



Mazars

Réviseurs d'entreprises/Bedrijfsrevisoren

Transparency report
2021/2022

mazars



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Foreword by Philippe Gossart, Mazars Réviseurs d'entreprises – Bedrijfsrevisoren, Chairman

Positive evolution of Mazars in Belgium

This transparency report covers the period ended 31 August 2022 and is prepared in application of article 23, §1 of the Law of 7 December 2016 organizing the profession and the public oversight of auditors.

Mazars Belgium had an excellent performance in 2021-2022 thanks to a steady growth in all segments of its activities. Mazars Réviseurs d'Entreprises / Bedrijfsrevisoren has pursued its evolution as well in the development of its activities as in the reinforcement of its structure of organization with the progressive implementation of the new ISQM1 standard.

Our activities were driven by a strong demand and our professionals have resolutely adapted to the situation and were able to continue to provide high level quality services to our clients. We have invested heavily in digital developments and solutions to increase the efficiency of our processes and our service offering. We also continue to further develop our risk management and quality control processes and implement best practices in terms of quality and compliance to meet professional, legal and regulatory frameworks, and expectations.



Philippe Gossart
Mazars Réviseurs d'entreprises /
Bedrijfsrevisoren
Chair of the Board of Directors
Quality & Risk Officer



Mazars at a glance

Global coverage

90+*

Countries & territories

300+*

Offices

47,000+*

Professionals

* 30000+ professionals in Mazars' integrated partnership, 17,000+ via Mazars North America Alliance

1,000+*

Mazars SC partners

Group global turnover
2020-2021

2.45**

bn euro

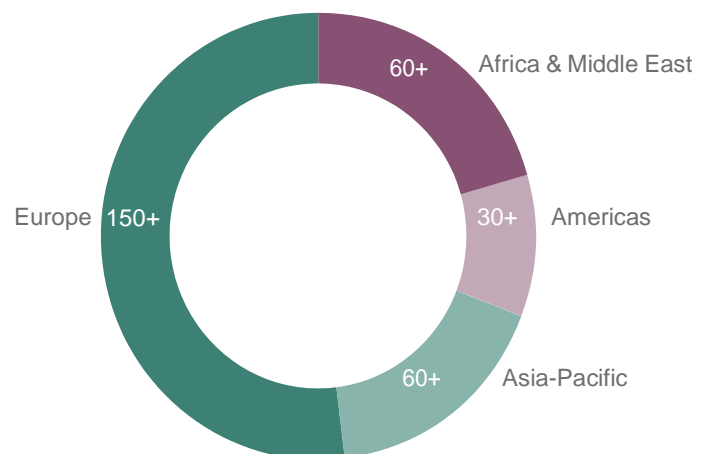
** includes data for the ZhongShen ZhongHuan and ZhongShen Yatai practices.

These figures are valid as of 31 August 2022. For current up-to-date information, please visit: www.mazars.com/keydata

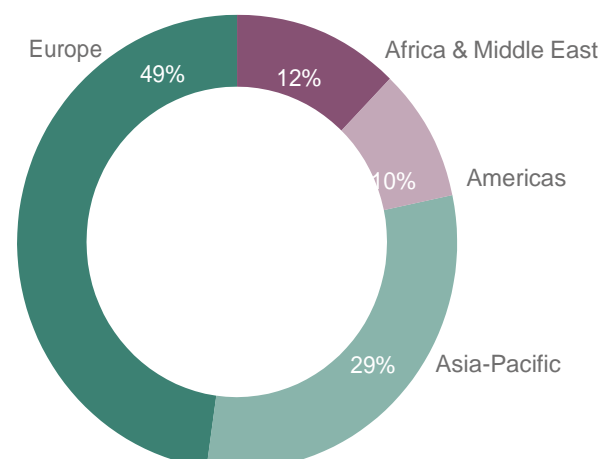
Mazars SC (hereafter 'Mazars Group', 'the Group') is an international, integrated and independent organisation, specialising in audit, advisory, accountancy, tax and legal services.

On all six continents, our global partnership brings together over 30,000 international experts, plus another more than 17,000 through the Mazars North American Alliance. They all share the same vision, the same entrepreneurial and collaborative mindset, and the same determination to create shared value for all our stakeholders: our staff, our clients, the business community and society as a whole.

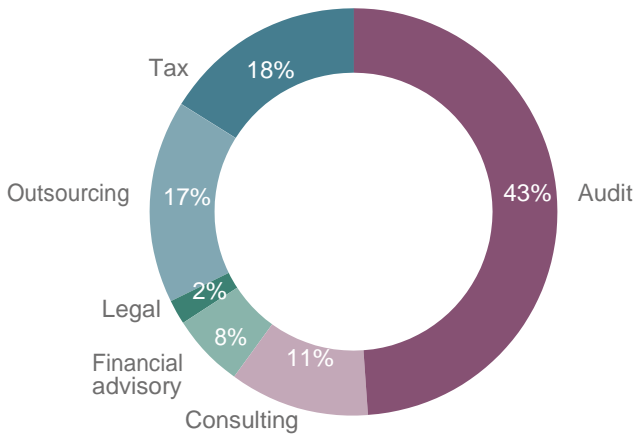
Offices split by region**



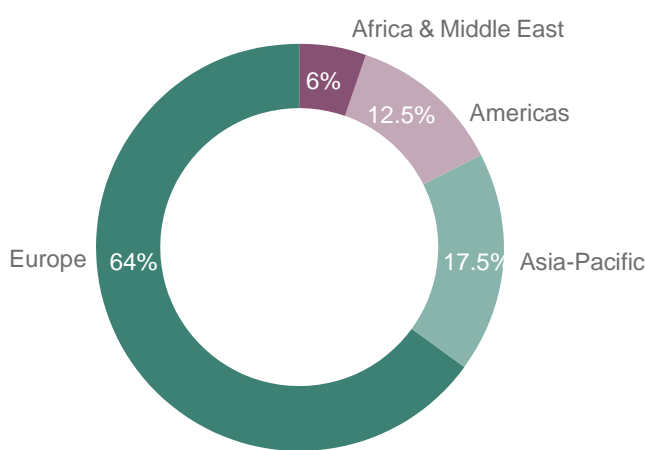
Professionals split by region**



Turnover by Service lines (%)**



Turnover by regions (%)**



Our history in key milestones

Start-up in France

1945

Growth in Europe

€100m turnover

1995

1,000 professionals
Creation of the international partnership

€500m turnover
37 countries

2005

5,300 professionals
Growth in Europe and in America

€2.45bn turnover
90+ countries and territories

2022

47,000+ professionals
(30,000+ professionals in Mazars' integrated partnership, 17,000 via Mazars North America Alliance)
Presence on all continents

Mazars Réviseurs d'Entreprises/Bedrijfsrevisoren

Information on turnover (31/08/2022)

Revenues from the statutory audit of annual and consolidated financial statements of public-interest entities	2,2 MEUR
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 :	8,1 MEUR
Revenues from the statutory audit of annual and consolidated financial statements of other entities	7.0 MEUR
Revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm;	0,1 MEUR
Revenues from non-audit services to other entities :	2,0 MEUR
	17,2 MEUR



Statement by Jean-Luc Barlet, Quality Management & Compliance Leader

Mazars audits 2,700 Public Interest Entities worldwide, 1,300 headquartered in Europe, 960 being listed on a regulated market, including 480 listed in Europe. Mazars is ranked 5th in the European audit market for large listed European companies.

In a world that is seemingly not changing for the better, and with increased levels of uncertainty on the horizon, robust and reliable risk management and internal control systems and processes are more than ever of the essence. At Mazars, we have long made the ongoing reinforcement of our quality assurance and management of material risks top priorities.

As this Transparency Report goes out, ISQM1 has come into force. For over a year now, we have taken these new requirements as opportunities to further strengthen the backbone of our internal control processes and tools and develop our quality teams at Group level and in all the countries of our global partnership.

We have both reinforced our existing tools and worked on new ones, with the objective of ensuring consistency throughout our firm. Our central teams have assisted and helped all countries in implementing homogeneous state-of-the-art quality and risk management systems.

We are continuously improving our KYC – “Know Your Client”- procedures, with the upcoming addition of a new tool that will complete WeCheck, our group-wide one-stop-shop for global independence. All countries within our partnership can log on to WeCheck, and 78 of them, representing 97% of our turnover, regularly upload and refresh their client data into WeCheck’s management systems. XX of our independence checks can now be performed in less than two days.

All in all, our risk management structure and policies have demonstrated their reliability and effectiveness. We did not have to face any serious dispute or litigations in the last twelve months, and we are confident ISQM1 will only make our tools and procedures even stronger.

Ushering in a new generation

Our robustness, the relevance and resilience of our integrated model, the right balance between our audit and advisory activities, our talent and our dedication to quality have once again been the key drivers to our excellent 2021-22 performance. Mazars achieved again a double-digit growth, and continued to expand within the PIE sector. We have increased the number of listed companies we serve, and now audit 2,700 of them, of which 1,300 are headquartered in Europe and 960 listed on a regulated market. We clearly remain Europe’s 5th auditor for large corporates.

As we enter 2023, Mazars is where it should be: a global player, with very strong assets, promising development perspectives and a new generation of partners ready to take over and lead the partnership into the future.

We have long considered stewardship and the ability to successfully hand over power to upcoming leaders as key components of our DNA and key factors of our ongoing development. Mazars’ international expansion, from its French roots to the tier-one audit and consulting player it has become, has been carried out under the leadership of a generation of partners that will soon pass the baton. I am confident that the new generation is ready to take over and further grow our partnership. There will be no shortage of challenges and opportunities, stemming from both new regulations – such as the CSRD- and new macro-economic and societal evolutions. But our future leaders have been well prepared: they are true to our founding values, and they have the talent, the expertise, and the will to write an exciting new page in the history of Mazars.



Jean-Luc Barlet
Group Chief Compliance Officer

Statement by Jo Connolly, Group Chief Quality & Compliance Officer

We are fully committed to maintaining, managing, and continuously improving quality. Central to this are the activities we have underway under the leadership of the Group Q&RM to design, implement and operate the new International Standard on Quality Management 1 (ISQM1) – creating our new Mazars Global system of quality management (SoQM).

What ISQM1 requires

The International Standard on Quality Management 1 (ISQM 1) will replace the current International Standard on Quality Control 1 (ISQC 1) and includes significant changes to the way professional accounting firms manage quality.

ISQM1 requires firms to establish a robust System of Quality Management (SoQM) across eight specified components with the introduction of a proactive, risk-based approach to managing quality and monitoring requirements.

Quality objectives are very clearly established within ISQM1 and through application of the risk assessment process focus is on understanding, and mitigating risks to achieving these quality objectives.

ISQM1 also requires evaluation of the effectiveness of the SoQM, to identify deficiencies that demand remediation and to provide the basis for evaluating the overall effectiveness of the SoQM.

Our approach to the implementation of ISQM1

Mazars has determined 10 components to our SoQM framework as set out below. Within each we identify the related process, risks, and relevant responses (controls).

- 1 Governance & leadership - our culture, structures, and tone the top and leadership accountabilities,
- 2 People – recruitment, development and rewarding our talent,
- 3 Clients – accepting and continuing to work with client that align with our values and strategic ambitions.
- 4 Independence and ethics – compliance with relevant standards
- 5 Technology resources – maintenance and development of IT platforms and tools
- 6 Intellectual resources – maintenance and development of guides, methodologies, and policy manuals
- 7 Engagement performance – our approach to supervision, review and direction on the job and enablement through the use of engagement workflow tools.
- 8 Information & communication -
- 9 Monitoring & remediation

- 10 Risk assessment process - evaluation of risk to achieving quality objectives as well as the identification of controls and responses that address those risks.

Each Mazars partnership entity is ultimately responsible for the design, implementation, and operation of their local SoQM. However, embracing our strategic ambition to drive global consistency, a Group Q&RM led team, with support from country and regional representatives, has developed and supported the implementation of the Mazars Global SoQM framework aligned to ISQM1. Our Global SoQM framework is designed to promote consistent engagement quality and operating effectiveness. It includes a global risk assessment process with tools, guidance, and training, for use in all countries, as well as a set of global baseline minimum controls and responses, to which each Mazars firm may add to reflect their own nature, circumstances, and complexities. Utilising the SoQM framework and risk assessment approach all Mazars firms are building on responses already in place under the ISQC 1 framework.

What will change for Mazars?

Continuous improvement of quality requires us to challenge and be open to change. The change brought about by the standard also creates opportunity – and we have certainly viewed it through that lens.

