

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING



Global Annual Review 2023

A summary of RSM's global growth, activities, governance and strategic objectives.

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An introduction from our CEO

The foundations for transformation

Welcome to our 2023 Global Annual Review, which provides insight into RSM's activities around the world, the drivers of our growth, our operations, and the positive impact we are seeking to create.

As the leading provider of professional services to the middle market, it is important that we continue to invest globally in key areas that help us to exceed the expectations of both our clients and our people. Many of the activities and initiatives in 2023 were designed to build the critical foundation blocks for future growth. However, they also created immediate and widespread impact. In particular, this includes critical work to build out our technological infrastructure and the evolution of our global brand – with new visuals and re-energised messaging more reflective of the organisation we are today.

The combined efforts of different teams around RSM resulted in fantastic and unprecedented growth. Our ongoing aim is to empower our clients, colleagues and communities to make confident decisions by ensuring that we bring ideas and insights, and support them with services and teams of the highest quality. As such, the continued strength of RSM is thanks to the dedicated 64,000 people that work within our global organisation across many cultures and markets, their expertise, and their collective commitment to live by our Values.



As the final Global Annual Review that I will be introducing as CEO of RSM International, I would like to note how deeply proud I am of the progress RSM has made over the 18 years I have had the privilege of being in this role. During this time, RSM has transformed immeasurably – from a group of interconnected firms to a truly global organisation that places our clients and people at the centre of everything we do.

There are many people who contribute their time towards RSM's various global leadership teams that help to steer and guide the provision of our modern and forward-thinking assurance, tax and consulting services, and to help ensure that we operate effectively domestically and across borders. Special thanks go to all these professionals for their efforts over the years towards the ongoing development, sustainability and success of RSM – for giving our people and our clients the confidence to Take Charge of Change.

Jean M. Stephens
Chief Executive Officer, RSM International

A handwritten signature in blue ink that reads "Jean M. Stephens".



The combined efforts of different teams around RSM has resulted in fantastic and unprecedented growth, but we recognise that we are only at the beginning of our journey of transformation.

Jean M. Stephens | Chief Executive Officer, RSM International



RSM – a future-focused
organisation

About RSM

At RSM, we help clients overcome new challenges, embrace change and adapt to thrive.

By working together, creating deep insights, combining world-class technology and real-world experience, we deliver understanding that is unmatched, and confidence that builds.

For a changing world.

For the future.

For all.

RSM is the leading provider of professional services to the middle market, with a global focus on serving growth-orientated, internationally-minded companies looking for close, long-standing relationships.

RSM is the brand used by the Members of the RSM International Network, which are each independent professional services firms and separate legal entities practising in their own right. RSM Member Firms are driven by a common vision of delivering innovative solutions, lasting value, and confidence, through providing a wide mix of high-quality assurance, tax and consulting services – whether that be in their domestic markets or in serving the international professional services needs of their clients.

The RSM Network connects Member Firms through common methods, processes and technologies, including universally agreed and applied quality standards. These connections enable RSM Member Firm partners and teams to provide consistently high levels of service and advice to clients – everywhere in the world.

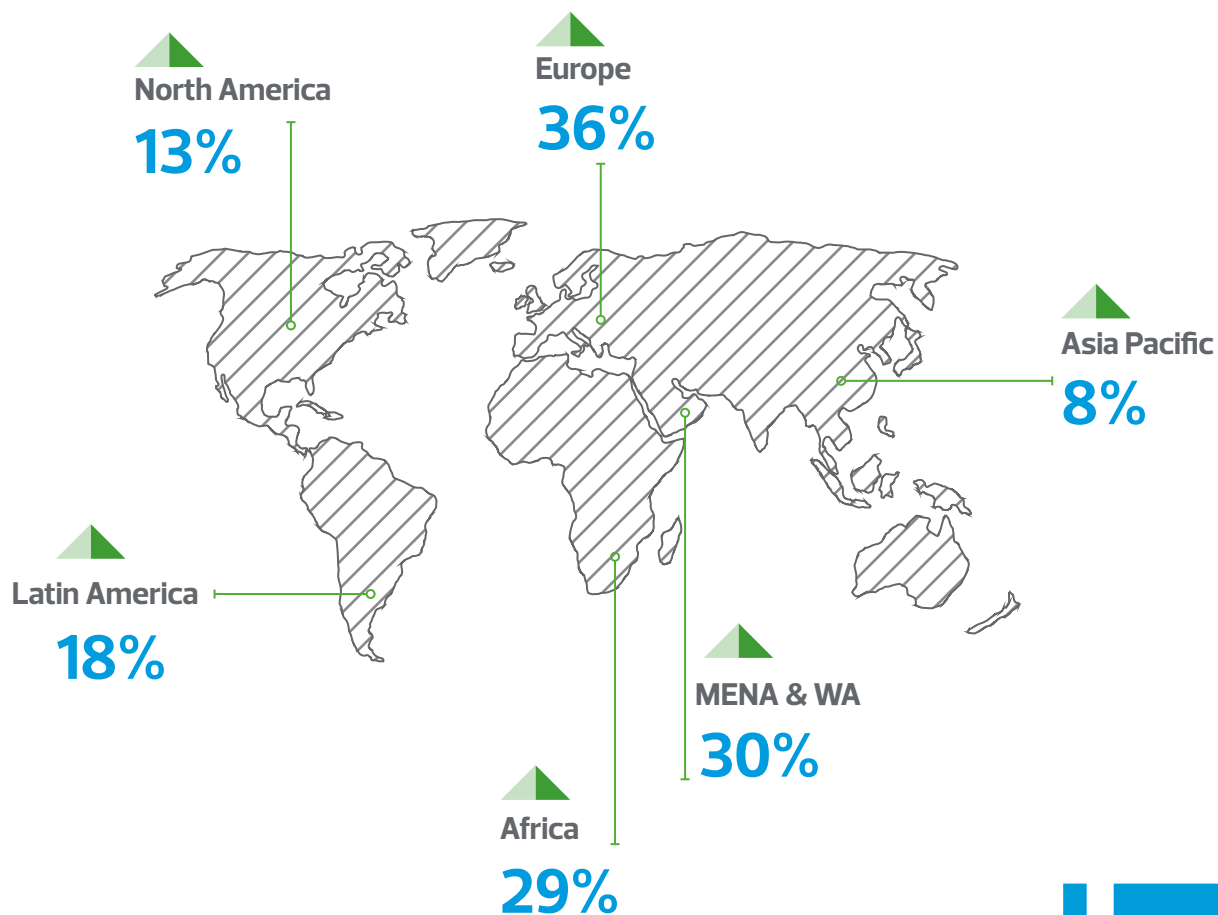
RSM's 2023 Global Financial Results | highlights

Revenue growth

of 16%* to **US\$9.4bn****

* 2022 global fee income \$8.088bn
 ** Revenue growth percentage calculated using constant currency conversions

Growth by region



RSM statistics

- 
64,000 People worldwide
- 
820 Offices
- 
120 Countries

Global Growth in 2023

At December 2023, RSM comprised Firms in over 120 countries, with more than 820 offices, 64,000 staff and combined revenues in excess of US\$9.4 billion.

In 2023, RSM delivered 16% growth globally, with high growth across all regions. Europe grew by 36% compared to 2022 as a result of sustained development across 33 Member Firms and the addition of RSM Ebner Stolz in Germany. North America, RSM's largest region by revenue, saw an impressive 13% rise in fee income for the latest financial year, powered by significant growth in both tax and consulting services, particularly in relation to IT and ESG consulting.

A strategic merger in South Africa in July 2023 coupled with overall regional progress contributed to a 29% leap in revenue from Africa over the period. Exceptional growth was also recorded for both our MENA and Latin America regions, with 30% and 18% increases, respectively. Representing more than US\$1bn in fee income, the Asia Pacific region grew by a strong 8%. RSM has seen its worldwide fee income leap by 41.7% in the last three years, driven by increased requests across all regions for client support to address shifting fiscal and economic policies, and supply chain disruption.

With a 13% increase in global headcount, RSM is dedicated to developing an unrivalled, inclusive culture and talent experience, believing investment in both people and technology to be critical to sustained growth and delivering rich, personalised client experiences. Global tech and digital investment increased four-fold over 2023 compared to 2022, over and above the significant technology investments being made by RSM Member Firms in all territories.



For growth-orientated middle market companies looking for close, long-standing relationships, RSM is the natural choice. Clients recognise that when they work with RSM, they can harness support across multiple services and benefit from our strategic advisory insights to grow their business, and realise their ambitions."

James Grant

Global Leader – Business Development and Marketing, RSM International



Our purpose, values and brand promise

Our purpose

At RSM, we exist to instill confidence in a world of change.

As a guiding principle for every aspect of our business – from strategy and solutions to governance and behaviours – our Purpose defines our approach towards our people, clients, services, and community, and shapes the very essence of RSM.

Our values

Every decision we make is guided by our values. They are the foundation of everything we do.

Respect and uncompromising integrity

We do the right thing, ensuring our actions speak louder than our words.

Succeeding together

We embrace inclusivity and individuality and collaborate effectively to build strong relationships based on deep understanding.

Excellence in all we do

We continuously focus on quality, and strive to be the best in all we do, as individuals and collectively.

Impactful innovation

We welcome change and put insight and technology to work, making a real difference for our clients and our people.

Acting responsibly

We build a better future by demonstrating a responsibility to our people, clients, communities and planet.

Our brand promise

The Power of Being Understood is a promise to our clients and our people that when they work with RSM, they are working with professionals who will take the time to truly understand them, who will bring tailored ideas and insight to their environment, and who are committed to helping them make confident decisions about their future.

To create experiences that set us apart, at RSM, we encourage and reward the following critical behaviours in our people:

Caring

We build strong, long-term relationships by understanding others and their aspirations, and remaining empathetic to their unique challenges, needs and preferences.

Curious

We ask probing questions and seek diverse perspectives to gain understanding, challenge thinking and generate new ideas.

Collaborative

We believe that collaboration leads to better outcomes, and we seek and share perspectives to encourage innovative thinking to solve problems and enable others to seize opportunities.

Courageous

We demonstrate strength and confidence in challenging traditional ways of thinking – having the courage to look forward and prepare for tomorrow.

Critical thinkers

We simplify complex information and concepts providing clarity, objectivity and depth, and bring our best thinking and advice to help others make confident decisions.



Around the world, through our commitment to delivering on our shared Purpose, RSM has developed into a powerful leadership brand, trusted to provide forward-looking and innovative solutions which instill confidence and bring lasting value.

Rebecca Richards

Global Leader – Strategy and Special Projects, RSM International



RSM's visual brand

Launched in 2015, our unified global brand has enabled us to communicate our global scale and the breadth of our capabilities across 120 countries.

In response to changing market dynamics and to support the delivery of our global business ambitions, we have re-energised our presentation to market, reinvigorating our visual brand to better represent who we are and why we are different.

Continuing to promote our talented people as the central and most important aspect of our brand, we have introduced a new creative device taken from the DNA of our logo. Named our 'Pattern of Progress' (and as demonstrated on this page in blue), the device reflects the journey of discovery we undertake to build dynamic and compelling solutions to individual client needs. The Pattern alludes to the constant state of flux we all experience in the world of work and the technological environment in which we all live, where digital empowerment is core to progress.

