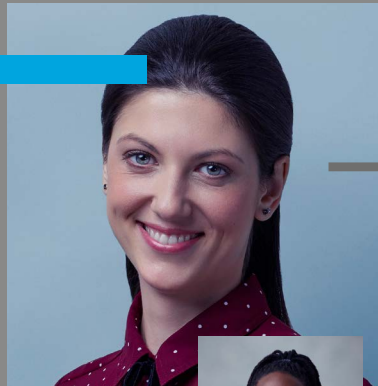
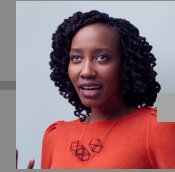


# Global Annual Review | 2022

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



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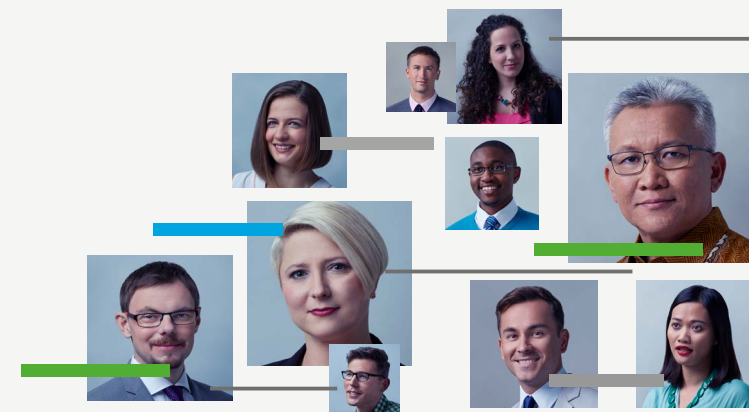
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# An introduction from our CEO

## Reflecting on 2022



Welcome to our 2022 Global Annual Review. This Review has been written to provide insight into RSM's activities around the world, the drivers of our growth, our operations, and the positive impact we are seeking to create through delivering on our brand promise – The Power of Being Understood.

The backdrop to RSM's year, as with so many businesses globally, is one of turbulence and change. It is clear that we have entered a new and transformative business age, characterised by digital-first, data-driven technological products and services, new approaches to working, and a clear focus on sustainability and purpose-driven action. The expectations, needs and wants of our

clients and people are evolving at pace, demanding that we provide seamless, personalised and forward-looking experiences and solutions, using a combination of world-class technology and expert human insight.

As the leading provider of professional services to the global middle market, over recent years, we have modernised our approaches and built our agility and resilience. We have put in place technologies to continue to deepen our dedication to quality and trust, explored new services while developing our existing offerings, and begun to look at ways to empower our people with data and automated systems. As you will read, this has resulted in fantastic growth, but we recognise that what has made us successful in the past will not alone keep us successful going forward. →



*“It is clear that we have entered a new and transformative business age, characterised by digital-first, data-driven technological products and services, new approaches to working, and a clear focus on sustainability and purpose-driven action.”*

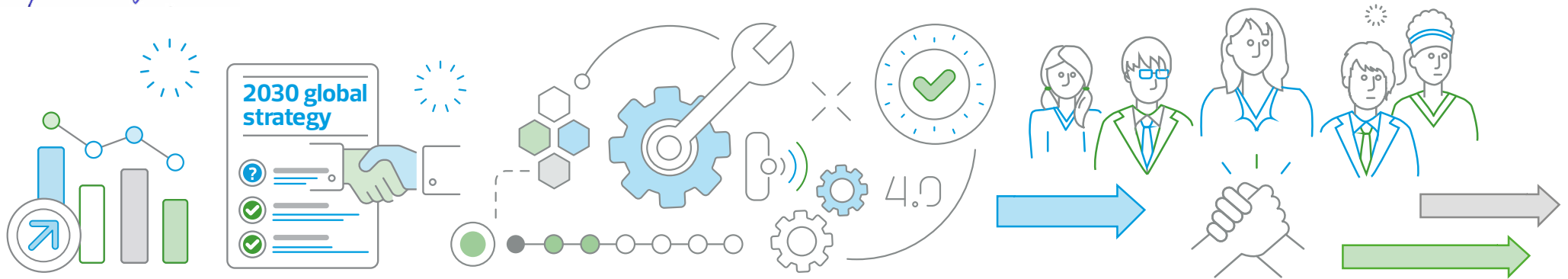
RSM has always been a purpose-led organisation – existing to instill confidence in a world of change. Our aim is to empower our clients, colleagues and communities to make confident decisions – by ensuring that we work collaboratively with them to deeply understand their needs and bring ideas and insights to their environment.