We have taken the opportunity to refine processes, update policies, refresh our control design and better articulate accountabilities to our leaders and our people. Some examples include:

- We continue to drive consistency across the globe – for example we recently updated our global policies and procedures within the risk and quality assurance manuals to be reflective of the changes brought about through our ISQM1 project.
- We continue to develop and define quality indicators aligned to the new SoQM including to clearly articulate accountabilities for quality – example of this include the Partner Quality & Risk Report.
- Our IT strategy continues to evolve - we have designed a Global IT ISQM1 tool to facilitate the risk assessment process and the testing and evaluation of each firms SoQM.
- Driving and maturing the approach to continuous improvement we are enhancing the design of the global monitoring programs to factor in ISQM1 to take effect for the year ended 31 August 2023.

An effective SoQM is foundational to achieving consistent engagement quality. The identification and enhancement of processes, quality improvement initiatives and related controls will take us to the next phase in our continuous improvement journey.

Inspiring stakeholder confidence in audit quality

Our culture and global talent policy

You join Mazars to learn. Education is the backbone of Mazars' talent and leadership development strategy, fundamentally embedded within our culture. In a knowledge-intensive industry, we very much rely on the quality of our people. Learning and development at all stages of the professional journey is what is expected from a responsible, modern firm. This is what we owe to our people, clients, stakeholders, and society as a whole.

Making Mazars a school of excellence

We are convinced the evolution of our profession as well as the aspirations of our people are compelling us to shift from a knowledge-intensive to an education-driven model. Over the past few years, we have undertaken group-wide efforts and implemented tangible measures to turn Mazars into a school of excellence that provides learning and development opportunities to all our staff, from young graduates to the most senior team members.

Today, our Mazars University – founded in 2008 and CLIP-accredited in 2015 and 2020 – offers access to 21 international leadership and development programmes, from our flagship the Next MBA, to our women leadership seminar, to our business development accelerator or our very own development and assessment centre LEAD.

Through Mazars University, our people can also benefit from a global partnership with LinkedIn learning, making e-learning on the go simple, as well as multiple innovation events, hackathons, and digital learning challenges to contribute to our firm's transformation.

We see our investment in leadership, education and culture as a message sent to all our stakeholders. It is proof of value in a knowledge-based industry. Looking beyond, it can even become a business in itself for Mazars.

In the coming months, we will reinforce our focus on digital and Web 3.0. Thanks to the work of our learning architects, our worldwide learning platform, U Learn, will become a fully-fledged app which will soon provide professionals from all our 7 Service Lines with state-of-the-art training programmes built around 5 key dimensions:

- Technical skills
- Our corporate culture (including our Code of Conduct)
- Soft skills
- Personal development
- Digital expertise (Web 3.0 culture, metaverse, blockchain, AI...)

Another major area of increased focus is the development of Mazars' future generation of leaders, who will usher our partnership into the next decade. At both Group, regional and country levels, 70 of our most promising partners are being assessed and trained in cooperation with Korn Ferry and through specifically designed curricula in Mazars' the Next MBA.

The Next MBA

The Next MBA is an executive programme focused on cutting-edge business topics ranging from client-centric marketing to digital disruption, talent management and sustainable strategy. It is open to both Mazars partners and participants from other organisations. Most of the international leaders that today sit on Mazars' GEB are alumni of the Next MBA.

Inspiring stakeholder confidence in audit quality

Our culture and global talent policy

The EMBA programme - Building the Mazars next united community of leaders

As part of our global ambition to prepare our next generation of leaders at Mazars, an internal executive MBA programme has been designed. This 2-years programme combines 5 on-site chapters on different continents, a virtual peer-coaching and a Metaverse experience. Topics are delivered in highly interactive format, including exchanges with regional senior execs, start-ups & Thought leaders. The faculty is comprised from a multicultural and strong academic track records professors just as Tammy Erickson, Tawfik Jelassi and Moran Cerf.

The programme addresses the following themes: The culture of Partnership, Strategy, Client Centricity & Quality of Service, Quality & Risk Management, Technology & Business Transformation and Executive Engagement.

The first chapter took place in September 2022 (in Berlin and Milan) with 65 participants from 31 countries.

Mazars is a proud partner of external international paramount events: One Young World

An external exposure of our future leaders plays a critical role in our global talent development strategy. Thereby, in 2021 we partnered with One Young World (OYW), the world's biggest and most impactful youth leadership summit connecting young leaders. Two cohorts of Mazars' brightest talents have been sent to this annual event where they have had the opportunity to debate and devise innovative solutions to the world's most pressing issues. In addition, our Mazarians have been counselled by influential business, political, and humanitarian leaders. This year's edition took place in Manchester, UK (5-8 September) with the attendance of a Mazars delegation of 2 representatives: Harriet Walker and Danny Janssen.

Further developing a coaching and learning culture

With the appointment of a C-Suite executive as Chief Leadership, Education & Culture Officer, Mazars is unequivocally showing its commitment to making learning a key cultural lever for the sustainable growth of its international partnership. It especially answers the need to adapt to the expectations of and offer the best workplace experience to the firm's younger talent, while nurturing and preparing its millennial to become the coaches sought after by Gen Z.

The group wide ReCoach programme has been designed as a very hands-on way to respond to the three major challenges of sustaining the learning culture throughout the firm, developing and instilling the coaching and feedback culture expected by our young professionals, and building an online programme that would be immediately adopted and supported throughout our 90+ countries in a time of high disruption.

ReCoach was launched In May 2020, as the cornerstone of its newly revamped Partner Development Review (PDR), and as a way to leverage the roles of its senior leaders as early adopters and change agents within its partnership to instigate a cultural (r)evolution and diffuse a coaching culture throughout the organisation. The PDR, which is mandatory, is the occasion for each partner to reflect on their own development and contribution to the wider partnership. It is a valuable exercise allowing partners to explore their preferences, their achievements and the areas they would like to develop further. The ReCoach, is a new role in which the apparently conflicting roles of "reviewer" and "coach" are fused into one. These carefully selected partners are trained to accompany and advise Mazars' leaders in their development over a continuous four-year period. With the resounding satisfaction of both partners and ReCoaches throughout the partnership, the virtuous cycle of coaching has started to trickle down within the organisation.

85% of our partners have now embarked on their four-year development plan, and one quarter have already been trained as ReCoaches. 65% of those who have not yet been trained would actually like to start the journey.

Re-Coach has now been cascaded down and extended to our short-list of future partners – 82 professionals in 31 countries-. It has become an integral part our the 6-month LEAD programme aimed at training the men and women who will be appointed as partners within 2 years.

The ReCoach programme was rewarded in the leadership and talent management category by #USpring at its annual L&D event in Paris. It was also recognised as an outstanding L&D initiative by EFMD Global in its 2021 Excellence in Practice Awards. Drawing on Mazars' rich culture, history and DNA in order to better answer the challenges of today and tomorrow and build a truly modern firm was also the objective of the Mazars partnership academy launched and deployed in France between 2019 and 2021.

As the Group entered a new phase in its long-term development, with the increasingly demanding challenges of diversity, accountability, digital transformation and talent scarcity, all French Carl partners were asked to reflect on the Mazars model and their role and contribution in revealing talent, recognising performance, delivering quality, managing communication, and representing Mazars, to help build the 2020-2024 strategic plan for Mazars in France.

Inspiring stakeholder confidence in audit quality

Our culture and overall talent policy

Mazars University uses the most advanced format in executive education: “Development Centre”

LEAD programme is the Mazars University very own Development Centre which aims to screen and groom future leadership capabilities and help build a personal roadmap to the partnership. The programme is designed as a peer-coaching experience combined with leadership development training.

82 participants from 32 countries are part of the 2022 cohort, which is composed of 7 training modules + 6 peer coaching sessions. This 7-months hybrid programme had its kick-off in Milan, Italy in June and will be end at the beginning of December.

Feedbacks from participants (onsite kick-off)

Max Moujalli, Australia - *“Thank you for putting together an amazing programme, the content was impeccable, the people genuine and the venue was consuming. Partaking on this journey with other future leaders has made the experience all the more valuable and I have left the program encouraged about the future of Mazars. The people I believe that most connected throughout the event walked away knowing more than what service line and country someone came from”*

Henry D'Auzay, France - *“I did not think this could be a turning point in my way of thinking. Focus on others more than on yourself. There will be a before and an after for me personally. Now acts are more important than words but thanks for the lessons in Milan”*

Florie Bourrel-Heleine, USA - *“I was not expecting such a dense and rich curriculum; loved the interactive sessions and felt like we did a lot in a very limited amount of time”*

Managing and developing our talent

We want to expose our talent to the best we can offer. This is especially true where international experience is concerned: we consider this to be a key element in the development of our teams and leaders. Mazars employees wishing to enhance their careers through international experience may choose from a range of strategic mobility opportunities including short-term assignments like the two-to-six-month international projects offered through the MOVE programme, as well as longer-term assignments of three to five years in length and permanent international transfers. These programmes encourage the exchange of ideas between member entities of the Mazars Group.

Reinforcing our Employer Value Proposition

We want to further highlight what makes us unique and different. We sum-up our employer value proposition in one key message – Mazars, the smart choice – and four key supporting messages:

- Mazars is a school of excellence, where people can benefit from life-long development opportunities, focusing on technical, leadership and the skills of tomorrow.
- At Mazars you make friends for life through our distinctive one-team approach which makes Mazars a truly human and international adventure.
- Mazars embraces the future of work by pioneering new ways of working with our people, caring for their psychological safety and development, providing flexibility and modern workspaces, fostering innovation and a true sense of purpose through solidarity, sustainability and serving the public interest.
- Mazars has an entrepreneurial spirit, putting people before processes and encouraging them to innovate, lead and be intrapreneurs.

In 2022, a number of countries have launched local campaigns which highlight our Employer Branding Proposition. Some of the countries that have done so include Germany, Switzerland, The Netherlands, The United Kingdom, South Africa and Australia.

Through global and local initiatives, such as international forums or partnerships with universities, we showcase and demonstrate the reality of our Employee Value Proposition (EVP) to various target audiences. Our efforts to strengthen our EVP and make Mazars a great place to work have been rewarded in 2022 in many countries around the world:

- Mazars in the UK ranked in the top 15 in the top 100 Apprenticeship Employers, which distinguishes the country's top 100 apprenticeship employers across all industries. Mazars UK offered 182 apprenticeships in 2022.
- Mazars in Singapore was a six-time winner at HR Asia's Best Companies to Work.
- In France, Mazars was once again the Happy Trainees label, rated the 4th best company to do an internship at.
- In the United States of America, Mazars was recognised in the 2022 Crain's Best Place to Work in New York City.

Inspiring stakeholder confidence in audit quality

Our culture and overall talent policy

User-friendly digital learning worldwide: Partnership renewal with LinkedIn Learning

With the renewal of the partnership with LinkedIn Learning Mazars University keeps providing our professionals across the globe with unlimited access to state-of-the-art training content.

Banking on innovation

We strongly believe in collective intelligence. We have established 10 tech hubs in different countries, they are seamlessly in touch with each other through the league of hubs. Regular updates, a common repository and personal connections prevent redundancy and allow local teams to share best practices and resources.

Each tech hub has a different specialty, but all of them have a common passion: technology and innovation.

We also rely on a network of innovation ambassadors, which consists of corporate entrepreneurs with diverse backgrounds, experiences, and linguistic skills. They are ready to lead international innovation projects to success. Today there are more than 250 innovation ambassadors in around 60 countries.

In addition, we have created communities working across borders and seniority levels on advanced topics (for example Extended reality, Ideation, Data analytics Trend watching, LCNC etc.)

The priorities of the innovation & technology teams around the world revolve around enhancing our marketplace for innovation. Ensuring the delivery of projects with potential for the group and monitor the international roll-out while developing the infrastructure is one of them. We have a portfolio of projects deployed globally aligned to the business and we are in continuous iteration to deliver new services focused on clients.

Through our programmes we embed technology and innovation in our business transformation: Design Sprint Project in the CEE region

Transform Mazars from a knowledge-intensive to an education-based firm is one of the strategic lines of our roadmap. Within this purpose, the CEE Design Sprint Project was created.