Brandmark

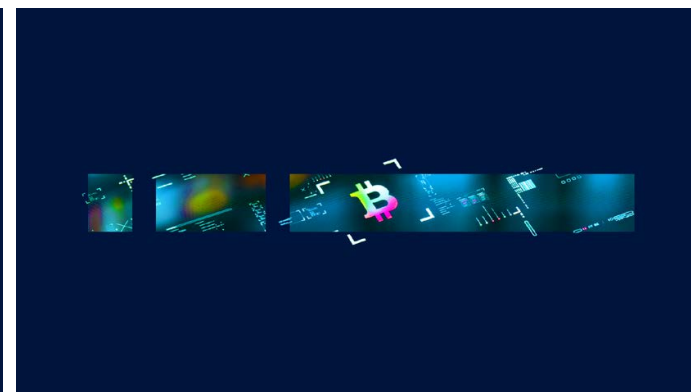
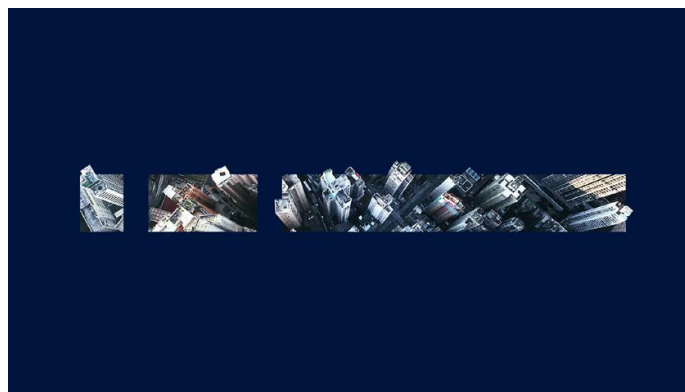
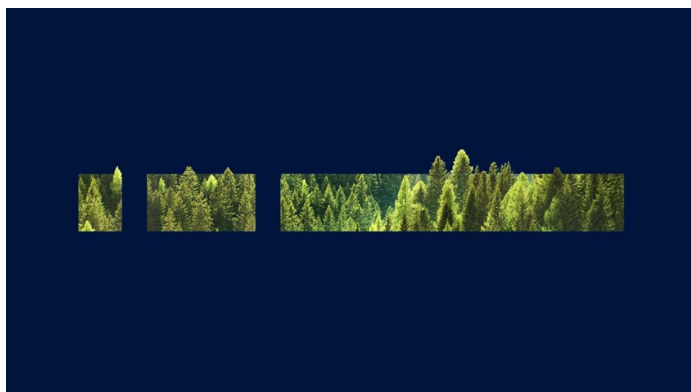
RSM's Brandmark, or logo, comprises lettering and the three coloured bars which form the 'Progress Bar'. Each colour has a very specific meaning:

- Grey signifies a relationship based on a solid and reliable foundation.
- Green represents our positive, ideas-driven and responsive approach.
- Blue symbolises forward movement and the attainment of future goals.

As part of our re-energised brand, the Progress Bar has been elevated as a creative device to further brand recognition.



RSM



Portraiture

As an integral part of the RSM visual identity, we use photographs of our own people to bring RSM to life. Through our Portraiture, we capture the broad range of personalities and cultures of our global team, and showcase their approachability and confidence.



The Pattern of Progress

Building from bottom left to top right, the Pattern of Progress symbolises forward movement and the attainment of future goals in an ever-changing complex digital world, reflecting our focus on the issues that matter most to our clients and people, for today and for tomorrow.



Taking Charge of Change – our 2030 Global Strategy

In a world of complexity and uncertainty, change is both inevitable and vital. We exist to empower our clients and our people for the future and give them the confidence to **Take Charge of Change.**

Our vision is to be known globally for delivering innovative solutions, lasting value and confidence.

We focus our investments, activities and efforts on four Strategic Drivers:

People

Driving an unrivalled, inclusive culture and talent experience.

Clients

Delivering rich, personalised client experiences and market-leading insights.

Technology

Championing and embracing future-focused, digital, agile and global delivery models.

Solutions

Industry-specific approaches, and compelling global products and services.

Whether at an individual, Firm or global level, in decisions relating to all activities and investments, we ask:

1. *“Could we be more effective and efficient working collaboratively across borders rather than independently?”*
This is how we harness our global strength.
2. *“Is this the best approach to generating increased value for our clients and our people?”*
This is how we maximise our relevance.
3. *“Is this aligned with our global purpose and values, and will it build pride and engagement?”*
This is how we empower our brand.

The start of a new era

A message from the Chair of RSM International



As a global organisation, RSM's 2030 Global Strategy – Taking Charge of Change – defines the direction of the Network and provides a framework to which all Member Firms align. The Strategy aims to drive the creation of an innovative, dynamic and digitally-driven global organisation, while ensuring that RSM continues to be recognised by our clients, people and communities as inspiring, modern and forward-looking.

2023 was the first year on our roadmap to 2030. It was a year of great progress, but also one of learning. In particular, the accelerated pace of

developments in technology, such as in artificial intelligence and machine learning, are causing us to reevaluate how we can streamline and create efficiencies to achieve our goals. Our strategy and destination are clear, but it is increasingly apparent that how we best get there will change over time as new market factors come into play.

As Chair, it is important that I note a major development for RSM in 2023. Marking the end of an era was the announcement that Jean Stephens would be stepping down as CEO of RSM International in May 2024. Jean's leadership over 18 years has been instrumental in building RSM into the dynamic, global organisation it is today. I would like to take this opportunity to thank Jean for her outstanding service to RSM, and I look forward to continuing to work with her in her new advisory role.

I would also like to welcome our new CEO E.J. Nedder who will succeed Jean. E.J. most recently served as Partner and Chief Strategy Officer for RSM US LLP, where he led the development, communication, execution and sustainability of the RSM US enterprise strategy, driving digital transformation and a culture of insights-led innovation. I am confident in E.J.'s ability to work collaboratively with Member Firms to lead the Network to even greater heights in the future.

On behalf of the RSM International Board of Directors, I would like to thank all those who contributed to the first year of implementing our 2030 Global Strategy, and I look forward with excitement and energy to the journey ahead as we embark on a new and transformative period for RSM.

Joe Adams
Chair of RSM International

Global representation

RSM has Member and Correspondent Firms in the following countries:

AFRICA

| | | | |
|----------|------------|--------------|----------|
| Angola | Kenya | Nigeria | Uganda |
| Botswana | Malawi | Niger | Zambia |
| Eswatini | Mauritius | South Africa | Zimbabwe |
| Ethiopia | Mozambique | Tanzania | |

ASIA PACIFIC

| | | | | |
|-------------|----------------|---------------------|-------------|----------|
| Afghanistan | China | Japan | Pakistan | Taiwan |
| Australia | Hong Kong, SAR | Korea (Republic of) | Philippines | Thailand |
| Bangladesh | India | Malaysia | Singapore | Vietnam |
| Cambodia | Indonesia | New Zealand | Sri Lanka | |

EUROPE

| | | | | |
|-----------------|-----------------------|-------------|-----------------|----------------|
| Albania | Czech Republic | Isle of Man | Mayotte | Spain |
| Andorra | Denmark | Israel | Netherlands | Sweden |
| Austria | France | Italy | North Macedonia | Switzerland |
| Azerbaijan | Georgia | Kazakhstan | Norway | Tajikistan |
| Belgium | Germany | Kosovo | Poland | Turkey |
| Bulgaria | Gibraltar | Kyrgyzstan | Portugal | Ukraine |
| Channel Islands | Greece | La Reunion | Romania | United Kingdom |
| Croatia | Hungary | Luxembourg | Serbia | Uzbekistan |
| Cyprus | Ireland (Republic of) | Malta | Slovakia | |

LATIN AMERICA & THE CARIBBEAN

| | | | | |
|----------------|--------------------|-------------|-------------|-----------|
| Argentina | Chile | El Salvador | Panama | Venezuela |
| Bahamas | Colombia | Guatemala | Paraguay | |
| Bolivia | Costa Rica | Honduras | Peru | |
| Brazil | Dominican Republic | Mexico | Puerto Rico | |
| Cayman Islands | Ecuador | Nicaragua | Uruguay | |

MIDDLE EAST & NORTH AFRICA

| | | | | |
|---------|-------------|------------|--------------|----------------------|
| Bahrain | Iraq | Lebanon | Palestine | Tunisia |
| Chad | Ivory Coast | Mauritania | Qatar | United Arab Emirates |
| Egypt | Jordan | Morocco | Saudi Arabia | |
| Gabon | Kuwait | Oman | Senegal | |

NORTH AMERICA

| | |
|--------|--------------------------|
| Canada | United States of America |
|--------|--------------------------|

RSM's Global structures and teams

RSM's global structure is fundamentally aimed at executing RSM's global strategy and building cohesion across Member Firms.



Global Executive Office

The Global Executive Office is a central international team, based primarily in London, and seeks to enable the advancement, transformation and sustainability of the Network through harnessing the full power of the global organisation. It provides leadership to RSM's Regions, Committees and Service and Sector Groups and supports each Member Firm to drive growth. The team is responsible for:

- Executing RSM's global strategy.
- Maintaining and growing RSM's geographic coverage.
- The development and maintenance of global processes, policies and methodologies, and oversight of Member Firm implementation of these.
- The development, management and protection of the RSM global brand.
- Facilitating global independence.
- Coordination of international client opportunities, business development approaches and international referral protocols.
- Managing and delivering the Global Member Firm Inspection Programme.
- Facilitating global engagement and collaboration.
- Global training initiatives, events and HR guidance.
- Development of RSM's global technology infrastructure and information security.
- Ensuring the financial health of RSM International.

The Leadership Team of the Global Executive Office



Jean Stephens
Chief Executive
Officer



Bob Dohrer
Chief Operating
Officer



Marion Hannon
Global Leader,
Quality & Risk



William Cheng
Chief Financial
Officer



Nicola McCoy
Chief Information &
Security Officer



Dr Robert Coles
Chief Culture
& Transformation
Officer



James Grant
Global Leader,
Business Development
& Marketing



Rebecca Richards
Global Leader,
Strategy & Special
Projects



David Carlisle
Head of Strategy &
Special Projects



Candy Eaton Gaul
Global Leader,
Diversity & Inclusion

RSM's Regions

RSM is organised into six regions to facilitate regional cross-border collaboration and the sharing of information and best practices across Members. Generally, each Region includes a Regional Council and a Regional Leader, supported by a Regional Coordinator. The Regions are responsible for:

- Supporting Member Firms.
- Regionalising and championing global initiatives to drive progress against Network objectives.
- Building regional engagement and collaboration.
- Supporting succession development and identifying/developing Next Generation Leaders within Members.
- Supporting proactive business development and growth initiatives.
- Assessing and coordinating large global client opportunities.
- Providing support and guidance to Member Firms on their growth journey.
- Driving referrals between Member Firms within and across the Regions.
- Identifying new markets and potential professional services firms for recruitment within their Region.
- Working with the Global Executive Office on regional go-to-market strategies.

Regional Leaders and Coordinators:

Africa



Clive Betty
Regional Leader,
Africa

Based in South Africa



Ivete Turi
Regional Coordinator

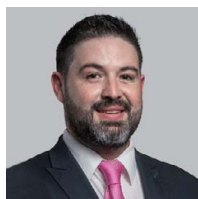
Based in South Africa

Latin America



Eileen Turkot
Regional Leader,
Latin America

Based in the US



Alexandro Gutierrez
Regional Business
Development Manager

Based in Mexico

Asia Pacific



Stephen Darley
Regional Leader,
Asia Pacific

Based in Thailand



Mark Anders
Regional Coordinator

Based in Australia

MENA



Bassam Dahman
Regional Leader,
Middle East

*Based in
United Arab Emirates*



**Michelle Faye
Cuenca**
Regional Assistant

*Based in
United Arab Emirates*

Europe



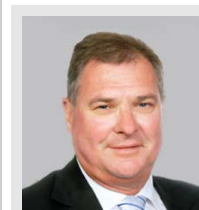
Gregor Schmidt
Regional Leader,
Europe

Based in Germany



Mark Pullen
Regional Coordinator

Based in the UK



Neil Hough
Senior Adviser to
Regional Leaders

Based in Australia

RSM's global leadership groups

The delivery of services within, and across, RSM is enhanced by Leadership Groups, Service Line Groups, Centres of Excellence and Industry/Sector Groups. These teams and structures are responsible for:

- Creation of global methodologies, processes and frameworks.
- Development of existing services and the identification of new services.
- Management of shared digital spaces to promote collaboration between experts across the global organisation.
- Development of appropriate sub-groups around particular service focus areas.
- Delivery of relevant e-learning, training materials and training events.
- Recommendations regarding adopting and integrating new technologies and digital applications.
- Development of go-to-market approaches aligned with global messaging.
- Identification of cross-border client service opportunities.
- Building widespread internal and external knowledge of RSM's capabilities.

Quality and technology committees

RSM has a number of focused committees tasked with maintaining, improving and leading the development and use of new technologies and standards of quality. These committees ensure that the operations of the Network are sustainable, protected, and consistent. This includes being responsible for:

- Implementation of technology to improve existing processes to streamline and build consistency in our operations and levels of quality.
- Developing or adopting new systems to enhance Member Firm and client experiences.
- Adopting and improving on industry best practices and standards to ensure RSM remains at the forefront of the profession.
- Overseeing RSM's programme of due diligence on prospective firms.
- Overseeing the Global and Member Firm Inspection Programme.
- Promoting consistent methods and processes to create alignment in quality and efficiency across the global organisation.
- Developing appropriate training and supporting materials to embed the above.