As such, the continued strength of RSM is thanks to the dedicated 57,000 people that work within the global organisation across many cultures and markets, their expertise, and their collective commitment to live by our values. The way we succeed, and how we help our clients succeed, is by working well together. 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 both effectively and efficiently – whether domestically or across borders. Special thanks go to all these professionals for their efforts 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



*“Our aim is to empower our our clients, colleagues and communities to make confident decisions – by ensuring that we work collaboratively with them to deeply understand their needs and bring ideas and insights to their environment.”*

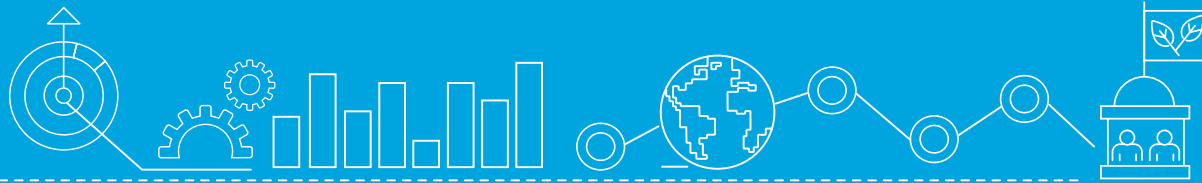




# RSM – a growing global organisation

## Global Annual Review | 2022

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



# RSM's 2022 Global Financial Results

## Highlights

Revenue growth of

**15%\***

to

**\$8bn**



At RSM, our purpose is to instill confidence in a world of change. Our rapid growth is the result of our professionals supporting clients in over 120 countries to unlock value despite operating in an environment of unprecedented change and unpredictability.



**Jean M. Stephens**

CEO  
RSM International

## Trending

- Global skills shortage
- Cyber security
- ESG
- Political instability

## RSM Statistics



**830**  
OFFICES



**57,000**  
PEOPLE GLOBALLY



**120**  
COUNTRIES

\* Revenue growth percentage calculated using constant currency conversions



# 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's 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 name 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 client bases.

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 standards of service and advice to clients – everywhere in the world.

# Global Growth in 2022

At December 2022, RSM comprised Firms in over 120 countries, with more than 830 offices, 57,000+ staff and combined revenues in excess of US\$8 billion. In 2022, RSM delivered 15% growth globally, with double-digit growth across all regions. Fee income rose fastest in the emerging markets of Latin America (26%+) and Asia Pacific (19%+). In North America and across Europe, RSM also recorded impressive revenue growth of 14% and 17% respectively, while the Middle East and North Africa region grew revenue by 17% and the rest of Africa by 10%.

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, supply chain disruption and the business and human impacts of the pandemic.

In 2022, global fees from RSM's consulting services grew by 37%, including IT consulting which increased by 26%. As cyber-attacks remain a constant threat, global risk advisory revenues rose by 26%. RSM also experienced strong global growth across accounting (11%), tax (8%) and audit (6%). Demand for tax advisory services rose at pace to meet the needs of regulatory changes and increased tax complexity, and audit and tax remain core service areas for RSM.

With a focus on creating an unrivalled, inclusive culture and employee experience, RSM continues to attract large numbers of new talent to join the organisation with 18% growth in headcount in the last two years alone.

During 2022, RSM strengthened its presence in Brazil by merging with the audit and consulting Firm Pemom, with the combined businesses creating an even greater footprint for RSM in Brazil. RSM welcomed the addition of a new Member Firm in Japan, RSM Shiodome Partners, with the aim of meeting an increased demand for tax, accounting and legal services in Asia Pacific region. Member Firms in Belarus, Bosnia and Herzegovina, and Russia left the RSM Network, in addition to the Correspondent Firm in Myanmar.