This project is a Learning initiative, made up of a kick-off event + 8 workshops, that aims to develop a culture of Innovation at Mazars, by educating employees to be innovation ambassadors, team players and develop an Innovation culture in CEE. The objective is for staff to learn how to apply and implement innovation methods by practicing on the design thinking process

Our key performance indicators

- Women account for over 54% of our staff, 35% of our Leadership Team and 43% of our Group Governance Council. We have set ourselves the objective of having 25% of women as partners in 2025
- Significant progress has been achieved over the last few years, as 75% of our partnership's largest countries have reported their country action plan (set of measures to boost gender diversity in their partnership and management team), set their targets (according to KPIs defined by the Group), and identified their dedicated gender diversity champions.
- On average, each of our people received 40 hours of training in 2021 - 2022
- 49% of our workforce is under 30 years old. 41% is between 31 and 50 and 10% is over 51.
- 78% countries support flexible working schemes and promote work life balance
- On average there are 7000+ recruitments per year.
- 54% of our workforce are women.

Breakdown of workforce

By gender

54%

Women

35%

Women of our leadership team

43%

Women of our Groupe
Gouvernance Council

20%

20% of women as partners
(objective: 25% in 2025)

By age

49%

Under 30

41%

31 and 50

10%

51 and over

Inspiring stakeholder confidence in audit quality

Our overall system of quality management

Under the joint oversight of the GEB and GGC' risk management committees, our QM&C board is in charge of protecting Mazars' reputation and brand equity, fulfilling our brand promise and ensuring we deliver top-quality services while meeting regulations.

Within the framework of our One24 plan, the Quality Management & Compliance (QM&C) board and its four committees – independence & acceptance committee, quality management committee, methodology committee and quality culture committee – have four main missions:

- further embedding a culture of quality through a dedicated culture programme, quality indicators and road maps;
- managing and monitoring quality, with a focus on ISQM1 implementation of a system of quality management;
- managing compliance-related issues, with a focus on client acceptance procedures, independence, methodology and manuals, the oversight of quality and active management of our risks and their coverage as an organisation; and
- managing change, in governance and reporting, with a view to strengthen the quality team.

The overall mission statement of the QM&C board is as follows:

Quality will be the backbone of all our activities, and we will protect our brand through carefully monitored risk management.

Quality management and risk management are at the core of our One24 strategy.



Inspiring stakeholder confidence in audit quality

Delivering audit quality

Quality is what makes audit relevant. It is what enables it to play its essential role in shaping more transparent and sustainable economies. As we strongly believe in audit as one of the pillars of healthier ecosystems, more resilient business environments and fairer societies, we have made quality the backbone of all we do. Year after year, we are dedicated to improving the audit work we perform and the quality of reporting to those in charge in governance and to shareholders.

We invest time to understand and participate in the evolution of quality within the profession, develop our methodology, review quality recommendations and themes of regulatory inspections and improve the skills and knowledge of our professional staff. We are continually raising our expectations of what audit quality is, as we believe this is something that is constantly evolving.

In 2020, we started to design a consistent implementation for a coherent quality management system in all partnership countries, in accordance with a set of newly released standards (ISQM 1, ISQM 2 and ISA 220). We aim for completion by the end of 2022.

We fully implemented the revised standard ISA 540R auditing accounting estimates and related disclosures on 2020 year-end audits. We've also started to adjust our global methodology to begin implementing the revised standards ISA 315R Identifying and assessing the risks of material misstatement and ISA 600R group audits.

Mazars' Audit Manifesto

We challenge ourselves to make our audit and assurance offerings relevant, bring value to companies and their many stakeholders and have our assignments delivered by experienced, committed and truly independent professionals.

The delivery of audit and assurance continued to be at the heart of Mazars' business as of 31 August 2021 and is a key part of our plans for the future.

Our global audit organisation

Mazars' audit service line is headed by a global audit board in which all the regions and scopes are represented. The global audit board is responsible for setting the vision and mission of the service line and ensuring that all activities, either directly or indirectly, contribute towards it.

Our global audit board is supported by steering committees on high-risk areas such as quality and talent, as well as internal audit reform task forces at European and group levels.

Responsibility for quality

The quality and effectiveness of our audit services is critical to all our stakeholders and is an integral part of our commitment to building trust in society. We believe in accountability and our approach to audit quality is driven by our culture, values and behaviours. We are convinced that the tone at the top is of paramount importance.

The GEB is ultimately responsible for ensuring the delivery of technical excellence across all our service lines within the global business and this responsibility includes oversight of the quality monitoring processes within the Mazars organisation, including in relation to audit quality. In this respect, at the Group level, we dedicate specific resources to building and maintaining high standards of quality, independence, ethics and professional competency, under the supervision of the QM&C board.

Through its quality control committee (QCC), the QM&C board defines the quality monitoring system and procedures required across all service lines and monitors their implementation. The executive of each member entity is therefore responsible for the implementation of the quality monitoring systems. This quality monitoring system applies both to member and correspondent firms.

Inspiring stakeholder confidence in audit quality

Delivering audit quality

Our audit quality assurance framework

The International Federation of Accountants (IFAC) is the global organisation for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies.

Mazars Group is actively involved in IFAC.

Mazars Group is also a member of IFAC's Forum of Firms (FoF), an association of international networks of accounting firms that perform transnational audits. As members of the FoF, we commit to:

- maintain quality control standards in accordance with the International Standard on Quality Control (ISQC1), issued by the International Auditing and Assurance Standards Board (IAASB), in addition to relevant national quality control standards or regulations;
- have policies and methodologies for the conduct of transnational audits that are based, to a practical extent, on the International Standards on Auditing (ISAs) issued by the IAASB;
- code of ethics for professional accountants issued by the International Ethics Standards Board for Accountants (the IESBA Code) and any relevant national code of ethics;
- conduct, to the extent not conflicting national regulations, regular globally coordinated internal quality assurance reviews; and
- submit to the Secretary of the Forum an annual report, in an approved format, indicating that it meets the membership obligations set forth above.

We have been committed to this since 2007 and make an annual declaration confirm our continuing commitment.

In line with our commitments, our quality assurance framework is presented through our quality assurance manual and risk management manual, both of which constitute the benchmark for audit quality control for all entities. This framework covers the following:

- responsibility and leadership;
- independence and objectivity;
- acceptance and continuance of engagements;
- human resources;
- audit methodology and engagement performance; planning and supervision of engagements;
- technical consultation;

audit documentation;

- professional confidentiality and risk management;
- engagement quality monitoring reviews;
- quality monitoring; and
- procedures for dealing with and resolving differences of opinion; complaints, allegations and claims.

Each member entity has put in place the quality assurance manual in its own country and edits it to include country specifics. The policies and procedures in our quality assurance manual are complemented by our global audit methodology. Our audit software has also been developed to allow a structured audit approach in accordance with the most recent auditing standards.

These are updated regularly to include the evolution of international and national standards and following operational suggestions by users.

Our compliance with the quality assurance manual is monitored through internal and external inspections.

Monitoring of audit quality is integral to maintaining and improving quality in our profession. It allows identification of areas for improvement within our policies and procedures, combined with additional training to allow a consistent quality approach to audit work. The executive of each member entity is responsible for the implementation of the quality monitoring systems.

Furthermore, each executive is required to:

- promote the firm's internal culture of quality and reinforce this culture with clear, consistent and frequent messages and initiatives;
- remind individuals at all levels of the existence of the quality monitoring system; and
- underline the importance of respecting legal and regulatory obligations, particularly with regards to the IESBA code, local ethical requirements and professional standards of practice when accepting and carrying out new assignments.

Inspiring stakeholder confidence in audit quality

Delivering audit quality

Audit policies and methodology

The global Mazars audit methodology (MAM) is mandatory for all Mazars entities, supplemented by local regulatory and legal requirements. Using a common methodology allows us to apply a consistent approach and level of quality globally on all client engagements irrespective of their size and international presence.

In an increasingly globalised world, the MAM allows us to give assurance to our multinational clients over the quality of our audits across borders.

Specific policies and procedures are in place in respect of group audits, including the use of and reliance on other auditors. These procedures include consideration of the results of quality monitoring.

The MAM is continually enhanced as we seek to apply a risk-based audit model approach, focusing on the things that matter and adjusting the areas of focus and effort based on the level of risk. Our methodology and associated application guidance is also designed to encourage professional scepticism in our audits.

Audit software is used to support the audit teams in applying our risk-based approach, from acceptance to completion of the audit.

Achieving significant progress on key projects

We have made significant efforts in the development of Atlas Next Gen and Atlas Analytics Next Gen and have achieved tangible progress through the development of new functionalities and a more user-friendly environment. We have also launched a global audit delivery platform to serve our largest countries, with the objective of agreeing on a blueprint to be rolled out in other countries and regions in the coming years.

We have made significant progress on other key projects as well:

- Definition of audit quality indicators and roll-out in several countries
- Launch of the global audit learning path, accessible to all auditors on the U-learn platform
- Launch of an audit quality survey dedicated to Group audits, through which both local and central teams can be appraised
- Our Reinventing Audit team is now in place. It includes business analysts in over 90 countries and has started working on the development and deployment of new digital solutions.

We have also invested at Group level to improve our ability to attract and retain talents and address the resourcing challenge we face in many countries, and continued to work, in cooperation with our Public Affairs team, to promote joint-audit and participate in public debates in Europe and beyond.

Our ability to maintain quality is not only dependent on the IT tools available to our professional staff, it also relies on the appropriate support being available to teams. The MAQ and MAM detail the circumstances under which there is a mandatory requirement to consult within the firm.

Our technical experts are also available for audit and financial reporting technical consultations when support is required. To improve audit quality in specific areas of the audit, our core audit teams have access to our specialist auditors and experts, including IT, tax, actuarial and valuation specialists. Our audit policies and procedures have been designed and implemented to ensure that we comply and that we can demonstrate compliance with ISAs. Our audit quality policies and procedures are also embedded as part of our firm's day-to-day activities.

Engagement Quality Control Reviews (EQCR)

The assessments undertaken by the local and global quality monitoring teams have been designed in compliance with the IFAC Quality standard and guidance.

Mazars entities' audit quality monitoring reviews have several components:

- self-assessment of the entity's audit methodology, ethics and quality assurance system; internal monitoring of the effectiveness of the internal procedures and of the quality of the audit files. This is performed by each entity on an annual basis and constitutes the basis for the completion of the self-assessment;
- Mazars international inspections: these are undertaken by experienced reviewers from other member entities within the organisation, generally every three years, and they aim to take an independent view on the results of the self-assessments and the internal monitoring whilst helping to spread best practices; and
- external inspections: entities are periodically subject to reviews by the audit regulators or other relevant bodies in their jurisdictions. Results of such reviews are communicated to the global Mazars QCC.

Inspiring stakeholder confidence in audit quality

Delivering audit quality

The self-assessment includes the entity's compliance with the IFAC standards as well as reporting on the results of its internal and external audit quality monitoring reviews. This can be the basis for an action plan relating to all areas identified as requiring improvement, including those identified through any Mazars international inspections.

Entities are required to communicate internally the results of their audit quality monitoring reviews to their executive, partners and audit managers. This communication is provided in sufficient detail to enable the necessary corrective measures to take place, both for the partner in question, and at the overall level of the entity.

As a minimum, the results of the audit quality monitoring reviews include:

- a description of the procedures applied and of the scope of the quality monitoring review;
- the results and conclusions of the reviews of the entity's procedures and audit engagements; and
- detailed action plans, where required.

Entities that are applying to join the Mazars organisation are subject to an inspection organised by the QCC. The report setting out the results of the review is included in the admission file submitted to the GEB and the GGC for consideration before the vote at the General Assembly of Partners. The report may be accompanied by an action plan, progress against which would be monitored by the QCC.

The approach to quality control and quality control reviews in Belgium

Within Mazars Réviseurs d'Entreprises / Bedrijfsrevisoren, the audit quality control monitoring and quality reviews operate as required by Mazars Group. On a 3-year cyclical basis, Mazars Belgium is subject to a quality inspection review by the Mazars Group. The last review has been carried out in September 2020.

Mazars Belgium has also put systems in place to comply with ISAs, the IFAC Code of Ethics and the provisions of ISQC1. It is Mazars Réviseurs d'Entreprises/ Bedrijfsrevisoren' policy that the work of every audit engagement partner is subject to an independent internal review at least once every three years. These reviews are conducted by other audit Partners, Directors or Senior Managers, all of them being appropriately selected, trained and monitored by the QRM Team (Quality & Risk Management Team).