RSM's global committees and leadership groups – a summary

| Operational committees | Centres of Excellence | Industry Groups | Other Service Line Groups |
|---|--|--|--|
| <ul style="list-style-type: none"> ▪ Global Quality Committee ▪ IT Advisory Committee ▪ Independence Committee ▪ Incident Response Committee ▪ HR Community ▪ RSM Orb Development Team ▪ RSM InTrust Development Team ▪ Insurance Working Group | <ul style="list-style-type: none"> ▪ Audit ▪ Consulting ▪ International Tax ▪ Financial Due Diligence ▪ Risk Consulting | <ul style="list-style-type: none"> ▪ Automotive Services ▪ Financial Services ▪ Real Estate | <ul style="list-style-type: none"> ▪ ESG Leadership Group ▪ Family Enterprise Leadership Group ▪ Legal Services Group ▪ Restructuring Group ▪ IFRS Advisory Committee ▪ Managed Services Taskforce |

Each of these groups or committees often establishes working groups and/or sub-committees focused on specific projects and initiatives.

RSM International Board of Directors

The RSM International Board of Directors is the governing body of RSM International Limited. Its objectives and responsibilities include:

- Creating, approving, and overseeing implementation of the international strategy for the Network.
- Oversight of matters relating to the membership of RSM, including admitting new members and termination of membership.
- Oversight of the ethical and effective leadership of the Network.
- Approving the Network budget, operational plan and Member Firm fees.
- Safeguarding Network assets and satisfying itself that the Network has adequate systems and controls in place.
- Strategic risk management of the Network and oversight of risk management policies and best practices.
- Overseeing processes to ensure adherence to quality standards by Member Firms.
- Determining and overseeing the process for CEO succession.

Directors of the RSM International Limited are:



Joe Adams
Chairperson | *US*



Jorge Pérez
Argentina



James Komninos
Australia



Stefan Walter
Austria



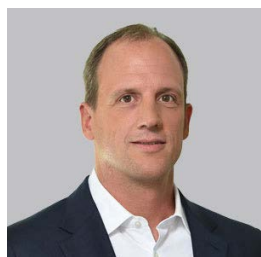
Jason Chen
China



Cherif Hammouda
Egypt



Jean-Michel Picaud
France



Christian Fuchs
Germany



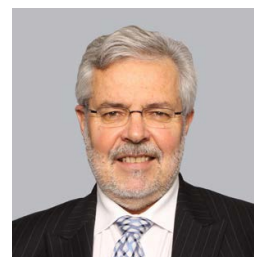
Angela Simatupang
Indonesia



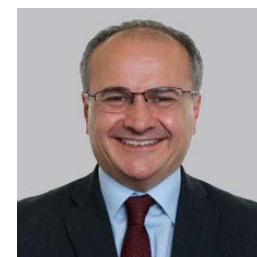
José Gómez
Puerto Rico



Derek How
Singapore



Brian Eaton
South Africa



Simon Hart
UK



Tom Ferreira
US

Governance of the Network

Chief Executive Officer (CEO)

The CEO is appointed by, and accountable to, the RSM International Board. The CEO has overall responsibility for leading on the execution of the Network's strategy and for developing and growing RSM for and on behalf of its Members. On an annual basis the CEO prepares and presents to the Board for approval an annual Operational Plan which outlines the key global activities to deliver against the strategy. The CEO works closely with the Board, Regions, Member Firms, leadership teams and external advisers to deliver on the responsibilities of the role. The CEO also leads the RSM Global Executive Office (GEO) which is based in London but has staff located in a number of global locations.

Chief Operating Officer (COO)

The COO works closely with the CEO to help drive RSM's strategic plan and central activities, with responsibility for managing several of the Global Executive Office functions. This includes regional and operational support, a number of leadership groups and Centres of Excellence, Member relations, legal, brand and digital, IT and marketing communications. In addition, the Regional Leaders report to the COO on their activities and workplans for the year, which are aimed at helping Member Firms in their Region to continue developing, collaborating and growing.

RSM International Limited Board of Directors

RSM International Directors are each appointed for a period of three years, after which they become eligible for re-election. There is provision for the appointment of an additional three directors by the Board who may serve for a period up to three years and who would also be eligible for reappointment. The Chair is also elected for a three-year term and may be re-elected for up to two further three-year terms. Neither the Chair nor the Directors are remunerated.

To assist in discharging its responsibilities, the Board has established a number of subcommittees:

| Committees | Responsibilities |
|------------------------------------|---|
| Governance Committee | Assist the Board in the discharge of its responsibilities relating to: oversight of RSM Membership matters; assessment of the processes, practices and the results relating to RSM International's governance; and oversight of relevant existing governance documents. |
| Nomination Committee | Oversight of the administration of the Board appointment process. |
| Audit Committee | Assist the Board in the discharge of its responsibilities relating to: the safeguarding of RSM International's assets; the operation of adequate systems and control processes; and the preparation of accurate financial reporting information and statements in compliance with all applicable legal and regulatory requirements and accounting standards. |
| Remuneration Committee | Assess and recommend to the Board the remuneration of the CEO and other senior management. |
| Risk Committee | Provide additional analysis to the Board regarding the strategic risk management of RSM International, determining that risk management best practices and policies are established, and formalising Risk Appetite Statements for review and approval by the Board. The Board's Risk Committee collaborates with the Global Executive Office Operational Risk Team, which is comprised of the CEO and the Global Leader for Quality & Risk, who are supported by other Global Executive Office staff. |
| Strategy Committee | Consider and provide recommendations to the Board regarding areas of the Strategy that may need to evolve due to the impact of ongoing internal or external factors, and assist the Board in creating frameworks and defining approaches to track global, regional and local progress towards achieving RSM's strategic goals. |
| Global Quality Committee | Detailed consideration of Network quality matters to equip Member Firms to deliver uniform high-quality professional services and to achieve full alignment with RSM Network policies and procedures. |
| Global Incident Response Committee | Provide support to the Board with regard to day-to-day management of, and communications related to, potential security incidents. |



RSM's global activities in 2023

Focused investment for growth

A message from our COO



As we reflect on 2023, it is evident that the unpredictable business landscape demanded an unparalleled level of agility, innovation, and a commitment to empowering our clients to navigate through an array of challenges. With the launch of our 2030 Global Strategy at the outset of the year, we've placed a significant emphasis on harnessing the power of technology to not only streamline our operations but also to foster innovation and provide insightful, data-driven solutions to our clients. Our journey through 2023 was a testament to RSM's agility and forward-thinking approaches, especially in the realms

of technology, security, and data management.

Our technological advancements represent just one of our priorities in 2023. At the heart of our success are our people. The challenge of attracting and retaining top talent was a universal theme across the professional services sector in 2023. Yet, RSM rose to the occasion, focusing on cultivating a distinctive culture and stimulating work environment that sets us apart. Our efforts have borne fruit, as evidenced by the double-digit growth in our global headcount compared to 2022. This growth is not just a number; it symbolises the strength of our commitment to fostering a workplace where the best and brightest want to be and thrive.

Our investment in technology and our people are the cornerstones upon which our ambitions are built across our 2030 goals. They are critical in enabling us to deliver superior services and exceptional experiences, and to cater for the needs of our internationally dynamic clients. As we navigate through the complexities of the global market, our resolve to invest in these key areas underpins our strategy to not just respond to the present challenges but also to anticipate and shape the future.

This section – RSM's global activities in 2023 – focuses on centrally run initiatives and projects, which are supplementary to a wealth of regional and local investments made by our Members around the world.

Bob Dohrer
Chief Operating Officer, RSM International

People

Our goal is to drive an unrivalled, inclusive culture and talent experience

Our focus is on being a market-leading employer, with a recognised global employer brand framework that promotes consistency in our people experience while celebrating local cultures and dynamics.

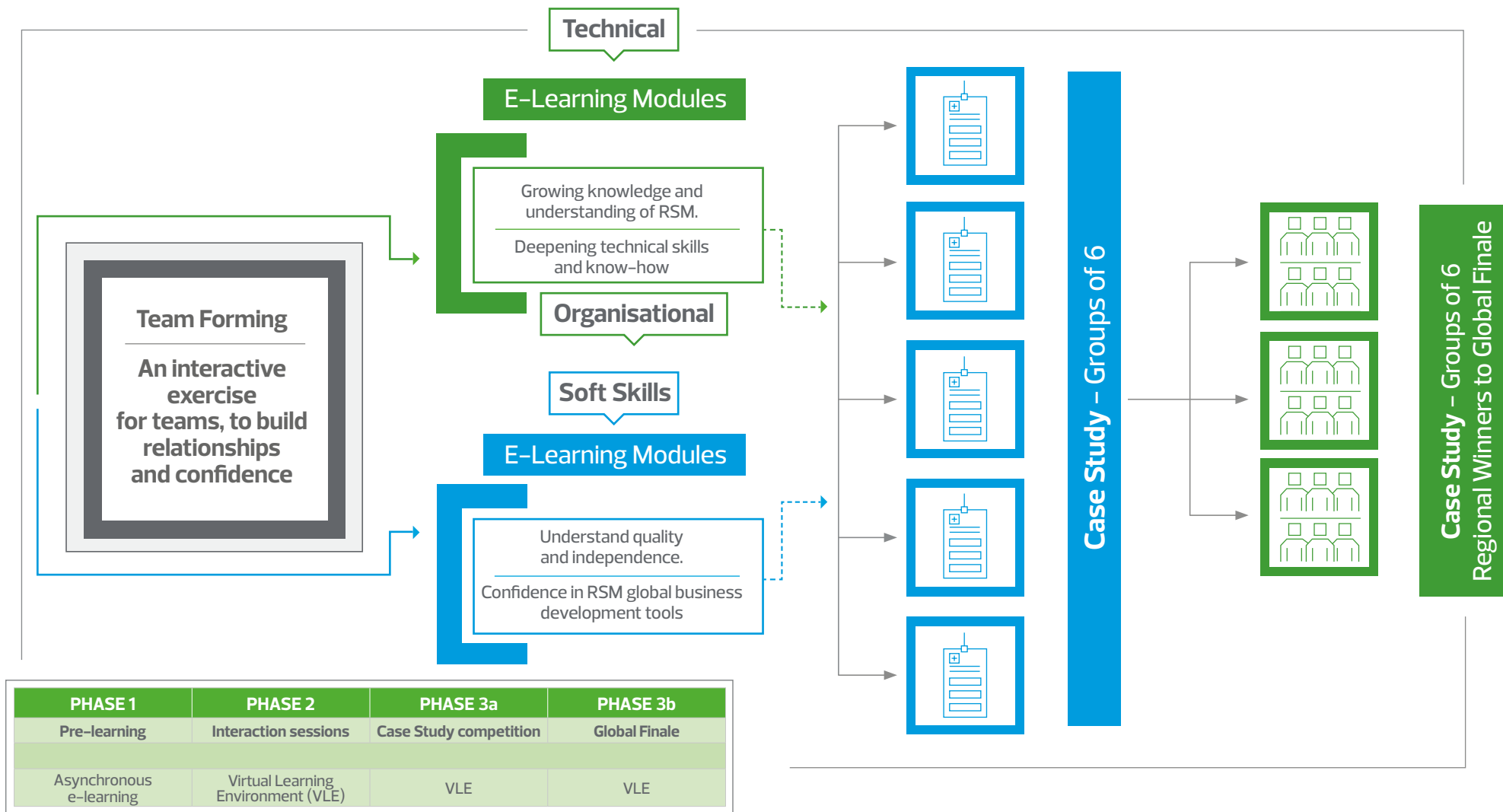
For RSM, 2023 was marked by advancements and initiatives aimed at fostering a culture of collaboration, learning, and leadership development across our global operations.

Our Managing Partner Forum was a cornerstone event, bringing together RSM leaders at the start of the year to deepen relationships and share insights. This spirit of unity and strategic alignment was further bolstered as we reconvened at five in-person Regional Conferences for the first time since 2019, reinforcing our global connectivity and commitment to shared goals.

RSM Academy 3.0 represented a leap forward in our educational initiatives. Utilising a new, dynamic technology platform, this iteration of our flagship training programme enabled the creation of an engaging and interactive learning environment, and marked a significant evolution in our approach to developing culturally intelligent, future leaders. RSM has continued to nurture a strong talent pipeline through its quarterly RSM Academy Alumni programme, which fosters lasting connections and facilitates continuous development among our graduates.