By region	(\$m) 2022	(\$m) 2021	Variance (\$m)	Variance (%)
Africa	41.8	40.6	1.2	3.0%
Asia Pacific	1,004.5	902.0	102.5	11.4%
Europe	1,252.5	1,197.5	55.0	4.6%
Latin America and the Caribbean	152.7	123.4	29.3	23.7%
Middle East	63.3	57.8	5.5	9.5%
North America	5,617.6	4,935.1	682.5	13.8%
<b>Total</b>	<b>8132.4</b>	<b>7,256.4</b>	<b>876.0</b>	<b>12.1%</b>

By service line	(\$m) 2022	(\$m) 2021	Variance (\$m)	Variance (%)
Audit	2,715.0	2,622.0	93.0	3.5%
Accounting / Outsourcing	461.4	455.6	5.8	1.3%
Tax	2,198.7	2,073.0	125.7	6.1%
Consulting	2,664.0	1,984.2	679.8	34.3%
Other	93.3	121.6	-28.3	-23.3%
<b>Total</b>	<b>8132.4</b>	<b>7,256.4</b>	<b>876.0</b>	<b>12.1%</b>



*“We want it to be as easy as possible to do business with us globally, and our continued investment in client-focused technologies and support mechanisms is key to facilitating this.”*



**James Grant**

Global Leader for Business Development and Marketing



# 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

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

### Curious

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

### Collaborative

Working together to create better outcomes — seeking out and sharing perspectives to encourage innovative thinking, to solve problems, and enable others to seize opportunities.

### Courageous

Demonstrating strength and confidence by challenging traditional ways of thinking — having the courage to look forward and prepare for tomorrow.

### Critical thinkers

Simplifying complex information and concepts in order to provide clarity, objectivity and depth.



*“ We are dedicated to bringing innovative solutions, lasting value and confidence to our clients through the provision of a range of seamless global services, products and solutions.”*



**Paul Herring**

Chief Innovation Officer

# The development of a new global strategy

As a global organisation, RSM has an overarching Strategy that defines the direction of the Network and provides a framework to which all Member Firms align. An experienced international team was formed by the International Board and CEO to collaboratively develop a new 2030 Global Strategy for RSM. One that is transformative, modern, embraces change, and is ready to meet the expanding needs and expectations of our various stakeholders.

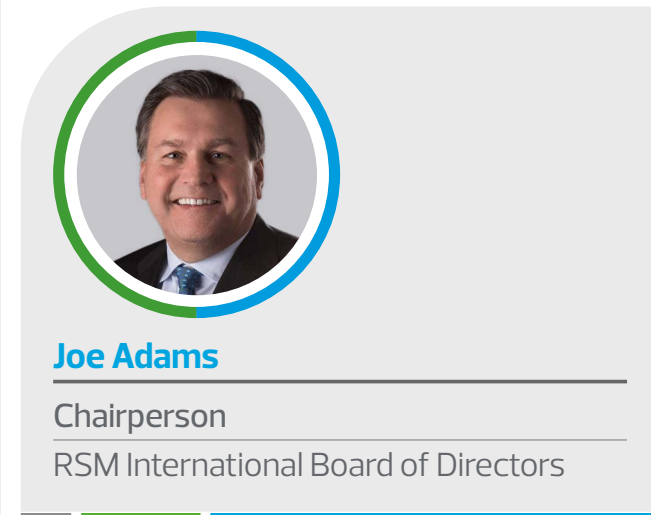
The resultant Strategy – Taking Charge of Change – was informed by an extensive list of internal programmes specifically defined to reimagine our future, together with input from more than two hundred experts and leaders from both within and outside of RSM. After a detailed consultation process, Taking Charge of Change was approved by the International Board and all RSM Member Firms in October 2022 for adoption from January 2023 onwards. It provides direction and focus for all RSM's activities and is aimed at creating 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.

As the next natural stage in RSM's continued evolution, an overarching aim of the Global Strategy is to create even greater alignment across all aspects of our operations, whether that be in the solutions we provide, the experiences we create, or through our initiatives designed to drive sustainability and positive ESG-focused impact. Underlying all of this is much greater investment in common technologies.

Harnessing data and moving to a position where we can maximise efficiency, streamline processes, and generate new and important insight to make informed, tailored decisions will help to ensure that RSM remains agile, competitive and forward-focused.