The selection of the engagement partners to be reviewed and the definition of the scope of the reviews are made under the responsibility of the Quality & Risk Officer (QRO) and the QRM Team with the purpose to ensure, promote and enhance audit quality. For the yearly internal reviews, engagement files are selected on the basis of different criteria's and reviewed using standardised checklists. Individual engagement files are graded in terms of overall quality and a summary report

and action plan is agreed with each engagement partner.

This report is taken into account in the Partners/Managers performance review. A summary report of findings and proposed recommendations is prepared and submitted to the Board of Directors that approves the actions plans to be taken in response to the findings. Action may include immediate remediation actions, changes in the firm's guidance or additional training and support. Lessons learned are also communicated to all audit Partners/Managers/Teams on a timely basis. Mazars Réviseurs d'Entreprises/ Bedrijfsrevisoren is also subject to a public oversight quality inspection – at least on a 3-year basis - by the Belgian Audit Oversight College (Collège de Supervision des Réviseurs d'Entreprises / College van Toezicht op de Bedrijfsrevisoren - CSR/CTR). The last review of the CSR/CTR took place starting as from October 2020. As of today, final recommendations have been communicated and an action plan has been defined to address the recommendations, which has been approved by the CSR/CTR.

Our contribution to the profession

For many years now, Mazars has brought a pragmatic approach to the changes in accounting regulations. Our contributions are widely acknowledged for their technical accuracy. This is reflected in the responsibilities Mazars' partners hold in a variety of regulatory bodies and professional organisations, in France, in Europe and at global level.

Through our presence and involvement in the works of these organisations, we can:

- Act as a driving force for proposing new regulatory evolutions in the areas of accounting and audit
- Act as a catalyst for dialogue and exchanges between issuers, auditors, national and international professional organisations and, if needed, regulatory and oversight bodies.

Mazars actively participates in the European Commission's proposed revision of the non-financial reporting directive, EFRAG's sustainability standards drafting initiative and the European Commission's consultation process on the strengthening of corporate reporting and its enforcement.

Mazars closely follows regulatory works throughout their process of preparation and adoption – discussion papers, exposure drafts, additional consultation – while actively contributing to the related lobbying groups.

Mazars is one of the seven firms IASB systematically consults as part of its outreach activities. This enables us to obtain information at a very early stage, and subsequently share it with our clients. Mazars systematically brings its contribution to audit-related debates by responding to all calls for comments on projects carried out by IASB and the IFRS Interpretation Committee. We also contribute to the works of the IASB on a regular basis and in an informal manner. We take part in meetings between IASB and the major audit firms, and regularly meet with the IFRS IC senior staff to express our opinions and specify our stance on current topics

Inspiring stakeholder confidence in audit quality

Delivering audit quality

Our contribution to the European taskforce on extra-financial reporting

For over two years, Maud Gaudry, Mazars' Global Co-Head of Sustainability, has been actively involved in the EFRAG's preparatory works with a view to provide technical advice to the European Commission regarding the establishment of European extra-financial reporting standards. She brought her full contribution to producing the technical report, which came out in early 2021 and helped build the CSRD – Corporate Sustainable Reporting Directive – issued in April 2021. She is now working on the new Project Task Force on European Sustainability Reporting Standards (PTF-ESRS), tasked with defining the upcoming non-financial reporting.

Our direct participation in international audit and accounting bodies

ESMA

Carole Masson is a member of the Corporate Reporting Standing Committee's advisory taskforce

EFRAG

Vincent Guillard is a member of the Financial Instruments Working Group.

Maxime Simoën is a member of the Insurance Accounting Working Group.

Maud Gaudry is involved in the Project Task Force on European Sustainability Reporting Standards (PTF-ESRS).

Jean-Luc Barlet is a member of the EFRAG Expert Working Group in charge of writing the European Sustainability Reporting Standards.

Claire Dusser is a member of the Rate Regulated Working Group.

Patrick de Cambourg, Mazars' Honorary Chairman, chairs the EFRAG taskforce on extra-financial standards.

Accountancy Europe

Isabelle Sapet is a Board member.

David Herbinet and **Muriel Fajertag** are respectively Chair and Vice-Chair of the Audit & Assurance Policy Group.

Jean-Luc Barlet is a member of the Corporate Reporting Policy Group and of the Corporate Governance Policy Group.

Maud Gaudry is a member of the Corporate Governance Policy Group.

Vincent Guillard is a member of the Bank Working Party.

Edouard Fossat is a member of the Accounting Working Group.

IAASB

Wendy Stevens is a member of the IAASB

IFAC

Jean-Luc Barlet is a member of the IFAC's Transnational Auditors Committee

Inspiring stakeholder confidence in audit quality

Audit performance Indicators

- 62 hours of training on average per auditor in 2021-2022
- Independent audit oversight took place in 68 countries of the Mazars integrated partnership, of which 13 countries were subject to regulatory inspections in 2021-2022.
- 100% of Group turnover covered by WeCheck
- All the entities of our partnership are covered by our global independence tool WeCheck.
- As of August 31, 2022, 78 countries representing 97% of our turnover frequently uploaded and refreshed client data into WeCheck's data management system.

Inspiring stakeholder confidence in audit quality

Ensuring our objectivity and independence

We continuously strive to achieve the highest levels of objectivity and independence in all of our assignments and have devised and implemented policies and procedures which aim to ensure all staff and partners comply with the strictest requirements, wherever they operate

Conflicts of independence/interest

We have developed policies and processes to ensure that we identify and respond to any conflicts of independence /interest which have been communicated to all partners and staff. Where there is a potential threat to our independence, the assignment is declined, or appropriate safeguards are implemented.

How we safeguard our objectivity and independence

The systems implemented by the Mazars Group and adopted by member entities include:

Our code of conduct for objectivity and independence

The Mazars Group has prepared a code of conduct for objectivity and independence (CCOI) which complies with the IESBA Code of Ethics and introduces additional specific requirements for Mazars firms and staff. All Mazars countries are required to update the CCOI for their country's specific laws and regulations. The CCOI is distributed to all Partners and staff and is an integral part of all member entities' professional training programmes.

Responsibility for maintaining objectivity and independence

The Group independence and acceptance committee is responsible for oversight of independence and acceptance for Mazars worldwide. It provides guidance for acceptance personnel in each country, approves first time appointments for PIE (with limited exceptions) audit and other specific clients (SPAC, cryptocurrency assignments), and manages the annual independence reporting process, reporting the results to the GEB. It adjudicates on any independence or acceptance issues brought to its attention, including any proposed departures from the CCOI by a country and ensures that all changes in international ethical standards are communicated to all countries in the organisation.

Acceptance and continuance of engagements

Prior to accepting or continuing a relationship with a client, our procedures require that an evaluation of the client's related risks is performed including the entity's ability to perform the engagement and any ethical risks in terms of independence and conflicts of interest.

The provision of additional services to an audit client is subject to prior authorisation from the lead audit partner and, in some cases, the ethics partner or country risk manager. In certain circumstances this provision is also subject to authorisation by the client's audit committee.

Global independence check tool

We have implemented a global independence check tool, WeCheck, to protect the independence of Mazars Group. All countries within our partnership have access to WeCheck. To date 78 countries representing 97% of our turnover are live on WeCheck. These countries regularly upload and refresh their client data into WeCheck's data management system.

Annual declaration of independence

All partners and staff are required to provide an annual declaration of their independence. In this respect:

- Mazars partners and their immediate family cannot hold a direct or indirect financial interest in a listed audit client;
- personal or family relationships between a member of the audit team and a member of either the audited entity's management or any person holding a key position in the audit client are prohibited; and
- partners and staff working on an audit engagement must not have any financial or commercial relations with the audit client (except for normal financial transactions with a banking or other credit institution audit client undertaken on an arm's length basis).

Two-partner teams and rotation to strengthen both independence and service quality

Except in specific situations which are approved by the entity's executive committee, large engagements are placed under the responsibility of at least two partners, one of whom naturally assumes leadership of the engagement.

Having a team of partners strengthens objectivity and brings broader technical expertise to the engagement. The responsible partners assist with key stages of the engagement and remain the key contacts for all parties and professional staff, whether internal or external.

Within Mazars, rotation is applied to PIE audit engagements on which key audit partners rotate, in compliance with country-specific laws and regulations, including for EU countries, the European Directive on Statutory Audit or the IESBA Code of Ethics. This rotation reduces the risk of "closeness" to the audited company which may impair independence. It enables the auditor to have greater independence of mind in dealing with client issues and in expressing an opinion on financial statements. The allocation of partner responsibilities on recurring audit engagements and major special engagements is decided by the entity's executive committee and ensures that partners can effectively conduct and supervise engagements under their responsibility.

This allocation is reviewed annually as well as when there are any changes in the partner's situation or when any difficulties have been encountered. In the rare case of disagreements with the technical department's positions, national executive committees are called upon to arbitrate. The two-partner team in charge remains the final decision-maker within the context of the organisation's quality assurance and procedures. This point is of paramount importance in preserving each partner's personal commitment and sense of responsibility as well as in responding effectively to each client's specificities.

Partner compensation policy

Profits are divided amongst partners according to the number of "base points" they are allocated. Two criteria are used to calculate the value of the base points: the overall performance of the Mazars Group and the performance of the national entity to which they contribute. Each factor is measured equally. Several countries, including France, have opted to add a bonus system founded on individual performance.

Partners receive a portion of a global envelope based on his/her country's performance. Under the supervision of the GGC and based on the recommendation received from the country executive, base points are allocated to Partners according to the overall performance of the country and the individual performance of each partner.

This performance is assessed through various criteria:

- professionalism, technical contributions and adherence to business practice norms;
- partnership spirit;
- importance and complexity of assignments;
- contribution to the general development of local entities and the Group; and
- level of managerial responsibility.

None of these criteria is evaluated in isolation, but the greatest weight is placed on technical competence and spirit of partnership. Financing business activity depends exclusively on each national member entity and follows the same proportionality as the division of profits.

Global procedures

Our values set a platform for what we believe will build long-term sustainable success for the organisation. We want to work in a way that promotes our values and ensures we provide the best possible service for our clients, and the best possible environment for our teams. Mazars is committed to dealing responsibly, openly, and professionally with:

- 1 concerns raised internally, that partners or team members may have about possible malpractice within Mazars firms; and
- 2 concerns raised by persons external to Mazars (clients and other stakeholders) on the services provided by Mazars.

These group-wide whistle blowing procedures for our staff, our clients and our stakeholders reflect our zero-tolerance policy for unethical behaviours.

They have been deployed since 2014 and both external and employee complaint forms are available on our Mazars websites (on the Group website: <http://www.mazars.com/Complaintform>).

All claims are directly processed through the Group's Chief Compliance Officer (CCO) except when stated otherwise by the local regulation.

Confidentiality and information security

Confidentiality and information security are key elements of our professional responsibilities. Misuse or loss of confidential client information or personal data may expose the firm to legal proceedings and may also adversely impact our reputation. The Group's Chief Information Security Officer (CISO) is responsible for providing oversight, policy and strategic direction on information risk and cyber security matters. He directly reports to the CCO and to the GEB.

Our structure, leadership, and governance

Since 1995, we have been organised as a global, integrated partnership. Today, this partnership is comprised of more than 1,000 partners and 30,000 professionals in more than 90 countries and territories in Europe, Africa, the Middle East, Asia-Pacific and the Americas. We work as one team and share the same values, work ethic and goal of providing the highest quality services to our clients. Our correspondent firms also enable us to operate in a further nine countries.



Our structure, leadership, and governance

All members of our integrated partnership are member entities of Mazars SC (hereafter “Mazars Group”), a cooperative company incorporated in Brussels, Belgium, through a cooperation agreement setting out the terms of the relationship. The role of the Mazars Group is to “define the strategic objectives of the organisation and to coordinate the implementation of these objectives at the member firm level”, combined with the responsibility for promoting and protecting the Mazars brand globally. Mazars’ integrated international partnership was established with the principal objective of ensuring the delivery of consistent quality to our clients.

The integrated partnership allows us to provide high-quality services to our clients thanks to the diversity and expertise of our talent, the robustness of our values, our determination to fully embrace the digital revolution, and our commitment to creating shared value. We provide our quality standard service whilst remaining aware of the challenges that both our organisation and our stakeholders face.

Discerning, knowledge-intensive, agile, sustainable: these are the attributes of the modern firm that we strive to be, in order to better serve our clients.

Each country-level member of our unique, integrated partnership has one or more separate legal entities and is a member entity of the Mazars Group. All shareholders of the Mazars Group are partners or shareholders (collectively “partners”) in the member entities. As part of being a shareholder of Mazars SC, each partner acknowledges the Charter of Association, which governs the operation and governance of the Mazars Group. In certain countries where there are partners or shareholders of their local member entity that are not shareholders of the Mazars Group.