RSM Academy 3.0

Learning phases



Our dedication to fostering a culture of continuous learning and development was evident in the creation of over 200 learning modules on RSM Campus, our global learning management platform. These modules cover a broad spectrum of topics, from IFRS and quality and risk to audit, leadership, and management, illustrating our commitment to upholding the highest standards of professional excellence.

Moreover, the creation and operationalisation of the Global HR Community marked a pivotal step in strengthening HR practices across RSM. This initiative aimed at ensuring a cohesive and supportive environment for our people worldwide, further enhancing our ability to attract, develop, and retain top talent.

In anticipation of our evolved global brand launch, we undertook the selection and photography of new 'Faces of RSM'. This initiative celebrated the diversity and spirit of our people, embodying the essence of RSM and our inclusive culture. 2023 also saw the initiation of the development of a Global Code of Conduct, a testament to our focus on harmonising our values and ethical standards to create seamless client and people experiences worldwide.

Meet some of the faces of RSM



Hieu

Hieu is a Manager in Vietnam. She is strong team player and always keen to reach outside her comfort zone and try something new.



Charlotte

Charlotte joined RSM ten years ago as a Manager and is now a Consulting Partner in France.



Pernille

Pernille is one of our communications specialists in the Netherlands and is also a keen salsa dancer.



Jose

Jose is a Corporate Finance adviser from Spain and is also part of RSM's Future Leaders programme.



Anna

When Anna isn't working as a Senior Tax Technology Consultant, she can be found on her bike or playing squash.



Ani

In addition to her client work as a Technology Consultant, Ani likes to get involved with local charities and build on RSM's US Internship programme.



David

David is a Tax Senior Manager in the US. He works with our US Firm and a local charity to support military veterans and also students from underrepresented communities.



Allison

Allison is Tax Manager in the US and a member of the Abilities Steering Committee at RSM. In her free time, she represents her country at Wheelchair Rugby.



Estefani

Estefani is one of our communications specialists in Peru. In her spare time, she enjoys salsa, bachata, running, cooking and photography.



Ulrikke

Ulrikke is a Senior Associate in Norway and enjoys living an athletic lifestyle.



Felipe

Felipe is a Junior lawyer in Colombia. He is passionate about urbanism and the ways in which we can create more liveable, sustainable cities to make a real difference in people's lives.



Henry

Henry champions diversity and inclusion, believing that sharing perspectives leads to a better collaborative environment both internally and externally.

Clients

Our goal is to deliver rich, personalised client experiences and market-leading insights

Our focus is on delivering personalised intelligent client interactions based on deep understanding and value creation, building on our global middle market strength.

In 2023, RSM moved forward with projects focused on enhancing client engagement and expanding our global reach, reaffirming our position as the leader in providing professional services to the middle market.

A major leap forward was the significant enhancement of our global website platform. This extended beyond cosmetic changes into deep technical developments, including enhancements to more than 90 RSM Member Firm websites, improving functionality, making our wealth of resources and insights more accessible to clients and prospects alike.

RSM has worked across borders better than ever before – to unite under common methodologies, structures and delivery models, innovate, and share insight to support the needs of an ever increasing internationally-active client base.

Understanding the importance of internal collaboration for external success, we launched the Growth Centre on RSM Link, our global intranet. This initiative has been instrumental in pulling together global resources for business development and client relationship building, serving as a central hub for sharing best practices and innovative strategies to enhance client service.

The piloting and subsequent expansion of the Blueprint for Growth programme underscores our commitment to continuous improvement in client experience. By leveraging the expertise within the global organisation, we have been able to drive sophisticated advancements in processes and approaches, ensuring that individual Member Firms benefit from the collective knowledge and innovation of the global RSM community.

The screenshot displays the RSM website homepage. At the top, there is a navigation bar with regional links: Africa, Asia Pacific, Europe, Latin America, MENA, and North America. Below this is a search bar and a 'What we offer' menu. The main hero section features a portrait of a man, identified as 'Aparna, One of the RSM team', against a background of a glowing digital cityscape. Below the hero image is the 'About RSM' section, which states: 'RSM is a powerful Network of assurance, tax and consulting experts with offices all over the world. As an integrated team, we share skills, insight and resources, as well as a client-centric approach that's based on a deep understanding of your business.' A 'Learn more' link is provided.

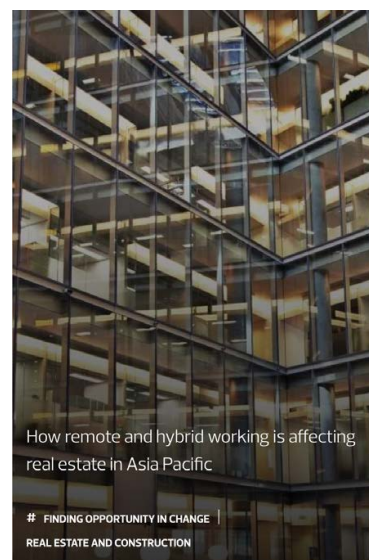
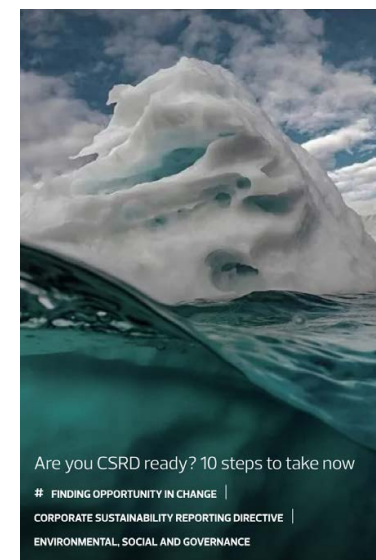
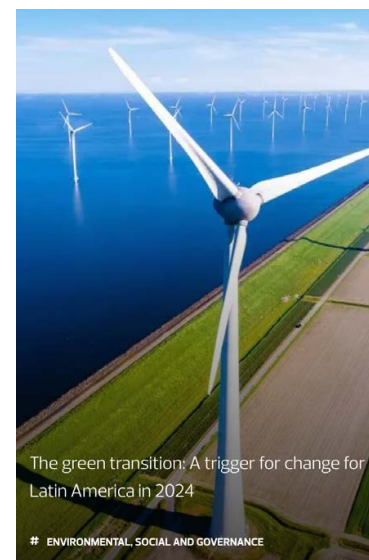
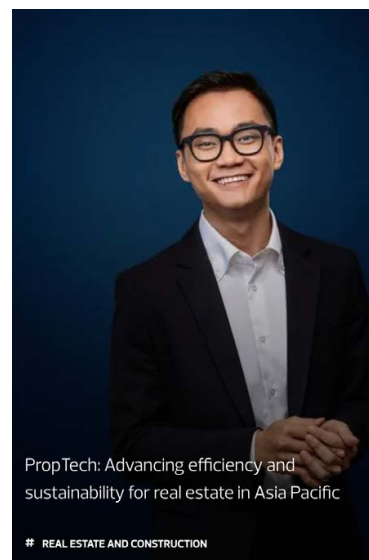
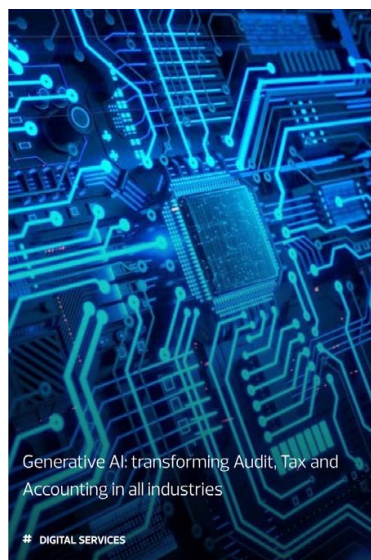
The 'Global highlights' section features a 3D bar chart background and contains the following text: 'Global highlights: RSM global revenue leaps 16% to record US\$9.4bn. RSM, the leading provider of assurance, tax and consulting services to middle-market businesses, has today announced worldwide revenues of US\$9.4 billion for the 12 months to December 2023, a year-on-year growth of 16%.' A 'Find out more' button is located to the right.

The 'Fast facts' section is divided into three columns, each with an icon and text:

- Countries:** We have firms in 130 countries, with a presence in each of the top 40 major business centres throughout the world.
- People:** We have a global team of 64,000 people.
- Offices:** We have over 820 offices across the Americas, Europe, MENA, Africa and Asia Pacific.

The bottom section, 'RSM Launches evolved visual brand', features a background of falling golden sparks. The text reads: 'January 2024 sees the launch of an evolved visual brand for RSM globally. In response to changing market dynamics and to support the delivery of our global business ambitions, we have re-energised our presentation to market, reinvigorating our visual brand to better represent both who we are and why we are different.' A 'Find out more' button is positioned to the right.

Our commitment to insight-led thought leadership saw the publication of a wealth of global content across critical topics including diversity and inclusion, cybersecurity, cryptocurrency, environmental, social, and governance (ESG) issues, artificial intelligence, and supply chain management. These publications not only showcase RSM's expertise but also serve as valuable resources for businesses navigating the complexities of today's market landscape.



Technology

Our goal is to champion and embrace future-focused, digital, agile and global delivery models

Our focus is on being a data-informed and insights-driven organisation. With streamlined processes, augmented intelligence, and a focus on continuous improvement, we want to be known for our agility and efficiency.

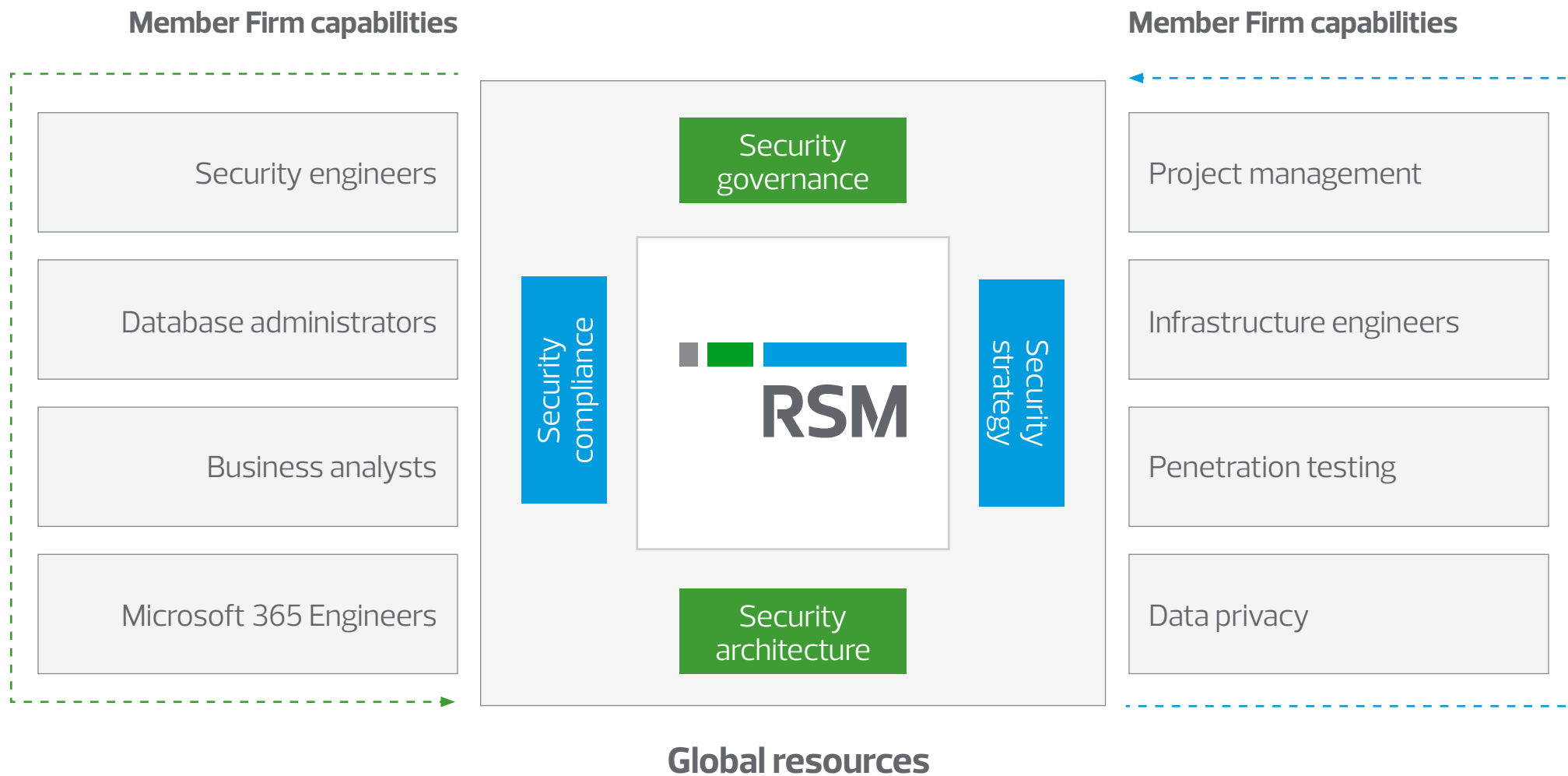
In 2023, RSM took steps towards enhancing our global technological capabilities, underscoring our commitment to a future-focused digital infrastructure that supports our world-wide operations while elevating the service we provide to our clients. With a technology roadmap that is both robust and detailed, the groundwork has been laid for innovations that ensure RSM remains at the forefront of digital transformation in professional services.