Critical too, is our middle market focus. While RSM's client base encompasses a significant number of global multinational organisations, RSM has been the foremost provider of assurance, tax and consulting services to middle market business leaders for many years. Middle market businesses make up the largest proportion of our client base, and maintaining this leadership of the middle market, while also increasing market share in other areas, remains of the utmost importance to RSM.

As Chairperson of RSM International, I would like to thank all those who contributed to the development of our 2030 Global Strategy, and I look forward with excitement to the journey ahead as we work together to instill confidence in a world of change.



# Taking Charge *of* Change

## An overview of RSM's 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.**

# Global representation

RSM has Member and Correspondent Firms in the following countries:

## AFRICA

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

## 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	Kyrgyzstan	Poland	Turkey
Bulgaria	Gibraltar	Kosovo	Portugal	Ukraine
Channel Islands	Greece	La Reunion	Romania	United Kingdom
Croatia	Hungary	Luxembourg	Serbia	
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
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# 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

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

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

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## RSM's Regions

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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:

- RSM's representation regionally
- 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.

## RSM's Global Leadership Groups

The delivery of services within and across RSM's regions is enhanced by Leadership Groups, Service Groups, Centres of Excellence and Industry 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 Network
- Development of appropriate sub-groups around particular service focus areas
- Delivery of relevant e-learning, training materials and training events
- Recommendations regarding adopting/developing 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 Network
- Developing appropriate training and supporting materials to embed the above.

# 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.



# The Directors of the RSM International Limited are:



**Joe Adams**  
Chairperson | US



**Jorge Perez**  
Argentina



**James Komninou**  
Australia



**Stefan Walter**  
Austria



**Jason Chen**  
China



**Cherif Hammouda**  
Egypt



**Jean-Michel Picaud**  
France



**Wong Poh Weng**  
Hong Kong



**Angela Simatupang**  
Indonesia



**José Gómez**  
Puerto Rico



**Brian Eaton**  
South Africa



**Simon Hart**  
UK



**Tom Ferreira**  
US

## Governance of the Network

### Chief Executive Officer (CEO)

The Chief Executive Officer (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 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.

### Global Executive Office (GEO)

The GEO reflects the diverse nature of the RSM Network and employs staff from many different countries and backgrounds. Staff are encouraged to develop their existing skills and to acquire new ones through participation in continued professional education, which includes mandatory training, as well as taking on new and challenging responsibilities. In addition to receiving continuous feedback, staff have an annual personal development review so that they can reflect on their achievements for the past year and work with their manager to set their objectives for the coming year.

Within the GEO, the CEO is supported by a Senior Leadership team comprising:

- |                                 |                                   |  |
|---------------------------------|-----------------------------------|--|
| - Chief Operating Officer       | - Chief Financial Officer         | - Chief Information Security Officer               |
| - Global Leader, Quality & Risk | - Global Chief Innovation Officer | - Global Leader – Business Development & Marketing |

Remuneration of the Senior Leadership Team is set by the CEO with consultation with the Board Remuneration Committee. The CEO sets the remuneration of all other GEO staff.

## RSM International Limited Board of Directors

RSM International Directors are 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 six subcommittees:

Committees	Purpose
Governance	Assist the Board in the discharge of its responsibilities relating to: <ul style="list-style-type: none"> <li>- Oversight of RSM Membership matters</li> <li>- Assessment of the processes, practices and the results relating to the Company's governance</li> <li>- Oversight of relevant existing governance documents</li> </ul>
Nomination	Oversight of the administration of the Board appointment process.
Audit	Assist the Board in the discharge of its responsibilities relating to: <ul style="list-style-type: none"> <li>- The safeguarding of the Company's assets</li> <li>- The operation of adequate systems and control processes</li> <li>- The preparation of accurate financial reporting information and statements in compliance with all applicable legal and regulatory requirements and accounting standards</li> </ul>
Remuneration	Assess and recommend to the Board the remuneration of the CEO and other senior management.
Risk	Provide additional analysis to the Board regarding the strategic risk management of RSM International, and to determine that risk management best practices and policies are established.  Formalise 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.
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.