The financial statements of the Mazars Group’ are consolidated with the results of the member entities and are prepared in accordance with the International Financial Reporting Standards (IFRS). The financial statements of the Mazars Group are jointly audited by two independent audit firms. We are therefore unique. We are not simply a collection of national firms. We are an integrated organisation of professionals, sharing commitments at a global level with respect to investment in technical excellence, serving our clients and developing our teams. New member firms are admitted to the partnership based on criteria of quality of service, human resources, reputation and shared values. All new admissions must be approved by the General Assembly of Partners.

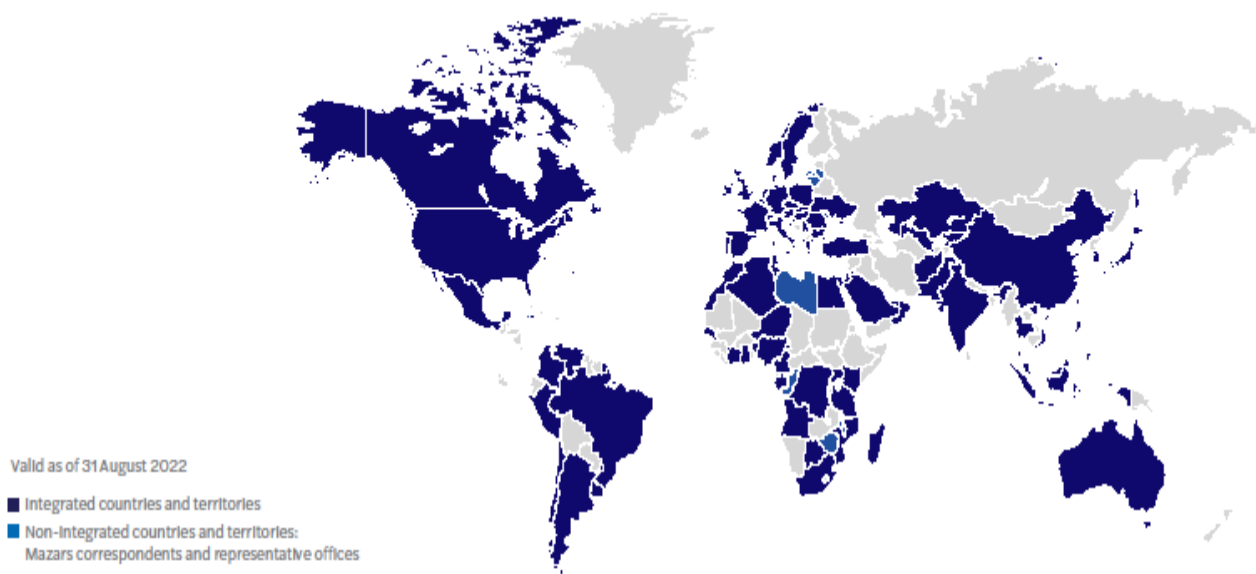
Our One24 strategy

During our 2020 General Assembly of Partners, a new GEB was elected on the basis of a strategic platform called One24. This new platform answers our partners’ requests for increased integration and aims to reinforce our ability to work together and make the most of emerging and promising

client opportunities, especially in the PIE segment. It also aims to help us develop the new generation of global leaders who will take over the leadership of the firm in four years’ time, strengthen our global partnership and transform our services to face the future and manage our quality and our risks more stringently in order to ensure the longevity of our partnership.

Our structure, leadership, and governance

Operating in more than 90 countries and territories around the world, we draw on the expertise of over 47,000 professionals – more than 30,000 in the Mazars integrated partnership and 17,000 via the Mazars North America Alliance.



Valid as of 31 August 2022

■ Integrated countries and territories
 ■ Non-Integrated countries and territories:
 Mazars correspondents and representative offices

- | | | | | | | |
|---------------|-----------------------|---------------|--------------|-----------------|----------------|------------------------|
| ■ Afghanistan | ■ Canada | ■ Ghana | ■ Kosovo | ■ Morocco | ■ Romania | ■ Tunisia |
| ■ Albania | ■ Cayman Islands | ■ Greece | ■ Kuwait | ■ Mozambique | ■ Rwanda | ■ Turkey |
| ■ Algeria | ■ Chile | ■ Hong Kong | ■ Kyrgyzstan | ■ Netherlands | ■ Saudi Arabia | ■ Uganda |
| ■ Angola | ■ China | ■ Hungary | ■ Latvia | ■ New Caledonia | ■ Senegal | ■ Ukraine |
| ■ Argentina | ■ Colombia | ■ India | ■ Lebanon | ■ Niger | ■ Serbia | ■ United Arab Emirates |
| ■ Australia | ■ Congo (Brazzaville) | ■ Indonesia | ■ Libya | ■ Nigeria | ■ Singapore | ■ United Kingdom |
| ■ Austria | ■ Congo (Kinshasa) | ■ Ireland | ■ Lithuania | ■ Norway | ■ Slovakia | ■ United States |
| ■ Bahrain | ■ Croatia | ■ Israel | ■ Luxembourg | ■ Oman | ■ Slovenia | ■ Uruguay |
| ■ Belgium | ■ Cyprus | ■ Italy | ■ Madagascar | ■ Pakistan | ■ South Africa | ■ Uzbekistan |
| ■ Benin | ■ Czech Republic | ■ Ivory Coast | ■ Malawi | ■ Palestine | ■ Spain | ■ Venezuela |
| ■ Bermuda | ■ Denmark | ■ Japan | ■ Malaysia | ■ Peru | ■ Sweden | ■ Vietnam |
| ■ Botswana | ■ Egypt | ■ Jordan | ■ Malta | ■ Philippines | ■ Switzerland | ■ Zimbabwe |
| ■ Brazil | ■ France | ■ Kazakhstan | ■ Mauritius | ■ Poland | ■ Taiwan | |
| ■ Bulgaria | ■ Gabon | ■ Kenya | ■ Mexico | ■ Portugal | ■ Tanzania | |
| ■ Cameroon | ■ Germany | ■ Korea | ■ Moldova | ■ Qatar | ■ Thailand | |

Our structure, leadership, and governance

Our operational organisation

We built our business organisation with three key stakeholders in mind: first, our people, to whom we want to provide the best opportunities to grow; second, our clients, to whom we want to deliver the highest quality; third, our society as a whole, as we are determined to bring our full contribution to building a fairer, better world.

In order for us to achieve this, we set two main middle and long-term objectives: we aim to secure our place in the market, as a partner of choice for organisations of all sizes and in all industries, and

to create the firm of the future - more integrated, more diverse, and more focused on training as a school of excellence.

GEB governance with delivery pillars

Mazars leadership at the Group level is organised in six pillars around the core matrix



1. Our “core matrix”

While markets and sectors are essential components of our business approach, we are convinced our people live their professional lives along two primary dimensions: geographies and service lines. These two dimensions form our core matrix.

We are organised around 12 geographies

Our geographic structure is built around 12 major units: six large countries (China, Germany, France, the Netherlands, the UK and the USA) and six regions (Africa & the Middle East, Asia-Pacific, Central Europe, Latin America, North America, Western Europe) which cover our more than 90 countries and territories.

All geographic units need to apply the service line matrix and structure their organisation to contribute/benefit from front-office risk

management framework and back-office support to strengthen integration and develop as one firm. All 12 geographic units are led by a board/ executive committee and all six regions are under the chairmanship of one GEB member.

Our delivery model is structured around seven service lines:

- Audit
- Tax
- Outsourcing
- Financial advisory
- Consulting
- Legal
- Sustainability

Each service line is primarily responsible for delivering our services to clients. All of them are under the sponsorship of a GEB member

Our structure, leadership, and governance

Our operational organisation

What quality means for our service lines

Our seven service lines are as follows:

The **audit service line** offers a distinctive, human-centric approach that goes beyond compliance, with an integrated structure that allows us to work seamlessly as one team. We serve regional, national, and international companies of all sizes and structures by combining the right people with the right skills for every engagement, leveraging our collective knowledge and using consistent tools and methodologies. Through our audit and assurance work, we deliver insight and promote transparency. We believe constructive challenge, based on mutual trust and respect, builds confidence in how organizations report to their stakeholders. It is this robust approach that ensures a Mazars audit delivers full benefits to a company, its shareholders, and its other stakeholders. It also ensures maximum benefit for society, contributing to the development of sustainable businesses and economies.

The services on offer include financial audit, corporate reporting, independent assurance and review and training services.

The audit service line is currently working on a series of key projects, aimed at enhancing the quality of services delivered to organisations of all sizes and in all industries:

- Development of Atlas NextGen and Atlas Analytics NextGen
- Launch of a global audit Employer Value Proposition (EVP) campaign and implementation of a global grade structure and competency framework
- Implementation of various quality initiatives as outlined in section 5 below
- Launch of a global audit delivery platform in Morocco to serve initially our four largest European countries with the goal of having a blueprint to be rolled out in other countries and regions in the coming years
- Reinventing Audit team in place and working actively on the development and deployment of new digital solutions
- Development of sustainability assurance services
- Promotion of market opening measures including joint audits and participation in public debates through our Audit reform task force and public affairs team

Consulting helps leaders across the business – from top management through to department heads – align their people, processes, and tools behind shared objectives, manage their risk and deliver peak performance through collaboration, thoughtful advice and up-to-date technical and digital expertise.

Mazars' professionals combine their technical expertise, agility, and the latest technology with a deep understanding of their clients' needs, context, and culture to co-create answers that drive the results they are looking for. By working as one, integrated, international team across geographies and sectors, combining extensive sector expertise and global presence and deep local understanding, they can support their clients' most critical business objectives from strategy to implementation in every market they operate in.

The scope of services provided range from of management, risk, technology, and digital consulting -change management and post-merger integration- to internal audit and digital transformation

Financial Advisory is a growing, dynamic and award-winning team whose goal is to provide high quality financial advice and business support to our diverse client base and become their number one trusted advisor.

This multi-disciplined service line provides a vast array of advisory services including:

- Transaction Services (Due Diligence)
- Mergers & Acquisitions
- Valuations (contentious and non-contentious)
- Forensic and Investigation Services
- Restructuring Services (Corporate and Personal Insolvencies)
- Global Infrastructure Finance

Legal is a globally active full-service legal advisory providing high-quality legal services to clients as part of our multidisciplinary approach. By working closely with clients, Mazars' teams help them with their day-to-day legal needs and provide them with expert legal advice and support within the wide range of business law. With a presence in multiple legal markets, this service lines offers comprehensive and integrated support with a collaborative, pragmatic and entrepreneurial approach, in order to develop a deeper understanding of their clients' needs, help them make smarter decisions and add value to their business.

As an acknowledgment of its performance, Mazars in Germany was awarded "Law Firm of the Year" in the Eastern Region last year and was also nominated as "Law Firm of the Year for SMEs".

From a strategic standpoint, the goal is to develop and grow Mazars' inhouse legal service in all partnership countries. In regions where Mazars does not or does not yet provide a full-range of legal advisory services or is not allowed to provide legal service due to regulatory reasons or conflicts, Mazars works with Marcalliance – an alliance of independent highly-rated law firms – to make sure clients are advised by legal experts, who share the same service ethos and culture of excellence worldwide.

Our structure, leadership, and governance

Our operational organisation

Mazars' legal service line provides services in a wide range of business law, particularly in the following areas:

- Commercial law and Contracts
- Corporate and M&A (incl. legal due diligence)
- IT/IP Law
- Data privacy law
- Real estate law
- Energy law
- Finance (banking, venture, capital, supervision)
- Employment law
- Dispute resolution / Litigation
- Public law
- Legal compliance
- Corporate secretarial services

In addition, Mazars has established international and globally active legal expert groups, which are an important part of its legal service offering and also act as hubs for knowledge sharing. Six such expert groups are currently active:

- Employment and Labor Law (joint group with Marcalliance)
- Corporate and Transaction Services (joint group with Marcalliance)
- IT/IP (joint group with Marcalliance)
- Energy Law (joint group with Marcalliance)
- Company Secretarial (Mazars only)
- Data Protection Services (Mazars only)

Outsourcing helps organisations enhance performance, secure accounting and compliance processes, moderate their international complexity, manage costs and provide a high level of flexibility in resourcing and skills;

Tax provides seamless delivery for Mazars' people and clients to build a fair and prosperous world. Tax works closely with clients to build transparent, integrated tax-efficient and sustainable solutions to help them achieve their strategic objectives. As national and international tax systems pose increasingly significant challenges for businesses and individuals, we build transparent, integrated tax-efficient solutions that give our clients confidence and help them excel in a sustainable way

The services provided include tax advisory and compliance services, for national and international clients, for POB, PIE and private clients. Mazars' tax experts focus on transfer pricing, global mobility, indirect tax, M&A tax, PIE tax, tax dispute resolution & governance, the financial services sector, international reporting obligations (IRO), global R&D and tax incentives, tax technology & transformation.