Understanding the importance of sharing data in the digital age, we developed and distributed Data Transfer Agreements, which have been signed by all RSM Member Firms. This ensures that personal and client data is handled with the utmost care and in accordance with global data privacy and compliance standards, while enabling us to function effectively and efficiently as one global organisation.

The launch of the Global Incident Response Committee accelerated our ability to manage and respond to any potential cyber-related and security matters. This Committee and the supporting tools and processes play a crucial role in safeguarding our digital environment, ensuring that we are prepared to swiftly address and mitigate potential threats.

Cross-Firm RSM security infrastructure

Harnessing the resources and expertise of our Members to drive security



Our technological advancements have also included the rollout of 'single sign-on' for all Member Firms, providing immediate and seamless access to important global applications. This has improved efficiency while enhancing the user experience for our people, enabling them to access the tools and resources they need with greater ease.

As we build our IT infrastructure, we have contracted with a number of new technology providers and partners. These strategic collaborations are instrumental in bringing innovative solutions and cutting-edge technologies to RSM, further strengthening our digital capabilities.

Our Alteryx acceleration programme represents a step forward in our ability to leverage data analytics and process automation. This initiative is part of our broader effort to harness the power of data for more informed decision-making and enhanced client services.

Lastly, our progress towards the organisation-wide accreditation of ISO27001 underscores our unwavering commitment to information security management. Our global focus on achieving this accreditation across all territories is a testament to our rigorous standards and our proactive approach to managing and protecting information assets.

Investments related to our global technology infrastructure that do not directly produce or increase revenue but do create greater efficiency.

Technology management



Investments that enhance, extend or differentiate existing capabilities related to products, services or markets.

Growth and service enhancement

The potential for the reimagination of RSMs technological infrastructure and to move RSM into entirely new markets or industries.

Innovation



Technology underpins everything we do. Whether it be enhancing our global infrastructure, generating efficiencies, or driving innovation for growth, technology – and the integrity and security of the data contained therein – is of paramount importance to RSM."

Nicola McCoy
Chief Information and Security Officer, RSM International

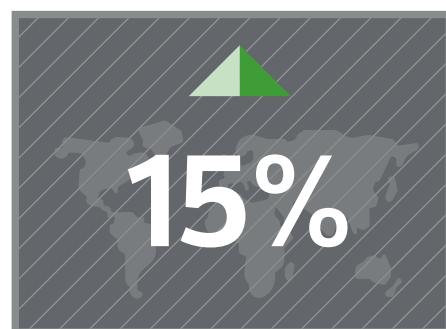
Solutions

Our goal is to develop industry-specific approaches, and compelling global products and services

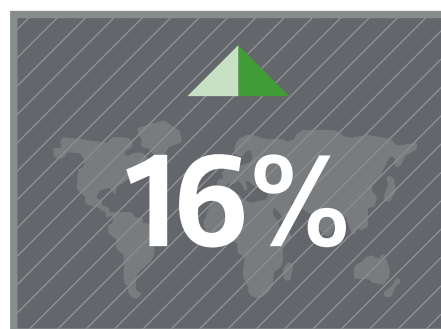
Our focus is on being modern, streamlined, agile and forward-thinking across a wide mix of assurance, tax and consulting services, tailored to specific audiences and supportive of ESG factors.

In 2023, RSM took significant strides to enhance our suite of solutions, focusing on innovation, sustainability, and the future of our assurance and advisory services.

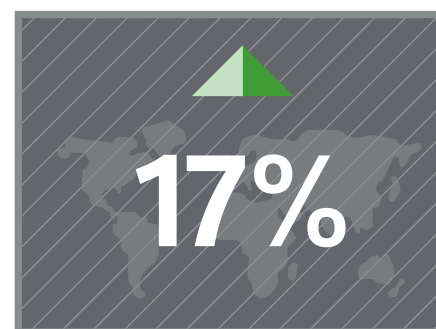
With a focus on delivering compelling global products and solutions, in 2023 we saw double-digit growth across all key service areas, with tax revenues rising by 17 percent, consulting revenues growing by 16 percent and audit services increasing by 15 percent.



**Audit &
Accounting**



Consulting



Tax

A key milestone in 2023 was defining the RSM Audit of the Future and conceptually developing RSM Luca – our global digital audit ecosystem. This ambitious project represents a new approach to how we deliver audit services, incorporating cutting-edge technology and effective processes to further enhance accuracy, efficiency, and value for our clients.

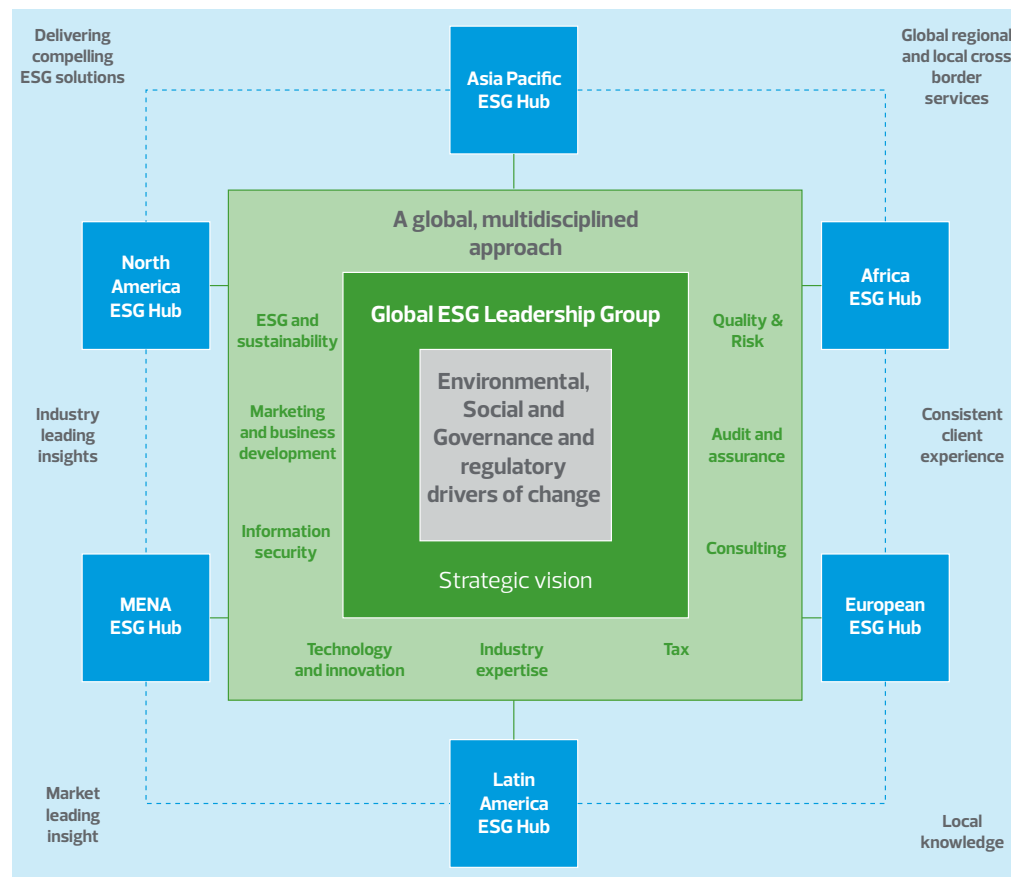
Our commitment to maintaining the highest standards in audit quality saw the update of RSM Orb, our global audit methodology and documentation solution, along with the development and distribution of training to ensure our teams are equipped with the latest tools and knowledge. We assessed alternative working paper solutions, exploring ways to enhance our audit and assurance processes as part of our broader effort to leverage technology in streamlining workflows and increasing the effectiveness of our services. Alongside this, we produced ISQM1 resources to support Member Firms in adhering to the new quality management standards, enhancing our audit quality and reliability.

Furthermore, the development of IFRS training modules has bolstered our capabilities in providing clients with the insights and guidance they need to navigate the complexities of international financial reporting standards.

In response to the growing demand for comprehensive, outsourced solutions, we began a project to globalise our managed services provision across a number of core services, including business establishment, finance, tax, accounting and payroll. Whilst this is a multi-year programme, significant work has already been undertaken to build a global capabilities database and other centralised tools to enable more streamlined information flow to support international clients with managed services across multiple territories.

As one of the largest and most recognised Oracle NetSuite partners globally, our NetSuite team has developed a robust approach to delivering and advising on NetSuite implementations, covering all aspects of project management, process design, configuration, customisation, integration, data migration, reporting, and change management. 2023 also saw similar success in driving growth through sophisticated global practices in Global M&A Tax, Global Financial Due Diligence, and advisory support for Family Offices internationally.

The completion of a detailed global ESG go-to-market project marked a significant achievement in our efforts to support clients with their environmental, social, and governance goals. By scoping a repeatable delivery model for ESG service development, RSM Firms are better positioned to help clients navigate the complexities of sustainability reporting and performance.



Global Tax Conference

Our Global Tax Conference in Amsterdam brought together over 150 attendees, facilitating knowledge sharing and collaboration among our tax professionals. This event underscored the importance of global connectivity and continuous learning in delivering exceptional tax services.

Global Financial Due Diligence

Our in-person Global Financial Due Diligence training with over 100 attendees highlighted our commitment to excellence in this critical service area. This training not only enhances our due diligence capabilities but also ensures that we remain at the cutting edge of financial analysis and advisory services.

Quality at RSM



A continuous pursuit of excellence

As I reflect on the quality landscape in 2023, our commitment to excellence and integrity has never been more important, as we seek to propel RSM to new heights.



2023 was marked by significant investments, both centrally and across our Member Firms, in people, technology, and other essential resources. These strategic investments, coupled with the transformative impact of the implementation of ISQM 1, have been the catalyst for a step change in the effectiveness of our quality monitoring.

As a global organisation, we also took significant strides, as we develop our audit of the future. This initiative represents a pivotal moment in our journey towards redefining and enhancing our audit services, ensuring that we continue to meet the evolving needs of our diverse client portfolio,

which ranges from local businesses to the largest listed entities. The development of our audit offering is a reflection of our strategic vision for 2030, highlighting our commitment to innovation and forward-thinking approaches to help us to continue to serve a dynamically changing client base.

In parallel, the development of an internal AI-powered chatbot, set for rollout in 2024, marks another milestone in our quest for quality. This is designed to assist our auditors in readily accessing and understanding our Global Audit Methodology, thereby further enhancing the consistency and reliability of our audit services worldwide.

Building on the foundations we put in place in 2022, RSM InTrust was further embedded across the global organisation to ensure we adhere to the complex and diverse independence requirements when serving different client types across multiple jurisdictions. Through dedicated training programs, the coaching of champions, and fostering a two-way dialogue between Members and the GEO on necessary changes, we have made substantial progress. Yet, we acknowledge that our journey is ongoing in this important area.

As we anticipate and continually adapt to the changing business and regulatory landscape, our strategy of developing innovative solutions and enhancing the support we offer to our Member Firms is resolute. Our focus is on meeting *and exceeding* the expectations of our clients, regulators and people. Our continuous pursuit of excellence remains central to our approach, as we steadfastly deliver on our purpose – to instill confidence in a world of change.

Marion Hannon,
Global Leader, Quality & Risk, RSM International

Quality, Ethics and Independence

The RSM Global Leader, Quality & Risk has oversight of policies, procedures and inspections related to services provided by RSM Member Firms.