# RSM's global activities in 2022

## Global Annual Review | 2022

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

# Accelerating our transformation agenda

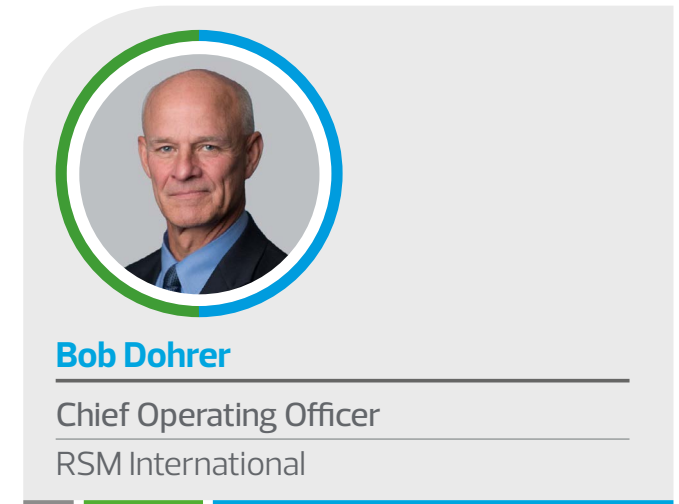
**For RSM, 2022 was a year of transition and considerable action. We were actively focused on preparing the global organisation for a post-pandemic business environment, while also putting in place the necessary foundations for an ambitious growth strategy.**

At the beginning of the year, societies, organisations and governments the world over were still coming to terms with the accelerated change instigated by the global pandemic. Further challenges to business were posed through a number of geopolitical events, including Russia's invasion of Ukraine, which continues to impact supply chains, energy costs, trade and most important of all, people.

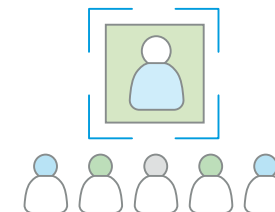
This period in world history is seeing continuous and accelerated change across all business areas. Understanding this and taking all that we have learned over the last number of years, in 2022 we accelerated our transformation agenda, while playing an active role in supporting our clients to transform.

The initiatives and activities in 2022 were therefore focused on developing RSM's IT infrastructure, better utilising and protecting data, exploring new approaches to delivering our traditional services, identifying new forward-looking services, and reemphasised RSM's purpose-based culture. This was all towards putting RSM in the strongest position possible to provide increased value and support to our clients and people – nationally, regionally and globally.

Our focus and efforts in 2022 will provide strong foundations for RSM's future.



# 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.**

At our core, we are a people business. Ensuring that we attract and retain the highest quality talent from a range of diverse backgrounds is of the highest priority, and in order to do so, we understand that we need to create exceptional experiences and opportunities.

In 2022, RSM appointed Dr Robert Coles as Chief Culture and Transformation Leader, whose role it is to leverage the power of the global organisation to add value and create diverse opportunities for development across the RSM employee lifecycle. With the intent to create consistent experiences for our teams all over the world, we deliver a number of initiatives, including the RSM Academy – RSM's flagship training programme for culturally intelligent future leaders; learning and development through RSM Campus – RSM's global learning management software; encouragement in volunteer activities; and creating the right environment through forward-thinking standards and policies.

### Spotlight on: the RSM Academy

**RSM Academy has been RSM's global flagship training initiative since its inception in 2007. It is an agile and collaborative programme focused on building leadership skills critical to working as part of global teams and serving clients across borders.**

The shift to online learning due to the pandemic provided an opportunity for RSM to transform and expand the programme. A change in structure and approach, including the use of RSM's global learning management platform, RSM Campus, opened up participation to six times more people, and from a much more diverse range of locations.