Sustainability builds on the robust expertise from audit and consulting and aims to assist companies along their sustainability journey. This service line improves corporate resilience by identifying and managing sustainability risks and opportunities; increasing companies' awareness of and accountability for their environmental and societal impacts; and helping develop sustainable businesses, economies, and communities.

Each of these service lines has set their own specific set of objectives, tools and indicators, to ensure they deliver on Mazars' overall commitment to the highest level of quality.

For our **audit business**, providing a quality audit means delivering insight, promoting transparency and providing constructive challenge, which leads to enhancing trust in how organizations report to their stakeholders. Quality is the core value the audit service line provides to our clients and is a key differentiator in the market. The audit service line is investing in and monitoring quality through the following initiatives:

- Definition of Audit Quality Indicators, which will be monitored at country level on an ongoing basis
- Launch of an audit quality survey dedicated to Group audits where both central and local teams are being appraised
- Launch of the Global audit learning path mandatory for all auditors
- Revision of the questions in the NPS survey to better reflect the assessment of audit quality
- Monitoring global acceptance to identify large engagements and ensure that the relevant countries have sufficient resources and capabilities to perform the work

In our **consulting service line**, quality is at the forefront of every assignment. We approach every piece of work with a commitment to the highest level of quality as well as with integrity, independence, accountability, and a social conscience. Given the diversity of our services, although our commitment to quality does not waiver, the approaches used to measure quality varies across different components of the Consulting practice. Some tools that we use within the Consulting Practice to measure or monitor quality include:

- Internal quality inspections
- Independent quality reviews
- Regulatory reviews
- Client satisfaction surveys
- Engagement project management analysis

Our structure, leadership, and governance

Our operational organisation

In our effort to ensure quality and provide increasingly valuable services to our clients in a globally consistent manner, we continue to invest in the development or enhancement of global delivery methodologies. We have spent considerable effort this year in the development of a new global internal audit methodology as well as a new IT assurance methodology. We reinforce this commitment to quality with significant investments in the training and professional development of our professionals to ensure that they have the technical skills necessary to exceed our client's expectations.

In our **financial advisory** activities, which cover a wide scope of services ranging from deals and financing schemes to crisis and disputes, quality is at the heart of what we do and we are always striving to achieve the highest standard of quality in the work we deliver to our clients. In FA, quality often means quality of advice and we therefore invest time in ensuring our project teams have the appropriate level of skill and depth of knowledge to provide our clients with the best possible output.

We want to imbed a training programme of quality into our SL so it becomes part of the mandatory syllabus, with the objective to have all global FA teams working towards the same high quality standards. We are working on a generic update to our Procedures Manual, and developing a common QRM checklist for all out teams and all our projects.

In our **legal practice**, quality is the key element of providing legal services and the crucial point for competing with law firms (for clients and people). We thus aim to embed consistent high standards across our services and deliverables while considering local and global risk aspects. For this we work on learning paths for legal services, tools and on a quality handbook as well as on qualification requirements for our lawyers.

Within the **tax practice**, we are strongly committed to drive a strong culture of quality and excellence that is fundamental to fulfilling our purpose. To that end:

- we continuously reinforce the role of ethics and professional behaviors for the global tax community;
- we are establishing and maintaining a rigorous system of internal quality controls and monitoring procedures aligned with our Global System of Quality Management (ISQM1 Project);
- we develop our teams' skills, knowledge and capabilities by providing in-depth training and ongoing tailored professional and personal development opportunities (for example via MOVE secondments in other Mazars countries, tax U-learn trainings (like Transfer pricing));
- we heavily invest in tailored innovation and new technology to support our tax service lines across the firm in a digital age (for example with the recent launch of the Global mobility IT tool and the work-in-progress around a Transfer pricing solution).

In addition, our Tax quality control processes are operating effectively; we implemented a structured country tax review process that has been progressively standardized and aligned with other service lines covering on a yearly basis 15 countries with a scoring system. The country action plans are closely supervised and monitored by the IQC Central team.

For our **outsourcing practice**, quality primarily rests upon clients' full compliance, operational excellence, talent management, knowledge sharing and training. It also requires strong check processes and internal quality control procedures, an up-to-date suite of tools and solutions for local and global monitoring, as well as an ongoing focus on pro-activity, flexibility and serenity.

For the **sustainability service line**, quality is a combination of stakeholders' satisfaction, technical expertise, innovation, and contribution to sound business practices. It essentially builds from:

- Technical expertise of trained and skilled teams with up-to-date regulatory knowledge and who are able to provide both pragmatic and constructive solutions;
- Ability to understand the clients' needs and meet their expectations in a fast-changing and complex environment; and,
- Active contribution in the current momentum, shaping the future of international sustainability assurance standards, in coordination with the current financial audit reform

Our structure, leadership, and governance

Our operational organisation

Identifying risks and maximising value creation opportunities

In all we do, we primarily aim to create short, middle and long-term value, for our clients, for our entire ecosystem and for society as a whole. Like any solid and reliable value creation model, ours is built on a thorough risk analysis and mitigation planning.

As shown in detail in the upcoming table of risks and opportunities, as well as in our materiality matrix, we have comprehensively mapped the main threats to our environment, to our business and to our partnership. All our service lines have contributed to this crucial endeavour which we see as a sine-qua-non condition maintaining our ongoing sustainable growth, making the most of new and emerging opportunities and reinforcing our resilience in times of crisis.

Some of the risks identified and their related mitigation measures are specific to each service line. They are pursuant to business capabilities, legal requirements, ethics or the ability to perform cross-border assignments. Mitigation measures include the strengthening of service lines, increased cooperation and knowledge sharing, and the implementation of specific quality and risk management processes and tools.

The main risks our service lines highlight, however, are common to several or all of them. They are mainly related to:

- Not being able to attract, develop and retain the right talent. This is especially true for our Audit, Consulting, Financial Advisory and Sustainability services lines, with the latter suffering from a shortage of senior experts on the market.
- Not having the adequate resources to successfully implement the key initiatives identified
- Failing to innovate
- Not being able to keep up with regulatory changes
- Not delivering the level of quality clients expect, which could negatively impact both our finances and reputation
- Experiencing and suffering from a commoditisation of services, particularly in our Audit and Consulting service lines.

The main opportunities as identified by Mazars' service line leaders arise from the emergence of strong environmental, social and governance (ESG) and sustainability trends – with the assurance market associated with CSRD in Europe only being estimated at Euro 1.9 billion-. The added value of technology and businesses' new needs and expectations in a post Covid-19 environment are promising growth drivers, as is education. Our ability to bring together the experts from across service lines to work together as one team, sharing information, expertise and best practices, will enable us to make the most of new opportunities.

In our audit business, more specifically, the opening of the market and Mazars' leading position as a challenger firm for the audit of international PIEs and Financial Services entities are seen as promising opportunities as well.

2. Our front and back-office organisation

In order to adequately support the development of our geographies and service lines, we have devised a comprehensive and robust front and back-office structure, which relies on:

- A market and sector approach that supports partners' sales to clients and maximizes our impact on the market;
- A back-office organisation including finance, HR, legal, global learning & partnership development, general secretariat, M&A, corporate communication, CSR and D&I to support the development of a sustainable business.

In addition, our core matrix is also reinforced by a strong quality and risk management framework and organisation that supports partners to ensure compliance, quality and risk management and an IT and innovation backbone that supports our business transformation.

3. Our business and market approach

Business and markets are structured around our two core markets (PIEs and POBs), and nine sectors (banking, real estate, insurance, asset management, public sector, mobility, consumer, technology, media & communications, and energy, infrastructure & environment).

They are supported by our marketing teams. Business and markets are under the direct sponsorship of three GEB members. Both core market segments are headed by a dedicated board which includes representatives from our six major countries and our six regions. The PIE board is in charge of supporting countries, managing a Key Account Management (KAM) programme and defining the offering, marketing programme and skills needed by the PIE segment.

The POB board is in charge of supporting countries and managing our business development approach to international POBs. It also supports SME business transformation and manages the marketing programme for the POB segment. Sectors are managed by communities of leaders, who define specific offers, lead KAM and manage thought leadership.



Our structure, leadership, and governance

Our operational organisation

4. A robust backbone of quality and risk management and innovation

A quality and risk control committee and an enterprise risk management committee have been placed under the sponsorship of two GEB members.

Our quality and risk control committee defines and manages quality and compliance standards, measures quality progress through international and local QC programmes, and works on culture changes to promote quality.

Enterprise risk management supports the GEB in defining, regularly measuring and helping mitigating risks as well as monitoring key processes (DAOI acceptance, GDPR compliance, data privacy) to ensure a culture of professional conduct.

IT, Technology and Innovation are under the sponsorship of two GEB members who are supported by a transversal leadership team with a view to focus on building a new global IT platform, the development of IT as a service and the acceleration of innovation.

5. A comprehensive network of support functions

Support functions provide global support to our service lines and the countries and regions. All eight of them – Finance, Talent, Partnership, Education & Culture, General Secretariat, Legal, M&A, CSR, D&I, and Corporate Communication- are under the sponsorship of GEB members and the leadership of dedicated professionals. They operate through their own communities.

This organisation ensures coordination of member entities within the Mazars Group. Our integrated international structure permeates every aspect of our operations:

- partners and their member entities are linked by a series of agreements intended to achieve maximum consistency and standardisation within the Mazars Group;
- sectors and service lines are represented in member entities, enabling coordination of assignments and cross-border relations between countries;
- each assignment requiring an international team is managed and carried out by an integrated team sharing common standards and procedures;
- each global or international assignment is managed and carried out by an integrated team and coordinated by an engagement partner in charge who takes final responsibility for reporting to clients; and
- partners and the national member entities in which they work are linked by a series of agreements intended to achieve maximum consistency within the Group. They all report to the elected representatives of the Group.

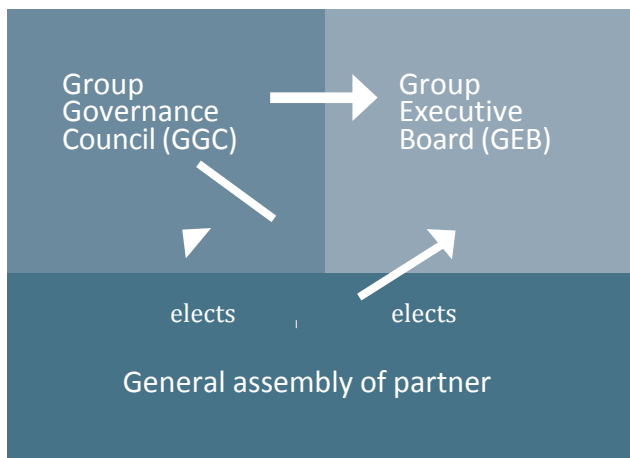
All the entities of the Mazars integrated international partnership are thus committed to enhancing the quality of services provided to large, cross-border groups in an increasingly complex and global environment.

Our structure, leadership, and governance

Our leadership and governance

Our leadership and governance platform relies on two main bodies, whose respective roles and missions are clearly defined in our Charter of Association. Together with our regional, national, and functional leaders, both our GEB and our GGC are working to ensure the sustainable development of our partnership and of the Mazars Group.

Our strategic leadership ecosystem



The General Assembly of Partners

All the partners of the Mazars Group meet at least once a year, at the General Assembly of Partners, within six months following the end of the financial year.

The General Assembly of Partners is a pivotal point in the governance and decision-making processes of the Mazars Group. The Assembly elects the GEB and the GGC approves major strategic and operational decisions, the admission of new partners and the audited financial statements of the Mazars Group.

Due to the Covid-19 crisis, our last General Assembly of Partners was held in a virtual fashion, between October and December 2021. Our next General Assembly will be held remotely in December 2022.



Our structure, leadership, and governance

Our leadership and governance

The Group Executive Board

The GEB is Mazars' executive body. It is in charge of the operational management of the partnership with regards to collectively defined key strategic objectives, under the supervision of the Group Governance Council (GGC).