The responsibilities of the global quality and risk team include:

- Meeting membership obligations of the Forum of Firms.
- RSM quality assurance policies, procedures, and inspections.
- RSM Orb, our global audit methodology and documentation solution.
- Global ethics and independence.
- Network wide and Global Executive Office (GEO) operational risk registers.

Global Quality Committee (GQC)

To ensure matters related to quality receive the time and attention necessary to drive uniform high-quality professional services, the Board established the Global Quality Committee as a successor to the Transnational Assurance Services Executive Committee. The GQC, as a sub-committee of the Board, oversees quality and makes recommendations to the Board for consideration and final approval. The Committee does not assume the functions of management, which remain the responsibility of the CEO and other appropriate leaders globally.

The GQC Terms of Reference require its committee members to be appointed by the Board, consisting of five to nine suitably qualified and experienced senior leaders from Firms ensuring representation from across the RSM Regions.

The Chair of the GQC is selected by the Board from the Committee members and serves for a term of three years and can be renominated at the end of the three-year period. Current members of the GQC are from RSM Member Firms in Australia, Eastern Africa, Germany, Puerto Rico, Singapore, UK and US. The Chair of the GQC is from the RSM Member Firm in the UK.

The GQC's responsibilities are to:

- Consider and recommend RSM policies in relation to:
 - Quality management systems compliant with Standards issued by the International Auditing and Assurance Standards Board.
 - Ethics and Independence compliant with the requirements of the International Ethics and Standards Board for Accountants.
 - Quality Assurance and Risk Containment.
 - Anti-Bribery and Corruption and any related or associated requirements.
 - Learning and development in relation to quality, including professional development policies.
 - The Member Firm Inspection Programme and Global Inspection Programme, which are designed to identify non-compliance with the policy requirements of the Committee.
 - Confidentiality, safe custody, integrity, accessibility and retrievability of engagement documentation.
 - Compliance with relevant data protection legislation to safeguard client and personal information and data.
 - Non-audit services (to the extent necessary) complying with relevant international professional standards.
 - Any other matters required to facilitate Network compliance with regulatory requirements.
- Consider and approve procedures, guidance, minimum processes and controls to facilitate compliance with the RSM policies referred to above.
- Review and approve the development and maintenance of an audit methodology, together with manuals and relevant guidance to ensure compliance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board.
- Oversee the suitability of software tools and/or systems which:
 - Comprise our digital audit ecosystem, including RSM Orb, our global audit methodology and documentation solution.
 - Ensure compliance with RSM Ethics and Independence policies.
 - Support the delivery of quality services or aid efficiency across the Network, including engagement risk and compliance systems or other systems used by all service lines.

- Monitor compliance with policy, procedures, guidance, processes, and controls related to the aforementioned services, and prepare the relevant reports, including:
 - Globally coordinated annual independence system monitoring.
 - The annual Quality & Alignment Report to the Board which summarises the results of the Member Firm and Global Inspection Programmes and the recommendations to address findings contained therein.
 - Other monitoring activities, as necessary.
- Monitor due diligence activities and approve due diligence reports for the recommendation to the Board for the admission of new Member Firms.
- Review and comment on learning and development activities, considering whether these are consistent with key quality priorities.
- Undertake any other activities pursuant to promoting quality across the Network.
- Report to the Board on whether Member Firms have appropriate sanctions policies in place.
- Recommend sanctions on Member Firms as a result of non-compliance with the Network's policy directives.

A range of steps and actions are available when it is determined that a Member Firm is not complying with its Membership obligations across RSM's quality standards, risk management and ethics and independence policies and processes. The proposed actions are presented by the GEO to the GQC for review, and a recommendation is then made to the CEO for approval.

Ethics and independence policies

Ethics

At RSM, we pride ourselves on our reputation for acting fairly and ethically wherever we do business. Ethical practices and independence are core to our behaviours, aligning with our values of uncompromising integrity, excellence in all we do and acting responsibly.

To support this, through RSM's Quality Risk and Containment Policies, each Member Firm is responsible for:

- Establishing an environment which recognises the importance of professional ethics, values and attitudes.
- Only entering into Client relationships based on consideration of the integrity and ethical values of the client.
- Providing training that includes the development of professional values, ethics and the essential attitudes to enable its Partners and Staff to act in an ethical manner that is in the public interest.

Anti-bribery and corruption

RSM has a zero tolerance approach to bribery and other forms of corruption. RSM condemns corruption in all its forms and will not tolerate it in the businesses of our Member Firms or in those with whom we do business. The RSM Anti-Bribery and Corruption Policy and Procedures seek to assist Member Firms in limiting their exposure to bribery and other forms of corruption.

Independence policies and procedures

Independence is essential to safeguarding public interest and delivering on our responsibility to clients and communities. To achieve this, RSM maintains ethics and independence policies, mandated for adoption across all Member Firms. These policies are designed to help ensure compliance with the independence and ethical requirements of the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards).

Each Member Firm has a Head of Ethics and Independence – a partner (or equivalent position) who has responsibility to implement RSM's Ethics and Independence policies and augment them for any additional local requirements, as necessary. This includes ensuring that their Member Firm reflects any additional local ethical codes or regulatory requirements that establish higher standards than those reflected in the minimum RSM Ethics and Independence policies.

Any amendments made to the baseline RSM policies (to include additional local requirements) must be submitted to the GEO for review. Partners or professional employees who have any questions regarding the RSM Ethics and Independence policies are required to consult promptly with their Member Firm's Head of Ethics and Independence. In instances where the Head of Ethics and Independence seeks clarification regarding these policies, they consult with the Global Ethics and Independence Leader.

Each Member Firm also has one or more Ethics and Independence Champion, who provide support to Partners and Staff within their Member Firm.

Independence training, annual confirmations and monitoring

Policies and procedures are supported by Ethics and Independence training; for example, the GEO develops e-learning relating to ethics and independence compliance which is made available to Member Firms to distribute to their teams.

Partners and professional employees are required annually to complete an independence compliance confirmation that they:

- Have read the RSM Ethics and Independence policies.
- Have read their Member Firm's Ethics and Independence policies.
- Understand the applicability to their activities.
- Are, and have been for the past year, in compliance with those policies.

Any exceptions to such confirmation are fully explained in writing and corrective actions are taken by the Member Firm.

Annually the Managing Partner and Head of Ethics and Independence of each Member Firm are required to report in writing to the GEO that their Firm has undertaken minimum testing procedures issued by the GEO and to confirm the results of that testing. The confirmations are subject to review by the GEO and the procedures performed are subject to review through the Global Inspection Programme.

Global Independence Committee

Our Global Independence Committee is comprised of representatives from Member Firms and a representative from the GEO. The Committee provides input to the GEO on independence matters including the development of ethics and independence policies, minimum processes and controls, systems, guidance and training.

RSM InTrust

RSM InTrust is our global entity management system that safeguards the independence and collective objectivity of Member Firms and professionals, helping to avoid conflicts of interest in client engagements, and empowering our teams around the world to move forward with confidence. Member Firms are required by policy to ensure that RSM InTrust is searched before providing any service to any corporate client or prospect or before taking on any 'Other Relationship of Interest'. This is to help RSM Partners and Staff identify if a prospective service or relationship impacts an assurance client or assurance client affiliate of an RSM Firm.

Identifying and resolving potential conflicts of interest

Member Firm partners and professional employees are required to consult RSM InTrust and take such other precautions that are considered necessary in the circumstances to ensure compliance with the RSM Ethics and Independence policies with respect to financial, business, family, or employment interests. They are also required to ensure compliance with respect to identifying potential conflicts of interest in the services Member Firms provide to clients or prospective clients – particularly international groups. Annually, Member Firms are required to perform procedures to assess the completeness and accuracy of their client information required to be included on RSM InTrust, and report accordingly to the GEO.

When an RSM Firm partner or employee identifies a potential impairment of independence or conflict of interest with respect to a client or prospective client of another Member Firm either through RSM InTrust or otherwise, the Head of Ethics and Independence of that Member Firm is required to be informed. The Head of Ethics and Independence communicates the relevant details of the client (or prospective client) and the engagement to the Head of Ethics and Independence of the other relevant Member Firm(s). The (se) relevant Heads of Ethics and Independence then assess the facts and circumstances relating to the potential impairment of independence or conflict of interest and apply the appropriate safeguards, which may include withdrawal from an engagement or opportunity.

If Member Firms are unable to apply appropriate safeguards to reduce threats to an acceptable level, the potential impairment of independence or conflict of interest is addressed by withdrawing from, or declining, a particular relationship. If Member Firms, in consultation with Regional Leaders and others from the GEO, are unable to agree appropriate actions to address the potential conflict of interest, either or both Member Firm(s) shall request that the GEO convene a Conflicts Resolution Panel to recommend an approach to resolve the matter. The Panel is comprised of the CEO and two Regional Council Leaders that are not directly involved in the matter. If the Conflicts Resolution Panel is unable to reach an agreement on how the best interests of the Network would be served in the matter under consideration, they shall refer the matter to the Governance Committee of the Board. The Member Firms shall abide by the recommendation of the Governance Committee of the Board.

Quality-related policies and requirements

International Standard on Quality Management 1 (ISQM 1)

ISQM 1 became effective on 15 December 2022. To assist Member Firms that provided audit or other assurance services throughout 2023, the following materials were provided:

- An update to the proforma tool for documenting the system of quality management, to include a section where the annual point-in-time evaluation can be documented.
- Network results from the prior year inspection cycle to consider the effect on their system of quality management.
- Four additional comprehensive online courses on the practical application of ISQM 1. These courses cover:
 - Design and execution of monitoring activities.
 - Evaluation of the findings from monitoring activities, in line with ISQM 1 and RSM policies requirements, to identify deficiencies in the system of quality management.
 - Completion of an effective root cause analysis.
 - Design of a comprehensive remediation plan.
 - Point-in-time evaluation of a Member Firm's system of quality management.
 - Considerations for Member Firms in relation to the RSM Global Inspection Programme.

In a group audit, where a Member Firm determines the involvement of another Member Firm in the Network, the GEO facilitates, at their request, the provision of information through a quality dashboard that includes the results of previous inspections and other monitoring activities.

Client acceptance

Providing high-quality services requires that RSM Member Firms accept only clients who share RSM's core values and beliefs. Member Firms are required to only enter into relationships with clients who fit key RSM acceptance criteria and who are prepared to pay a fair fee for the work they receive.

Criteria include:

- The Member Firm has considered information obtained about the nature and circumstances of the engagement and the integrity and ethical values of the prospective client, including their adherence to compliance with all local laws and regulations and any local anti-money laundering requirements.
- The Member Firm complies with RSM Ethics and Independence policies and is not entering into any client relationship or engagement which would be prohibited under those policies.
- The Member Firm understands the client's needs and service requirements.
- The Member Firm has the necessary capabilities available, including sufficient resources and expertise, to perform the work required by the client and to render the necessary reports and other deliverables within the reporting time frames.
- The Member Firm is able to perform the engagement in accordance with professional standards and applicable legal and regulatory requirements.
- The financial and operational priorities of the Member Firm do not lead to inappropriate judgments about whether to accept a client relationship or specific engagement.
- The (prospective) engagement partner, or lead assignment partner, also assesses the level of risk attached to the engagement and determines whether special staffing, supervision and review requirements apply. A second partner is assigned to concur with a conclusion to accept/continue any engagement or a client relationship that meets certain risk profiles.

RSM Orb

RSM Orb, RSM's risk-based audit solution, ensures RSM Member Firms perform quality audits. It is comprised of four elements:

- Proprietary Global Audit Methodology
- Global Audit Manual
- Bespoke RSM digital documentation templates
- Implementation guidance

In accordance with RSM's focus on achieving common methods and processes across the Network, RSM Orb must be used by all Member Firms for all audits. To assist local implementation, RSM Orb is available in Chinese, English, French, German, Russian and Spanish.

As part of our commitment to quality, RSM has also developed a 4-year audit training programme, in a modular format, that covers the various aspects of our audit methodology. The RSM Orb course curriculum consists of 75 modules and is available to all Member Firms on RSM Campus, our global learning management system. Furthermore, our Member Firms can develop additional training that supplements the RSM Orb course curriculum to meet local needs.

RSM Orb includes requirements for engagement quality reviews and mandatory consultations with a Member Firm's Head of Audit, Head of Ethics and Independence (or their designees) or another suitably qualified partner, as appropriate. RSM Orb complies with the requirements of the following:

- International Standards on Quality Management issued by the International Auditing and Assurance Standards Board (IAASB).
- International Standards on Auditing issued by the IAASB.
- International Auditing Practice Statements issued by the IAASB.
- RSM Quality Assurance and Risk Containment Policies.

