

Integrity; the basis of trust

Client acceptance; know your client

At Deloitte, we understand it is important to maintain high standards of integrity within our own organisation, by reserving our advice and support for clients upon whose integrity we can rely. Furthermore, it is an important part of our own integrity to identify potential conflicts of interest in the work we perform for individual clients and to ensure they do not become a reality. We understand it is part of our duty of care to our stakeholders to implement stringent “know your client” procedures before agreeing to undertake work on their behalf.

Formal procedure

To maintain consistency, we have a formal client acceptance procedure which must be carried out before a client is accepted. We evaluate clients according to their independence, ethics, the type of business and their reputation. In the year under review this procedure has been refined to increase efficiency and minimise disruption to clients while ensuring our stringent standards are not compromised.

Escalation

We apply a specific escalation procedure in cases where conflicts arise between Business Management and the Acceptance centre. In the case of ethical dilemmas the matter is referred to the Ethical Officer. In other cases the matter can be referred to the Executive Board if Business Management disagree with the decision of the Acceptance Centre.

Ethical Officer

The Ethical Officer reports on a wide variety of topics including client acceptance. In the year under review, the Ethical Officer has had to reject several potential clients on grounds related to their business model or practices.

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Complaints and Whistleblower procedure

The Complaints and Whistleblower procedure was set up in 2007 at the suggestion of the Ethical Officer. The current procedure is functioning and has resulted in alerts in areas where Deloitte’s integrity may have been compromised. This procedure is in addition to the existing tools and procedures already in place to safeguard our integrity, quality awareness and ethical conduct. The procedure is based on the following legal foundations:

- The Accountants’ Organisations (Supervision) Act (WTA)
- The Accountants’ Organisations (Supervision) Decree (BTA)
- The International Standard on Quality Control (ISQC) 1, on complaints procedures
- The Dutch Corporate Governance Code (Tabaksblat Code)

The Complaints Committee, which reports to the Executive Board and the Works Council, deals with complaints from staff, clients and third parties and covers matters such as intimidation, violence, discrimination and bullying. In the year under review, the committee received five complaints. All have been addressed.