The GEB focuses first and foremost on pursuing and accelerating growth, while ensuring the quality and sustainability of our activities.

As of 31 August, 2022, there were 11 members of the GEB. The current GEB was elected in December 2020. Elections are held every four years and the next one is due in December 2024.

The GEB is supported in its role by a group of around 80 global leaders, defined as an evolving community with no fixed seats. In 2022, this group represents over 20 partnership countries. 30% of its members are women (with a clear objective of increasing this percentage to a minimum of 33 by 2024) and 33% are newcomers to the Mazars Group.

The GEB meets monthly or more; it also meets twice a year with the country managing or senior partners at "country forums", and once a year with all partners on a region basis. Each GEB member is entrusted with specific geographical responsibilities, functional roles and the sponsorship of key strategic projects, such as innovation, diversity, quality and risk management, as well as business development or integration processes for new additions to the partnership.

As at 31 August 2022 the Group Leadership Team was composed of:



France
Hervé Hélias
CEO and Chairman



Singapore
Pascal Jauffret



Ireland
Marc Kennedy



United Kingdom
Rudi Lang



China
Julie Laulusa



Senegal
Taïbou M'Baye



Germany
Dr Christoph Regierer



Belgium
Véronique Ryckaert



Netherlands
Ton Tuinier



United Kingdom
Phil Verity



United States
Victor Wahba

Our structure, leadership, and governance

Our leadership and governance

The Group Governance Council

Elected for the same term as the GEB, the GGC exercises a general supervisory function over the management actions of the GEB and, in that capacity, assesses their appropriateness. It also has specific responsibilities, as set out in the partnership's Charter of Association, over:

- the approval of partnership candidates and external growth operations;
- the compensation of the members of the GEB; and
- the approval of disciplinary action decided by the latter.

The GGC is required to meet at least every four months. It may comprise between eight and 16 members including two members who are not Mazars partners. As of August 31st, 2022, there were 12 members of the GGC. Elected every four years, the next GGC elections are due in December 2024.

To improve the efficiency and focus of the GGC' oversight, it is organised into sub committees for risk and for remuneration.

One of the non-executive independent members also chairs the public interest committees of Mazars LLP in the United Kingdom and of Mazars Ireland. The public interest committees have specific responsibilities for matters arising in relation to the aforementioned entities.

As at 31 August 2022 the Group Governance Council was composed of:



United Kingdom
Tim Hudson
Chair



Sweden
Asa Andersson



Germany
Gertrude Bergmann



France
Frank Bournois
Independent Member



United States
Kathryn Byrne



Spain
Maria Cabodevilla



France
Juliette Decoux
Vice-Chair



France
Fabrice Demarigny



United States
Denise Fletcher
Independent member



Singapore
Chris Fuggle



South Africa
Michelle Olckers



China
Liwen Zhang

Our structure, leadership, and governance

Our leadership and governance

Our leadership and governance at Mazars Belgium

At 31st August, 31th 2022, the Belgian member entities of the Mazars Group were:

- Mazars Réviseurs d'Entreprises/ Bedrijfsrevisoren BV / SRL (audit activities) ;
- Mazars Accounting, Legal, Tax & Outsourcing Services ("Mazars Altos"), BV (tax, accounting, legal activities) ;
- Mazars Advisory Services BV / SRL (advisory & consulting services).

As at 31 August 2022, Mazars Belgium had 15 Partners and over 220 professionals working in 6 offices across Belgium. Mazars Belgium provides audit, advisory, accounting, legal, tax and outsourcing services.

The structure of the shareholding of the capital of Mazars Réviseurs d'Entreprises/ Bedrijfsrevisoren BV / SRL is the following :

- amount of the capital : EUR 49.446
- number of shares issued : 367
- shareholders :
X. Doyen, D. Stragier, A. Nuttens, Ph de Harlez de Deulin, P. Lenoir, C. Van Humbeeck, Ph. Gossart, F. Collie, Th Verhamme, K. Potters, S. Schueremans,

Mazars Belgium has a co-operation agreement with Mazars SC which sets out the terms of its relationship with Mazars SC. All partners are shareholders of Mazars SC.

Mazars Belgium business is divided into Management Units ("MUs") which are responsible for managing results, developing strategies for growth and supporting our staff. As at 31 August 2022, there were three MUs; that correspond to the legal entities focusing respectively on five services lines :

- Audit & Assurance,
- Accounting & Outsourcing, Legal, & Tax Services,
- Advisory & Consulting services.

Each Service Line is responsible for setting the service line strategy; quality, standards and risk management; talent management and development, technical training, business model definition and implementation, and innovation

A list of the Public Interest Entities in respect of which Mazars Belgium has expressed an audit opinion in 2021/2022 is set out in Appendix 1.

Mazars Belgium is led primarily by a Board of Partners which represents all the service lines.

The Board of Partners elects every four years the Country Executive and the Executive Board which has responsibility for setting and implementing the strategy of Mazars Belgium within the framework of the global strategy of Mazars Group. The Executive Board is assisted by the service lines leaders in charge, together with the Management Committees, of developing the activities operationally on a daily basis.

The Audit & Assurance Service Line, which is of particular relevance to this Transparency Report, is led by the Board of Directors of Mazars Réviseurs d'Entreprises/ Bedrijfsrevisoren that has been elected by the General Assembly. The Board is responsible for the general strategy and the supervision of the Management Committee that is in charge of the day to day management of the company. The Management Committee is composed of 6 members. Each member of the Management Committee, Peter Lenoir (Chairman), Thomas Verhamme, François Collie, Koen Potters, Sébastien Schueremans, Dirk Stragier (Member of the Executive Board), has dedicated responsibilities and they have to report collegially to the Board

We point out that following functions have also been created:

- Compliance officer/AMLCO : this function is responsible for the coordination and the organization regarding legal compliance, in particular with respect to anti-money laundering obligations;
- Quality & Risk Officer (QRO): this function is responsible with the Q&R Manager and the QRM Team for the risk identification and quality monitoring.

In order to maintain audit quality, the Audit & Assurance service line considers emerging issues and how they will affect the firm, approves policies in the areas of audit and assurance quality, and agrees the quality control program and planned actions arising from the quality control review findings and recommendations.

Statement of Group Executive Board on integrated report

Value proposition

As GEB members, we hereby acknowledge our responsibility to ensure the fairness of our integrated report, and that we have applied our collective mind to the preparation and presentation of this Mazars' integrated transparency report.

We started in 2013-2014 with a first Integrated Reporting (IR) of our journey and progressively expanded our KPIs in order to measure our progress. We are continuing our journey towards presenting an integrated report in accordance with the framework set out by the International Integrated Reporting Council (IIRC).

While we chose to only publish a selection of our non-financial KPIs in this report, we did take all of them into account to define our long-term strategy and short-term objectives for the greater benefit of our organisation and our stakeholders.



Statement of compliance from the CEO and the CCO

Statement on the effectiveness on the quality management system

Mazars Group's quality management system is designed to provide reasonable assurance that the firm, its partners, and staff comply with professional standards and regulatory and legal requirements, that work is performed to a consistently high standard and that reports issued by the firm are appropriate.

On the basis of its quality control monitoring conclusions, Mazars positively confirms that it met the membership obligations of the FoF in all material respects for the year 2021/2022.

Statement on the effectiveness of the systems to safeguard objectivity and independence

The design, operation and effectiveness of Mazars Group's systems to safeguard objectivity and independence form part of the review of the quality management system.

Based on the evidence identified in this review, Mazars confirms, with a reasonable level of assurance, that the independence procedures and practices have been implemented and the system is effective in maintaining independence. Furthermore, Mazars confirms that the practices have been subject to internal review.

Statement of compliance with the professional training obligations

Registered auditors are required to complete at least 120 hours or equivalent learning units of relevant professional development activity in each rolling three-year period, of which 60 hours or equivalent units should be verifiable. They also have to complete at least 20 hours or equivalent learning units of relevant professional development activity each year.

Mazars has established a professional education programme that includes the organisation and delivery of technical in-house and external seminars, the active involvement of professional staff in major national and international professional accounting and auditing organisations and the development of extensive opportunities for staff to attend technical seminars and conferences.

Each year, member entities must compile, and inventory training attended by their professionals, and membership of professional bodies/institutes, in order to ensure compliance with the above-mentioned requirements on a multi-year basis.

Mazars confirms that these obligations have been subject to internal review.

Statement of compliance from the Chairman of the Board of Directors

Statement on the effectiveness on the Quality Management System

Mazars Belgium's Quality Management System is designed to provide reasonable assurance that the firm, its partners and staff comply with professional standards and regulatory and legal requirements, work is performed to a consistently high standard and that reports issued by the firm are appropriate.

On the basis of its Quality Control monitoring conclusions, Mazars Belgium's board of directors positively confirmed the effectiveness of the functioning of the internal quality control system of the entity and that it met the membership obligations of the Forum of Firms in all material respects.

Appropriate action plans are implemented to address properly, or remediate to, findings or recommendations received with respect to quality.

Statement on the effectiveness of the systems to safeguard objectivity and independence

The design, operation and effectiveness of Mazars Belgium's systems to safeguard objectivity and independence form part of the review of the Quality Management System.

Based on the evidence identified in this review, Mazars Belgium's board of directors confirms, with a reasonable level of assurance, that the independence procedures and practices have been implemented and the system is effective in maintaining independence. Furthermore, Mazars Belgium's board of directors confirms that the practices have been subject to internal review

Statement of compliance with the professional training obligations

Registered auditors are required in Belgium to complete at least 120 hours or equivalent learning units of relevant professional development activity in each rolling three-year period.

Mazars Belgium has established a professional education program that include the organisation and delivery of technical in-house and external seminars, the active involvement of professional staff in major national and international professional accounting and auditing organisations and the development of extensive opportunities for staff to attend technical seminars and conferences.

Each year, Mazars Belgium compiles and inventories training attended by their professionals, and membership of professional bodies/institutes, in order to ensure compliance with the above-mentioned requirements on a multi-year basis.

Mazars Belgium confirms that these obligations have been subject to internal review.



Philippe Gossart
Mazars Belgium, Chair of the
Board of Directors
Quality & Risk Officer

Appendix 1 : list of public interest entities

The Public Interest Entities in respect of which Mazars Réviseurs d'Entreprises/Bedrijfsrevisoren has expressed an audit opinion in 2021/22 are as follows:

1. Companies that have issued transferable securities admitted to trading on a regulated market

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from 1 September 2021 to 31 August 2022):

COIL

Dexia

Accentis

IEP Invest

UCB

FNG

National Bank of Belgium

2. Credit Institutions

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from September 1, 2021 to August 31, 2022):

Van de Put en Co Effectenbank

Bpost Bank

CPH Banque

3. Insurance companies

The list of engagements for which statutory audit reports have been issued during the Transparency Report period (from 1 September 2021 to 31 August 2022):

Inter Partner Assistance

CPH Life

Satrex

Cigna Life Insurance Company of Europe

Cigna Europe Insurance company

Algemene Vervoerverzekering

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

I – Integrated Entities (Audit)

Region: Africa & Middle East (33)

Country	Legal Name
Algeria	Mazars Hadj Ali
Angola	Mazars Angola - Auditores & Consultores, Lda.
Bahrain	Mazars Chartered Accountants (Bahrain)
Benin	MAZARS BENIN
Botswana	MAZARS PARTNERSHIP(BOTSWANA)
Cameroon	MAZARS CAMEROUN
Congo, Democratic	Mazars République Démocratique du Congo SARL
Djibouti	MAZARS (SOFRACOR S.A.R.L)
Egypt	Mazars Mostafa Shawki & Co Mostafa Shawki Consulting For Corporate Finance & Securities SAE
Ghana	Mazars Ghana
Israel	Bri Rotbart Raz Mazars Israel FS AUDIT SERVICES
Ivory Coast	MAZARS COTE D'IVOIRE
Kenya	Mazars Kenya Emu Registrars
Kuwait	Mazars Hend Abdullah Alsurayea & Co Mazars Kuwait - Consultancy
Lebanon	MAZARS SAADE SAL
Libya	MAZARS FOR ADVOSIRY AND FINANCIAL STUDIES
Madagascar	CABINET FIVOARANA
Mauritius	TK UDAY LTD
Morocco	MAZARS AUDIT ET CONSEIL
Mozambique	Mazars, Lda
Niger	International Audit & Consulting, I.A&C Niger
Nigeria	MAZARS OJIKE AND PARTNERS
Oman	Mazars Chartered Accountants & Co. LLC
Palestine	EI Wafa Co. for Financial Consulting and Accounting Services
Qatar	Ahmed Tawfik and Co Chartered Public Accountants Mazars LLC (Qatar)
Rwanda	Mazars Rwanda
Saudi Arabia	AL KHARASHI CERTIFIED ACCOUNTANTS & AUDITORS
Senegal	MAZARS SENEGAL MAZARS AOC