Member Firms can tailor RSM Orb to include additional requirements arising from local laws and regulations in each jurisdiction.



RSM Orb

- RSM's optimal risk-based audit methodology
- Designed with a focus on the middle market
- Scales with client complexity
- Focuses on client risks and is able to adapt to differing circumstances
- Enables the provision of robust quality audits

RSM Orb enables RSM to develop a deeper understanding, providing clients with critical insights now and for the future.

Preparing for Environmental, Social and Governance (ESG) reporting requirements

Recognising that every ESG journey is different, RSM has developed a cross service line Global ESG approach to help businesses identify their impact points, improve stakeholder and corporate risk management, and create lasting value and confidence through sustainability. This involves RSM experts from quality, risk and independence, the Global ESG Leadership Group, and ESG and sustainability professionals, in addition to a diverse range of professionals from risk advisory, technology, legal, consulting, tax, information security, marketing and sector experts.

RSM initiatives supporting global standards:

- The International Financial Reporting Standards Scope 1 and Scope 2 (IFRS S1 and S2).
- The Corporate Sustainability Reporting Directive (CSRD).
- The EU Taxonomy.
- The Carbon Border Adjustment Mechanism.
- Task Force on Climate-Related Financial Disclosures.
- Consultation for: The International Standard on Sustainability Assurance 5000 (ISSA 5000).

Global initiatives to manage risk, independence and support RSM professionals to serve clients:

- Global ESG Standards and Risk Evaluator Tool.
- Globally-consistent consulting and assurance methodologies – ESG maturity and double materiality assessments and ESG assurance methodologies.
- Associated process and technical training and supporting guidance materials, tools and insight.
- RSM ESG Regional Hubs – Globally connected regional ESG Hubs to provide cross-border services and a consistent experience for internationally active clients.

IFRS

In order to promote global quality and consistency in IFRS services, RSM has an IFRS Advisory Committee.

The Committee is comprised of several Member Firm representatives with deep expertise in IFRS. Current members of the IFRS Advisory Committee are from RSM Member Firms in Australia, Chile, France, Kuwait, UK and US. The Committee carries out the following activities:

- Conducting an annual IFRS training attended by experts from Member Firms where current IFRS topics are discussed.
- Delivering quarterly IFRS webinars.
- Publishing quarterly newsletters covering timely and relevant IFRS topics.
- Responding to consultations raised by Member Firms through the dedicated IFRS global helpdesk.
- Contributing to global comment letters on proposed new standards issued by standard-setting bodies.

The IFRS Advisory Committee has also overseen development of a suite of e-learning in relation to IFRS. These modules are made available to Member Firms through RSM Campus. The Committee continues to develop additional e-learning modules.

Activities to assess and monitor quality

Global inspection and RSM Member Firm monitoring programmes

Each individual RSM Member Firm is required to establish a monitoring process designed to provide it with reasonable assurance that the policies and procedures relating to the system of quality management over its assurance and other professional services practices are relevant, adequate, and operating effectively. Member Firms are also required to align with RSM expectations and all applicable requirements established by the International Federation of Accountants (IFAC) standard-setting boards, including:

- International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and ISQM 2, Engagement Quality Reviews.
- International Standard on Auditing (ISA) 220 (Revised), Quality Management for an Audit of Financial Statements.
- IESBA International Code of Ethics for Professional Accountants (including International Independence Standards).



Each Member Firm's inspection process is an integral part of the monitoring and remediation process as part of their system of quality management, providing the opportunity to identify areas for improvement as well as best practices. Under RSM's Global Inspection Programme, every three years at a minimum, each Member Firm is inspected by a team that comprises professionals from other Member Firms.

RSM global inspections are conducted by independent qualified partners and senior personnel of other Member Firms under the direction of GEO personnel and the Global Leader, Quality & Risk. The RSM Global Inspection Programme is also designed to meet the membership obligations of the Forum of Firms. The Board has the authority to impose sanctions on a Member Firm to ensure compliance with professional requirements and RSM methodologies, policies and procedures.

Membership of the Forum of Firms

RSM International is a member of the Forum of Firms, an association of international networks of accounting firms that perform transnational audits. RSM is active in and fully supports the objective of the Forum of Firms, which is to promote consistent and high-quality standards of financial reporting and auditing practices worldwide and to support convergence of national audit and standards with the International Standards on Auditing. Marion Hannon, RSM's Global Leader for Quality & Risk, currently represents RSM as a member of the Forum of Firm's Transnational Auditors Committee.

Member Firm admissions

RSM assesses whether new Member Firms seeking admission align with RSM's Purpose, Strategy, and Values through the preparation of a 'business case'. The business case is used by the CEO to evaluate RSM's needs in the country as well as whether the prospective Member Firm's profile and culture fits with RSM. Each prospective Member Firm is then subjected to a due diligence review, the outcome of which forms the basis for deciding whether to admit the firm as a Member Firm of RSM.

The due diligence review includes an assessment of:

- The quality and technical capability of the Firm and whether audit and non-audit services are conducted in compliance with applicable professional standards.
- The commitment of the Firm to a culture of high quality and ethical standards, through compliance with the requirements of ISQM1.
- Whether the Firm is aligned with key principles in RSM's Global Strategy.
- Whether the Firm can meet the commitments and expectations of being an RSM Member Firm.

Firmwide procedures and file reviews are largely performed by members of the GEO with the assistance of specialists from Member Firms as needed. This centralised approach enables RSM to perform due diligence reviews on a more consistent and timely basis.

Following the due diligence, if a prospective firm meets the criteria for membership of RSM a report is prepared for review and approval by the GQC. The CEO then makes a membership recommendation to the RSM International Board of Directors, which ultimately decides on admission of the firm to RSM.



Creating
positive impact

Creating positive impact

Across RSM, our people and Firms are engaged in impactful initiatives, living our Values, and bringing our Purpose to life by instilling confidence in a world of change.

At RSM, our global impact plans to 2030 are being directed towards three key areas, as we build a strong global overlay alongside all the great work being conducted at individual Firm level.

Focus areas are:

1. Public alignment with principled global strategic initiatives:

- To show support for responsible business practices.
- To work with strategic partners who bring independent, outside-in perspectives to support our approach.

2. Educating all our stakeholders on ESG themes and ways in which we can all make a powerful, positive and lasting difference as we fulfil our purpose to instill confidence in a world of change.

3. Building a global ESG reporting and monitoring infrastructure:

- To further develop RSM's global policy framework and, over time, develop a consistent global reporting structure against a set of key metrics, enabling uniform measurement of actions.

Concurrent to this, is our focus on ESG advisory services. As a long-standing provider of assurance services to an extensive global corporate client base, our understanding of the regulatory and best practice requirements concerning matters of governance, accountability, reporting and measurement puts us in an important position to influence change across a large group of stakeholders. With this in mind, we recognise how critical it is that we adopt best practices ourselves internally, placing considerations relating to environmental issues, social behaviour and governance at the heart of our organisation.

Over 2023, we initiated a number of key projects aligned with our three focus areas, with a small selection of these highlighted in this report.

RSM's first global Corporate Carbon Footprint Measurement

From May to October 2023, all RSM Firms worked together to measure RSM's global Corporate Carbon Footprint for the first time – as a foundation for climate action.

For transparency and to bring in an important independent, outside perspective, we partnered with ClimatePartner, a consultancy with extensive experience in helping global companies take climate action.

This was the first time that such data has been collected from RSM Member Firms across nearly 100 countries and naturally environmental maturity varied enormously across the globe. Engagement with the project was extremely positive. Many RSM Firms were able to provide high quality data across the majority of the emission scopes with a large number of Firms applying extra effort to specifically survey their employees regarding their commuting behaviours. 38% of Firms provided either full or near-full sets of data across all emission categories.

From the data collected, we have produced RSM's first global carbon measurement report.

The calculation followed the Greenhouse Gas Protocol (GHG Protocol) which is the world's most widely used standard for reporting GHG emissions. We included Scope 1 (direct emissions from fuels and fugitive refrigerants), Scope 2 (indirect emissions from electricity consumption) and material categories from Scope 3 (upstream energy, business travel and employee commuting). Each Firm was requested to submit, as a minimum, data on their annual average number of employees as well as their total office floor area. This allowed estimation of emissions in the event a Firm was unable to provide activity data.

RSM's global emissions were calculated to be 109,385 t CO₂e, equivalent to the annual carbon capture of over 8.75 million beech trees. The majority (62%) fall in Scope 3, with 25% in Scope 2 and the smallest portion in Scope 1 (13%). The hotspots in the global profile were employee commuting (30.6%), electricity (25.4%) and business travel (20.9%).

Now that we have measured our global Corporate Carbon Footprint (CCF), we have identified parts of our business where we have clear emissions 'hotspots', which will now become targets for avoidance and reduction. In due course, we will be able to set reduction targets. With annual CCF reports, we will be able to check our progress and to identify areas where emissions can be further reduced. RSM's full global carbon measurement report – detailing methodology, results and areas for targeted reductions – is available to view on our global website.

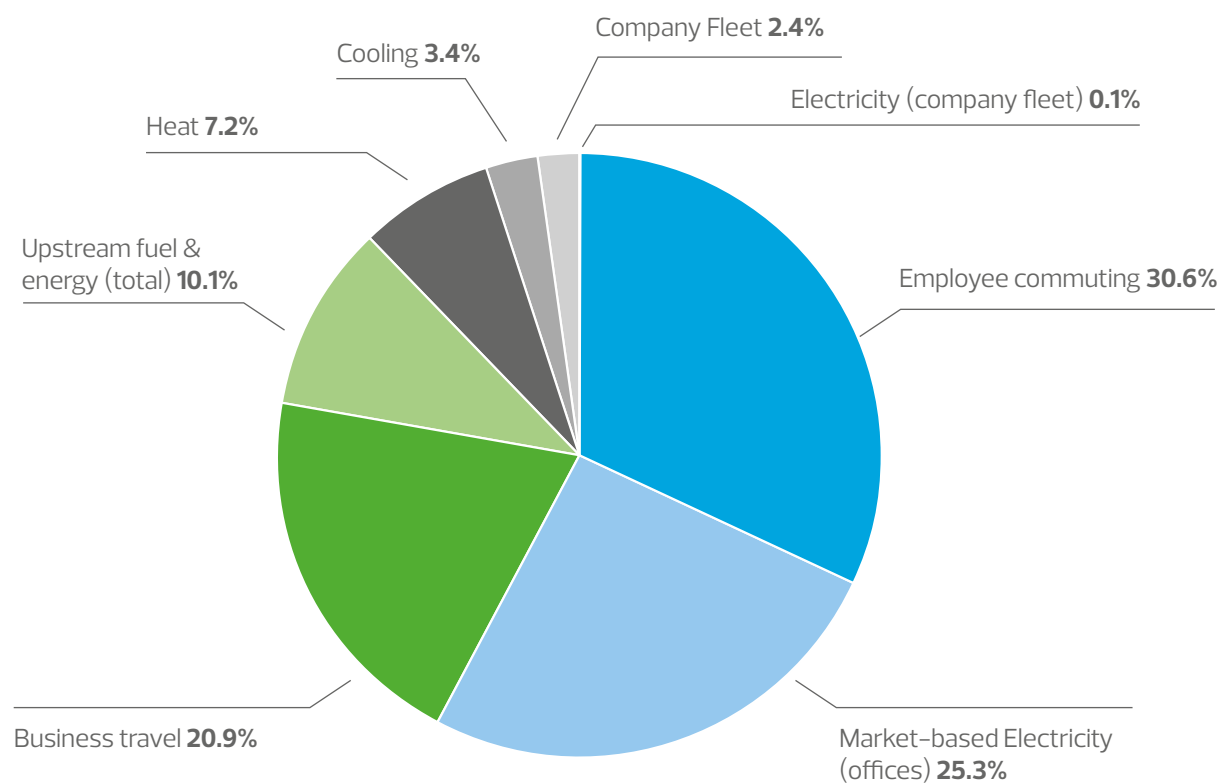
Emission hotspots

Breaking down the three scopes further, clear hotspots in the global emission profile can be identified:

- Employee commuting – 31%
- Market-based electricity (offices) – 25%
- Business travel – 21%
- Upstream fuel and energy – 10%

| Emission source | Emissions (tCO ₂ e) | Emissions (%) |
|------------------------------------|--------------------------------|---------------|
| Scope 1 | - | - |
| Heat | 7,888 | 7.2% |
| Cooling | 3,740 | 3.4% |
| Company fleet | 2,577 | 2.4% |
| Scope 2 | - | - |
| Market-based electricity (offices) | 27,693 | 25.3% |
| Electricity (company fleet) | 134 | 0.1% |
| Scope 3 | - | - |
| Upstream fuel & energy (total) | 11,051 | 10.1% |
| Business travel (total) | 22,852 | 20.9% |
| Employee commuting | 33,449 | 30.6% |
| Total | 109,384 | 100% |

Emissions breakdown





ClimatePartner are proud to have supported RSM on their first global Corporate Carbon Footprint. In the context of our experience with many large, global organisations, we were impressed by RSM's level of commitment to creating a footprint that was as complete as possible.

