

Partner remuneration

Partners' profit sharing

Partners share profits based upon a comprehensive evaluation of their individual contribution to the achievement of the firm's strategic objectives.

Partners are assigned to an equity group, which is reviewed annually and which describes the skills, attributes and broad performance expected of them. Each equity group carries a wide band of profit sharing units so that relative contributions can be recognised.

The following criteria are used for assessing the performance and contribution of each partner:

- **Quality:** Each partner must be a role model for quality in their professional work.
- **Talent:** Contribution to mentoring, leading, recruitment, engagement, development and training of our people.

A strong contribution in the quality and talent areas is an absolute expectation from all partners, notwithstanding the level of their contribution in other areas.

- **Clients:** Client portfolio managed and roles carried.
- **Brand and eminence:** Market related activity including stakeholder relations, thought leadership, innovation and brand protection roles.
- **Revenue generation, growth and business building:** Contribution to business development and relationship building.
- **Financial success:** Overall contribution to the financial success of Deloitte.
- **Leadership and management:** Contribution to the firm's broad success through leadership and management roles.

Partners who provide audit services are expected to be responsive to their clients' needs, but they are not evaluated or remunerated on the selling of other services to their audit clients.

Partner performance is evaluated in all of the competencies, beginning with the Board's approval of the profit sharing strategy proposed by the Senior Partner and Chief Executive and concluding with the Board's review of the recommended profit allocation and equity group for each individual partner, the conclusions of which are disclosed in full to all partners. A committee of partners is tasked with overseeing the management process to ensure consistent and equitable treatment.

Partners' drawings and the subscription and repayment of partners' capital

All partners are equity partners and share in the profits and subscribe the entire capital of Deloitte & Touche LLP. Each partner's capital subscription is linked to his or her share of profit and is repaid in full on ceasing to be a partner. The rate of capital subscription is determined from time to time depending on the financing requirements of the business.

Partners draw a proportion of their profit share in twelve monthly on account instalments during the year in which the profit is made, with the balance of their profit, net of a tax deduction, paid in instalments in the subsequent year. All payments are made subject to the cash requirements of the business. Tax retentions are paid to HM Revenue & Customs on behalf of partners with any excess being released to partners as appropriate.