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

South Africa	Mazars Port Elizabeth Mazars Services Trust Mazars Cape Town Mazars Central Inc Mazars Durban Mazars Gauteng Mazars Empowerment Investments (Pty) Ltd Mazars Financial Services Africa (Pty) Ltd
Tanzania	Mazars Wiscon Associates
Tunisia	ECC MAZARS STRATEGY AND BUSINESS CONSULTING INTERNATIONAL
Uganda	Mazars BRJ
United Arab Emirates	Mazars Chartered Accountants Mazars Tax Consultants
Region : Asia-Pacific (15)	
Afghanistan	Mazars Afghanistan Limited
Australia	MAZARS RISK & ASSURANCE PTY LIMITED Mazars Melbourne Pty Ltd Mazars Audit (Qld) Pty Limited
China	UNION POWER – MAZARS MANAGEMENT LIMITED COMPANY BY SHARES MAZARS CERTIFIED PUBLIC ACCOUNTANTS.
China Hong Kong	Mazars CPA Limited
India	Kalyaniwalla Mistry and Associates Kalyaniwalla & Mistry LLP Mazars Advisory LLP S. N. DHAWAN & CO LLP MAZARS INDIA LLP
Indonesia	KAP Aria Kanaka & Rekan
Japan	Mazars Audit LLC
Korea (South)	Mazars Sebit Korea
Kyrgyzstan	Mazars Limited Liability Company "Mazars Audit" Limited Liability Company
Malaysia	Mazars PLT Mazars Risk Management Sdn Bhd
Pakistan	MAZARS M.F. & CO.
Philippines	YU VILLAR TADEJA AND CO
Singapore	MAZARS LLP (SINGAPORE)
Thailand	Mazars Limited (Based in Thailand) MZT Partners Ltd Mazars Holding (Thailand) Ltd
Vietnam	Mazars Vietnam Co Ltd

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

Region: Europe (32)

Albania	Mazars Shpk
Austria	Mazars Tax Advisory GmbH Mazars Austria GmbH Mazars IT Services GmbH
Belgium	Mazars Bedrijfsrevisoren - Réviseurs d'Entreprises
Bulgaria	MAZARS OOD
Croatia	Mazars Cinotti Audit d.o.o.
Cyprus	Mazars Limited (Cyprus)
Czech Republic	Mazars Audit s.r.o.
Denmark	MAZARS statsautoriseret revisionspartnerselskab
France	Mazars SA Mazars SPCC Franex Mazars Uniconseils CBA Mazars Experts et Conseils Mazars (Villeurbanne) Mazars aCéa Mazars (Rouen) Mazars (Bezannes) Mazars (Labège) Mazars (Strasbourg) Mazars Bourgogne Franche-Comté Mazars et Associés Mazars Figeor Mazars Data Mazars Dijon Mazars Pontarlier Mazars Lons Pluris Audit

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

MAZARS & SEFCO

Sud Est Expertises financières comptable et d'organisation SEFCO

Mazars Gourgue

Mazars experts-on-line

Mazars Entrepreneurs (Villeurbanne)

Mazars Immobilier

Mazars Thomas

D.D.A

Mazars CPA

Mazars Inreco

AGEC

Germany Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Gibraltar Mazars (Gibraltar) Limited

Greece MAZARS CERTIFIED PUBLIC ACCOUNTANTS BUSINESS ADVISORS SA
MAZARS Könyvszakértő és Tanácsadói Korlátolt Felelősségű Társaság

Ireland Mazars

Italy Professionisti Associati Società Semplice
Mazars Italia S.p.A

Kosovo MAZARS KOSOVA SH.P.K

Luxembourg MAZARS Luxembourg

Malta Mazars Malta

Netherlands Mazars Accountants N.V.
Ten Kate Huizinga Audit N.V.

Norway Mazars Revisjon AS

Poland Mazars Audyt Sp. z o.o.

Portugal MAZARS & ASSOCIADOS, SOCIEDADE DE REVISORES OFICIAIS DE
CONTAS, S.A.

Romania Mazars Romania SRL

Russia Mazars Audit Limited Liability Company

Serbia MAZARS AUDIT d.o.o.

Slovakia Mazars Slovensko, s.r.o.

Slovenia MAZARS, družba za revizijo, d.o.o.

Spain Mazars Auditores S.L.P.

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

Sweden	BSM Revisionsbyrå AB KlöverRevision i Limhamn AB Revisionsfirman Nils Albertsen AB Stureby Revision AB Körö Revisionsbyrå AB Dagermark Revision AB Grebneke Advisory AB M F Revision AB BAH Revision AB Anders SportsMan AB Accretio Revision AB MBO Revision AB Nyhamns Revisionsbyrå AB SPA Revisionsbyrå AB Anders Persson Revisionsbyrå Ystad AB Tegelviken Revision AB Stenskottet AB Saltsjökvärns Revision AB Norrhagens Revision AB Optimus Ekonomikonsult AB Flora Revision AB Ö Rev i Hbg AB Himmelsblå Revision AB Himmelstorpären AB MBR Revision AB Helleklint Revisionsbyrå AB Revisio Jan Håkansson AB Mak Revision AB Persson Audit AB eMeMeM AB Mazars SET Revisionsbyrå AB Mazars SET Revisionsbyrå KB Endeavour Auditing AB HMAB Konsult AB Mazars Ekonomi AB Moose Revision AB Heinöns Revisions AB
Switzerland	MAZARS SA Suisse Aunexis AG
Turkey	Denge Bağımsız Denetim Serbest Muhasebeci Mali Müşavirlik A.Ş.
Ukraine	"Audit Firm "Mazars Ukraine" LLC
United Kingdom	Mazars Channel Islands Limited

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

Region: Latin America & the Caribbean (10)

Argentina	ESTUDIO URIEN & ASOCIADOS ESTUDIO URIEN S.R.L.
Brazil	MAZARS CABRERA ASSESSORIA, CONSULTORIA E PLANEJAMENTO EMPRESARIAL LTDA. MAZARS AUDITORES INDEPENDENTES - SOCIEDADE SIMPLES MAZARS AUDITORES LTDA.
Cayman Islands	Mazars Cayman
Chile	Mazars Chile Ltda Mazars Auditores Consultores Spa
Colombia	Mazars Colombia S.A.S
Dutch West Indies	Mazars Paardekooper Hoffman Curacao N.V
Mexico	Contreras y Asociados Sociedad Civil de Responsabilidad Limitada
Peru	MAZARS AUDITORES, S. DE R.L. DE C.V. MAZARS GUADALAJARA, S. DE R.L. DE C.V. MAZARS MEXICALI S. DE R.L. DE C.V.
Uruguay	MARTINEZ BERNIE LUIS Y MARTINEZ BERNIE ALBA SOCIEDAD CIVIL
Venezuela	ADRIANZA RODRIGUEZ CEFALO & ASOCIADOS Mazars Venezuela

Appendix 2 : name and country of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network

Region: North America (3)

Bermuda	Mazars Limited, Bermuda
Canada	Mazars, s.e.n.c.r.l. 9089-1060 Québec inc. Mazars Canada inc.
USA	Mazars USA LLP

II – Correspondent Firms (Audit)

Region: Africa & Middle East (4)

Congo Brazzaville	M3B Audit & Expertise (correspondent)
Jordan	International Professional Bureau Consulting & Auditing Co (Correspondent)
Malawi	AMG Global Chartered Accountants (Correspondent)
Zimbabwe	KLM Chartered Accountants (correspondent)

Region: Asia-Pacific (2)

Kazakhstan	Nurteam Audit LLP (Correspondent) Nurteam Valuation LLP (Correspondent)
New Caledonia	OCEA Nouvelle-Calédonie Audit (correspondent)

Region: Europe (3)

Estonia	Audiitorteenuse OÜ (Correspondent)
Lithuania	Persense UAB (Correspondent) Persense Audit UAB (correspondent)
Moldova	TX & A CO SRL (correspondent) CV Advisory SRL (correspondent) ATA Consult SRL (correspondent)

Appendix 3 : compliance with EU Regulation 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities

The annual transparency report shall include at least the following:	Reference
(a) a description of the legal structure and ownership of the audit firm;	p. 35
(b) where the statutory auditor or the audit firm is a member of a network: (i) a description of the network and the legal and structural arrangements in the network; (ii) the name of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network; (iii) the countries in which each statutory auditor operating as a sole practitioner or audit firm that is a member of the network is qualified as a statutory auditor or has his, her or its registered office, central administration or principal place of business; (iv) the total turnover achieved by the statutory auditors operating as sole practitioners and audit firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements;	p. 32 and following Appendix 2 Appendix 2 p. 5
(c) a description of the governance structure of the audit firm;	p. 35
(d) a description of the internal quality control system of the statutory auditor or of the audit firm and a statement by the administrative or management body on the effectiveness of its functioning;	p. 15 to 18 and p. 38
(e) an indication of when the last quality assurance review referred to in Article 26 was carried out;	p. 18
(f) a list of public-interest entities for which the statutory auditor or the audit firm carried out statutory audits during the preceding financial year;	Appendix 1
(g) a statement concerning the statutory auditor's or the audit firm's independence practices which also confirms that an internal review of independence compliance has been conducted;	p. 38
(h) a statement on the policy followed by the statutory auditor or the audit firm concerning the continuing education of statutory auditors referred to in Article 13 of Directive 2006/43/EC;	p. 38
(i) information concerning the basis for the partners' remuneration in audit firms;	p. 22
(j) a description of the statutory auditor's or the audit firm's policy concerning the rotation of key audit partners and staff in accordance with Article 17(7);	p. 22
(k) where not disclosed in its financial statements within the meaning of Article 4(2) of Directive 2013/34/EU, information about the total turnover of the statutory auditor or the audit firm, divided into the following categories: (i) revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity; (ii) revenues from the statutory audit of annual and consolidated financial statements of other entities; (iii) revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm; and (iv) revenues from non-audit services to other entities.	p. 5

Glossary



Glossary

AAS	Audit and Assurance Service	INE	Independent Non Executive
CEE	Central and Eastern Europe	ISA	International Standard on Auditing
CCOI-	Code of Conduct for Objectivity and Independence	ISQC	International Standards on Quality Control
CLIP	Corporate Learning Improvement Process	ISQM	International Standard on Quality Management
CSR	Corporate Social Responsibility	IT	Information Technology
DAOI	Déclaration Annuelle d'Objectivité et d'indépendance (Annual Statement of Objectivity and Independence)	KPI	Key Performance Indicator
D&I	Diversity and Inclusion	LLP	Limited Liability Partnership
ERMf	Enterprise Risk Management Framework	M&A	Mergers and Acquisitions
EQCR	Engagement Quality Control Review	MAM	Mazars Audit Methodology
ESG	Environmental, Social and Governance	Mazars Group Partners	The member entities of Mazars SC Partners and shareholders of entities in the Mazars Group
EU	European Union	Mazars	
FA	Financial Advisory	PIC	Public Interest Committee
FoF	Forum of Firms	PIE	Public Interest Entity
GDPR	General Data Protection Regulation	POB	Privately Owned Business
GEAC	Group Ethics and Acceptance Committee	QCC	Quality Control Committee
GEB	Group Executive Board	QM&C	Quality Management and Compliance
GGC	Group Governance Council	Q&RM	Quality Risk and Management
GLT	Global Leadership Team	BoardSC	Société Cooperative (Cooperative Company)
IAASB	International Auditing and Assurance Standards Board	SME	Small and medium-sized enterprises
IES	International Education Standards	SPAC	Special Purpose Acquisition Company
IESBA	International Ethics Standards Board for Accountants	TAX	Tax services
IESBA	Code - IESBA Code of Ethics for Professional Accountants	The Charter	Charter of Association
IFAC	International Federation of Accountants	The Group	The member entities of Mazars
IFRS	International Financial Reporting Standards	SCUNSDGs	United-Nations Sustainable Development Goals
		us/we	Mazars Group

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of more than 47,000 professionals – 30,000+ in the Mazars integrated partnership and 17,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*Where permitted under applicable country laws

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