Climate Partner

Supporting the UN Sustainable Development Goals



United Nations
Global Compact

As a proud participant in the UN Global Compact, in 2022, RSM began a programme to promote understanding around the Sustainable Development Goals across RSM globally, selecting five Foundational Goals to champion to create the greatest possible impact for RSM activities globally. Over 2023 our list of global learning courses was extended and we continue to capture and promote a wealth of individual Firm CSR activities on our Global Impact Hub. In support of these goals, RSM Firms around the world have developed programmes that have positively impacted their communities.

RSM World Day is our annual opportunity to celebrate being part of RSM as a global organisation and provides a focal point for collective CSR activity. The decision to highlight SDG Goal 4 – Quality Education – for RSM World Day 2023 was timely: according to the latest research by the United Nations, the global pandemic caused learning losses in four out of five countries (of 104 studied). Now more than ever, ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all is crucial to achieving this goal.



Under the theme '*Knowledge is Power*', RSM Member Firms were asked to focus on CSR initiatives to promote lifelong learning opportunities for all, and to use education and knowledge to change lives. The results of our internal survey highlighted 62 CSR initiatives globally, with RSM Members engaging in activities throughout the autumn of 2023. A small snapshot of these are highlighted in this report.



RSM World Day 2023 – 'Knowledge is Power'

62 CSR initiatives across 32 countries focused on improving lives through learning.

Cyprus

Technology can break the silence for those with hearing impairment

In support of 'Knowledge is Power', RSM Cyprus wanted to ensure a more inclusive educational experience for deaf children where educational opportunities were more limited. Partnering with their local School for the Deaf, their focus was on helping to equip students with the tools that could help build their confidence as they live life in a hearing world. RSM Cyprus supported with fundraising to purchase smart TVs and other technology to enable an enhanced learning environment for those with hearing impairment, and are continuing to work with the charity to help build an inclusive community with the deaf.



Brazil

Delivering pro-bono services under the name "Knowing is caring" to support vulnerable populations and providing book donations to promote the benefits of reading to vulnerable communities.

Thailand

Investing in local charities and other initiatives focused on the education of children who due to their unfortunate family circumstances may not have been presented with such opportunities.

Denmark

Supporting the social and mental wellbeing of children and young people in local Danish communities through donations and volunteer work.

France

Working to promote the integration of vulnerable people and people with disabilities into the workplace.

Puerto Rico

Organising a series of workshops for the school community covering fundamental accounting concepts.

Italy

Donating school materials to children taken in by Associazione CAF foster carers in Milan and giving young people from disadvantaged communities in Milan opportunities for learning, to avoid violence and crime.

United Kingdom

Inspiring children to read

As part of a wider volunteer programme where RSM UK encourages all its employees to give back to their local communities, the Firm supports Bookmark, a UK charity focused on inspiring children to read. The RSM Global Executive Office, based in London, also supports Bookmark. According to Bookmark, in England 7.1 million adults struggle to read every day and their research shows that one in six children who don't read well by age 7 will drop out of school. Bookmark's programme, which pairs a volunteer with a primary school child for a six week reading schedule, has enabled the RSM team to transform the reading abilities of scores of children.



Bookmark

Vietnam

Working to promote the integration of vulnerable people and people with disabilities into the workplace.



Dominican Republic

Working with Brighter Futures to close the education gap and create more education access for children and teenagers from disadvantaged backgrounds.

India - RSM US

More than 1,000 volunteers contributed to a programme to create virtual educational packages to support students with disabilities and support a volunteer project with schools in four different cities in India.

US

Boundless Futures through Education

Junior Achievement (JA) USA is a nonprofit that inspires and prepares young people for success. The JA USA Take Stock in Your Future™ programme and JA Stock Market Challenge is designed to increase financial literacy among young people living in the United States. The programme, sponsored by RSM US, helps high school students to understand the inner workings of the stock market, enabling them to invest for their future with confidence. In addition to their sponsorship of JA (USA), RSM US supports business and technology students across the U.S. in alleviating the financial burden of funding their education so they may focus on achieving their goals – in school and beyond. The RSM US Foundation offers 27 U.S. student scholarships annually.



Cyprus

Teaching students aged 16–18 through role play on how to understand strategic business advice.

UAE

Covering school tuition for students with outstanding academic performance from low-income households and supporting book reading and educational boxes for local children.

Sweden

Supporting the Lärhjälpen Foundation to give primary school-aged children in disadvantaged areas a better start in life.



Lebanon

Educating children about abuse through storytelling

Lebanon has experienced numerous crises in recent years. Difficult economic conditions have been compounded by other political and social issues that have intensified the neglect and abuse of vulnerable groups, particularly children. Working with Himaya, a Lebanese non-governmental organisation (NGO) campaigning to prevent violence against children, RSM Lebanon saw an opportunity to advocate for these vulnerable children by spreading awareness across the community of the negative impacts of abuse. Focusing on educating and training children on how to recognise emotional, physical, sexual or cyber abuse, RSM Lebanon supported the creation of carefully crafted comic-book style illustrated children's stories, and arranged for their distribution throughout local communities. RSM Lebanon is also using its influencer groups to further raise money for, and to support, Himaya and to amplify awareness of this major social issue.



Inspire inclusion, inspire confidence



Across RSM, over 2023 there was a wealth of activity to promote diversity and inclusion. RSM is proud to champion The Women's Empowerment Principles (WEPs) in support of SDG goal 5 – Gender Equality. Established by UN Women and UN Global Compact, the WEPs are informed by international labour and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women's empowerment.

In addition to our global subscription, nearly 40 Firms across RSM have individually signed up to the WEPs including:



RSM Argentina
 RSM Astute Consultech (India)
 RSM Australia
 RSM Austria
 RSM Botswana
 RSM Brazil
 RSM Czech Republic & Slovakia
 RSM Costa Rica
 RSM Eastern Africa (Kenya, Tanzania, Uganda)

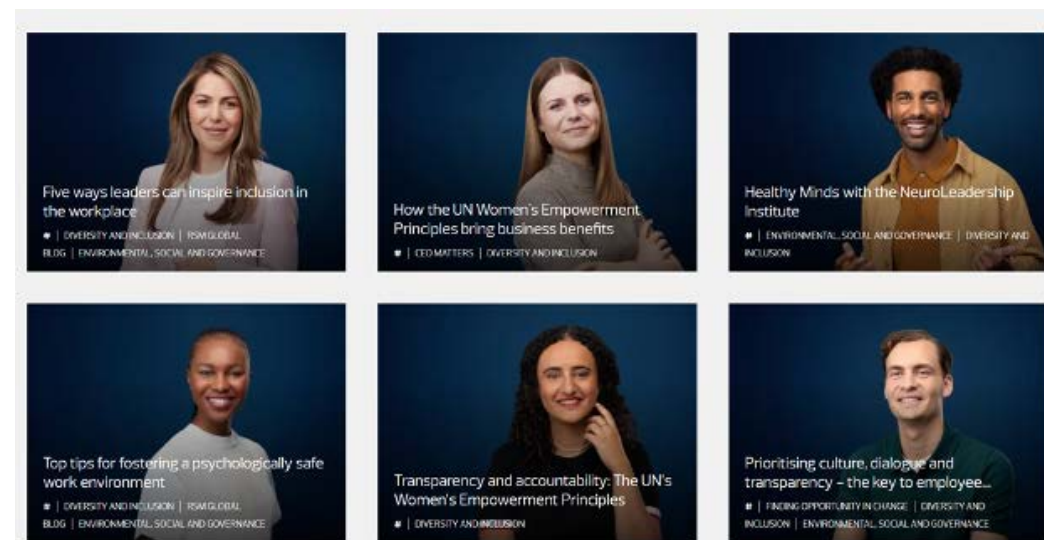
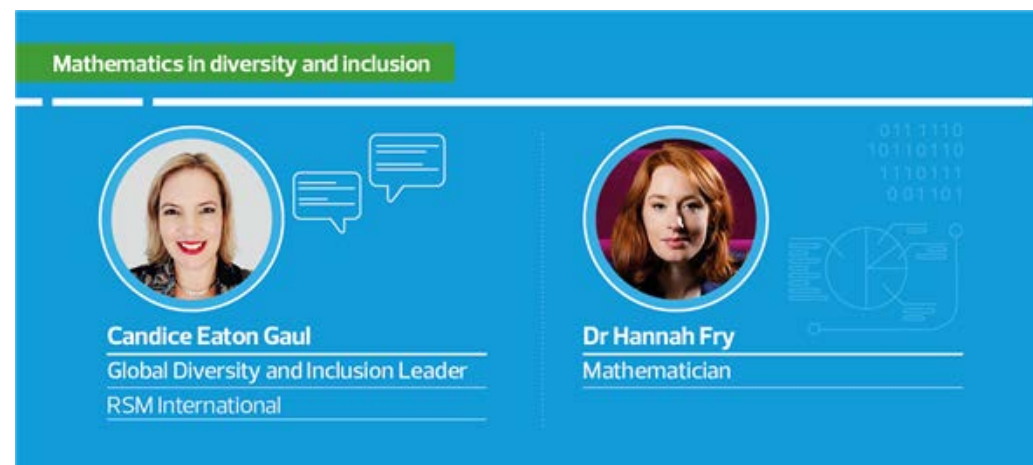
RSM Ebner Stolz (Germany)
 RSM Egypt-Consulting
 RSM Eswatini
 RSM France
 RSM Georgia
 RSM Greece
 RSM Hong Kong
 RSM Hungary
 RSM Ireland
 RSM Indonesia

RSM Lebanon
 RSM Macedonia
 RSM Mauritius
 RSM Mozambique
 RSM Netherlands
 RSM Romania
 RSM Shiodome Partners (Japan)
 RSM Singapore
 RSM South Africa
 RSM Spain

RSM Switzerland
 RSM Taiwan
 RSM Thailand
 RSM Türkiye
 RSM Uruguay
 RSM UK
 RSM US
 RSM Zambia

Over 2023, RSM published a wealth of materials to support education around diversity, inclusion, and health and wellbeing. Highlights included:

- Insights from world renowned mathematician Professor Hannah Fry, who helped us uncover the mathematics of human behaviour in the area of diversity and inclusion, turning what is often considered to be a subjective or soft topic into objective quantification, and showing us how mathematics can help us identify bias where we may least expect it.
- Advice and guidance from the NeuroLeadership Institute sharing science-based insight into neural and cognitive mechanisms underlying positive mental health and wellbeing.
- Neurodiversity insights from the Frist Center for Autism and Innovation, at the Vanderbilt University School of Engineering, which brings engineers, business scholars, and disabilities researchers together with experts in neuroscience and education to understand, maximize, and promote neurodiverse talent.
- Partnership with The Black Dog Institute – Australia's foremost mental health medical research institute – to provide global training around understanding and managing mental health.
- Interfaith dialogue series to promote understanding of different religions and foster a culture of tolerance, understanding & accommodation of differing religions, faiths and beliefs, through inspirational role models at RSM.



Over 2023, RSM's global Women in Leadership community continued to gain traction with more than 2500 active members and a detailed programme of events available to all Partners and Employees, regardless of gender.



With 64,000 people, RSM is focused on creating a work environment supportive of personal and professional goals, and a culture of holistic inclusion.

Candice Eaton-Gaul

Global Leader, Diversity and Inclusion, RSM International



Looking ahead

Dr Robert F. Coles

Chief Culture and Transformation Officer,
RSM International



Operating across more than 120 countries, each of which has its own cultural identity, brings both challenges and opportunities. RSM has always been very effective at harnessing its global strength, recognising, across teams, offices and Firms, that we are stronger together than working alone."

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING



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