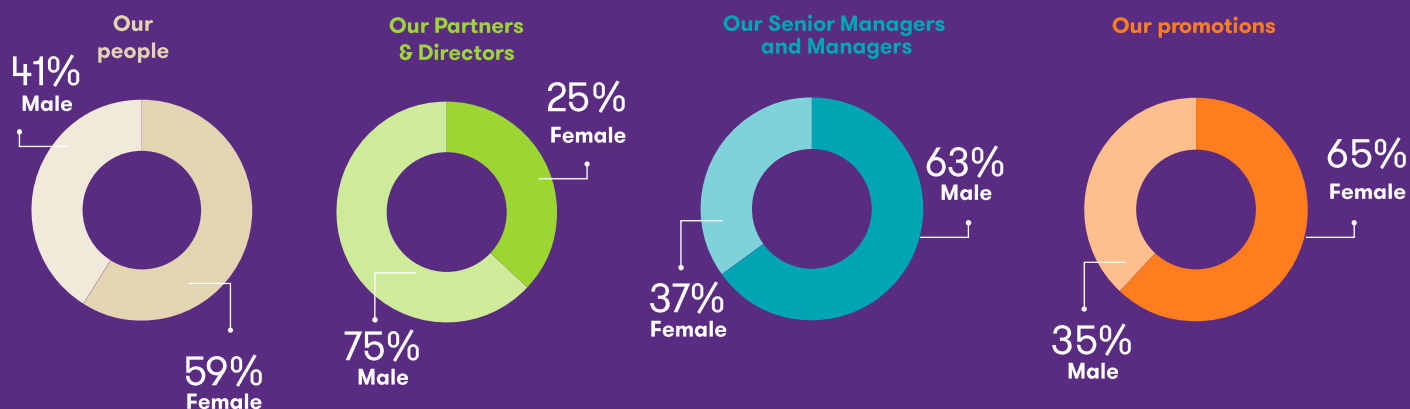


Wellness initiatives

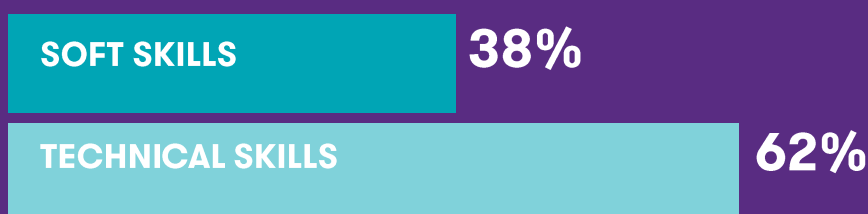
- Fruit Mondays
- Seminars focused on soft skills, work life balance and health awareness.
- Sponsorship of “Mental Health at Work” event by Life Changing Ideas
- Team bonding activities (i.e., hiking, marathons, pizza afternoons)
- Blood Donation
- Yoga and Mobility sessions
- Employee Appreciation Day: Wellbeing Day off
- Mentoring Sessions with our CEO
- “We never miss a public holiday” scheme.
- “Be there for our family paid leave” scheme.
- “Flexible Working Arrangements” scheme
- “Dress for your Diary” scheme
- We offer the maximum allowed by legislation paid maternity and paternity leave – this also applies for our parental allowance.

People

Statistics



Our trainings



Our people have participated in **45 hours** trainings for ethics and quality related matters:



Quality Management

**ANTI MONEY
LAUNDERING**

AUDIT
METHODOLOGY



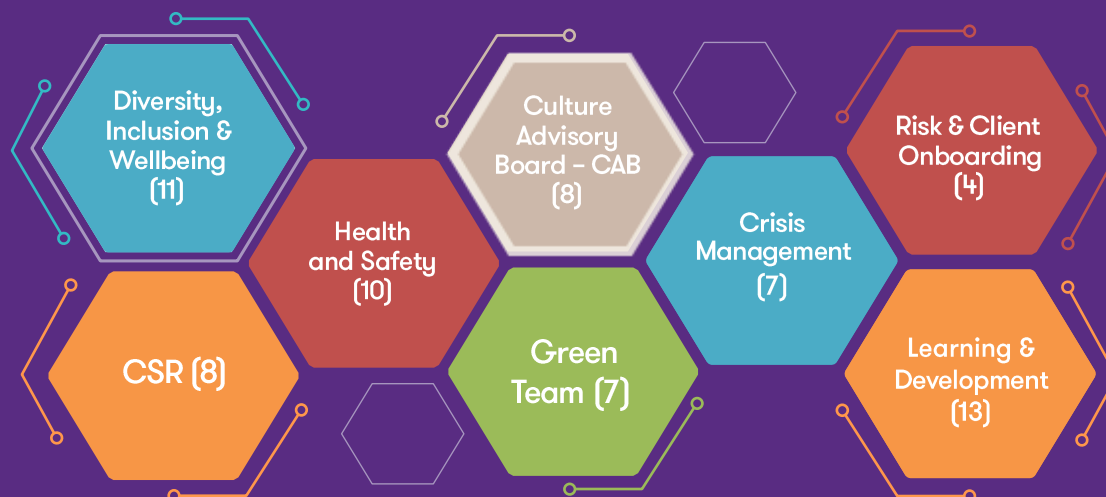
Ethics and Independence

CONFLICT CHECKS

Code of Conduct



We have a total of **8 internal committees** with **68 active members**



Clients

Engagements with other member firms



ICPAC committee participations

CSR Committee Insolvency Committee

TAX PLANNING AND POLICY COMMITTEE

AML and Compliance Committee

International Business and Foreign Investments Committee

Audit and Assurance Committee

ESG and Sustainability Committee

VAT COMMITTEE

We are proud members of the Business Integrity Forum



Our CEO is a member of the Board of Directors of ICPAC

Community and environment

Proud holders of ISO14001



- Internal workshops for awareness and education
- Firmwide WEEE collection campaign
- Internal initiatives for improving our environmental performance
- Our people proudly introduced the Grant Thornton (Cyprus) Foundation



- Financial and in-kind contributions to various non-for-profit organisations
- Global event "Growing Together in the Community"
- Mentoring sessions to people internally and externally
- Wellness initiatives
- Active collaboration with local universities and schools



Financial information

The European Communities Regulations requires disclosure of financial information including audit, non-audit, tax advisory services and other services. The following information has been extracted from Grant Thornton Cyprus annual accounts and financial records for the period ending 31 December 2022.

Revenues 2022

The financial information given is based on unaudited figures for current year:

Service line	2022 total revenue €' 000	2021 total revenue €' 000
Assurance	3.875	3.828
Tax	1.201	1.169
Advisory	2.859	2.956
Outsourcing	948	770
Total revenue	8.893	8.723

Assurance services revenue includes fees for statutory audit, audit work for group engagements and other assurance work.

Tax services revenue includes fees from providing business and personal tax advice, VAT services, customs duty, international tax, relevant contract tax and revenue audits and investigations.

Advisory and other services revenue includes fees from consulting, advisory, valuation, insolvency, restructuring, transaction support, forensics and investigation services, financial counselling, security programme strategy and planning, security governance and security awareness.

Outsourcing services revenue include fees from assisting international clients in setting up and administering companies within tax efficient structures so as to take full advantage of the beneficial Cyprus tax environment, providing payroll, bookkeeping, accounting and other support services to local companies looking to outsource part or all of their administration/back-office functions and corporate compliance services,

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.

Going concern

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

Analysis of turnover, per service

Services	2022 revenue €' 000
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*	408
Revenues from statutory audit of annual and consolidated financial statements of other entities	3.467
Revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit Firm**	1,551
Revenues from non-audit services to other entities	3.467

* If an entity met the definition of an EU PIE (or subsidiary of) as at 31 December 2022, we have included related revenues in this category.

** Non-audit services to audit clients are only provided where permitted by GTIL and Grant Thornton Cyprus policies and applicable laws and regulations.

Partner remuneration

Partners receive a base salary per year. Additionally, partners receive dividends according to their share interest in the Firm.

Public Interest Entities (PIEs)

The list of public interest entity audit clients for which Grant Thornton (Cyprus) Limited has signed an audit opinion in the year ended 31 December 2022 is given below.

The definition of a public interest entity for this purpose is that given under Directive 2006/43/EC, as amended by Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014, being: 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

- a. credit institutions as defined in point 1 of Article 3(1) of Directive 2013/36/EU of the European Parliament and of the Council, other than those referred to in Article 2 of that Directive
- b. insurance undertakings within the meaning of Article 2(1) of Directive 91/674/EEC
- c. entities designated by Member States as public interest entities, for instance undertakings that are of significant public relevance because of the nature of their business, their size or the number of their employees.

Public interest entity audit clients

- Rolandos Enterprises Public Ltd
- Interfund Investment Plc
- Karyes Investment Public Company Ltd
- Demetra Holdings Plc

In addition, a list of our audit clients which are traded on unregulated markets including AIM

- Livermore Investments Group Limited
- Reconstruction Capital II Limited.



Appendices

Appendix 1: 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
1	A description of the legal structure and ownership	7-8
2	Where the subject belong to a network, a description of the network and the legal and structural arrangements of the network	12-14
3	A description of the governance structure of the subject	9-11
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	20-21
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)	22
6	A list of Public Interest Entities (PIEs) for which the subject has carried out statutory audits during the preceding financial year	47
7	A statement concerning the subject's independence practices which also confirms that an internal review of independence compliance has been conducted	26
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.	36-38
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	46
10	Information concerning the basis for the remuneration of the principals or partners	46
11	A description of the statutory auditor's or the audit firm's policy concerning the rotation of key audit partners and employees	30
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 entityii. revenues from the statutory non-audit of annual and consolidated financial statements of other entitiesiii. revenues from the permitted non-audit services to entities that are audited by the statutory auditor or the audit firmiv. revenues from non-audit services to other entities.	46



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