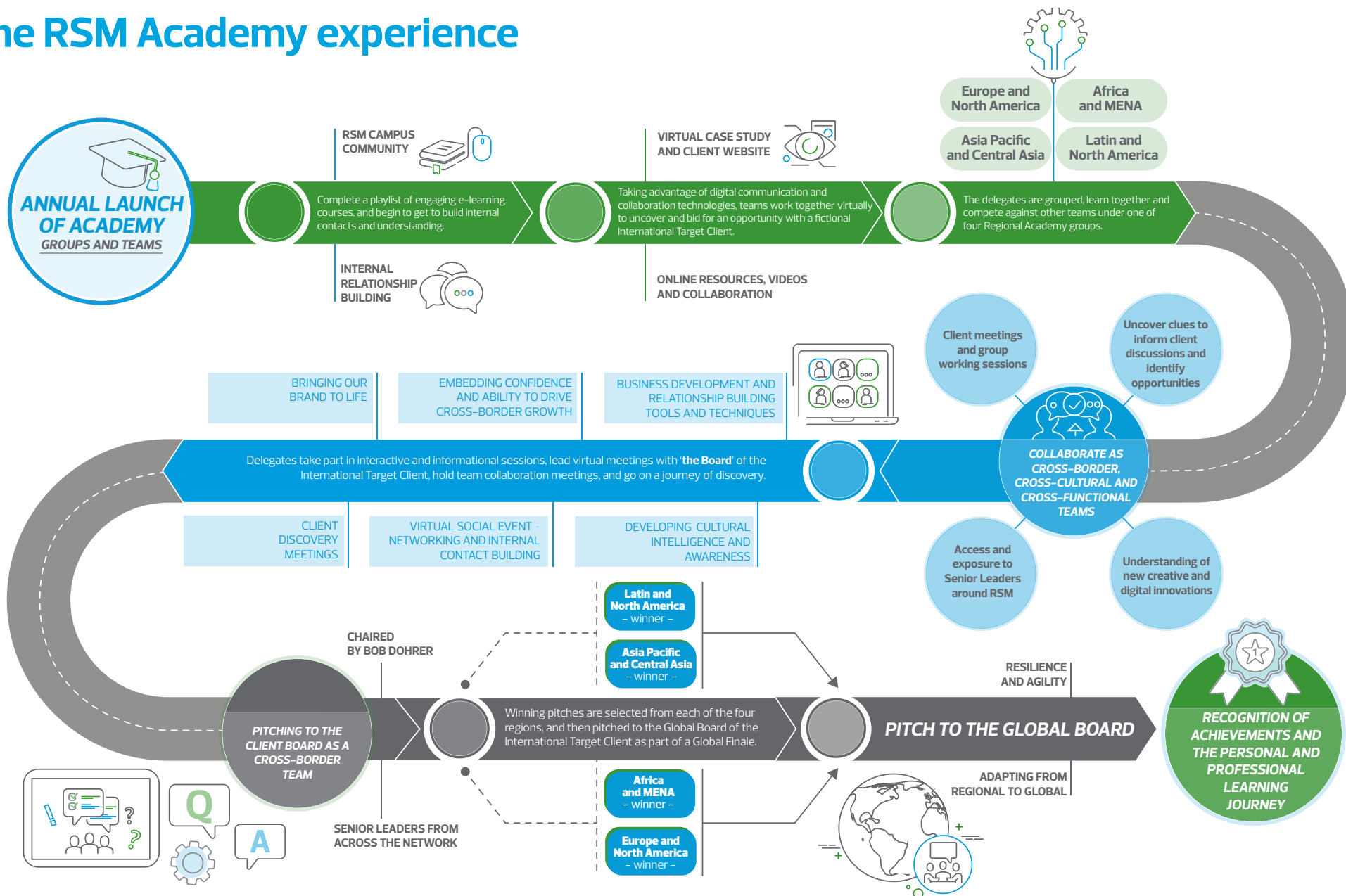
*“ Our success as a global organisation relies on the way we actively share information, training, people and resources across our offices around the world. Going forward, we plan to build in even greater agility and new business models to ensure we continue to meet the needs of our clients and people.”*



**Dr Robert Coles**

Chief Culture and  
Transformation Officer

# The RSM Academy experience



RSM has been exploring how we can work with even greater agility to meet the fluctuating resourcing needs of our global teams through seamless global mobility, shared service centres and strategic partnerships. These will also result in the creation of many unique working opportunities for our people – to have the opportunity to work as part of cross-cultural teams, whether virtually or in-person. Furthermore, with many of our people working either remotely or as part of a hybrid model, there has been considerable global investment into digital communication and events technologies to enable the sharing and insight and collaboration between and across RSM Member Firms – not least, RSM's Global Intranet, RSM Link.

### A spotlight on: RSM Campus



RSM's global learning management platform offers thousands of courses in multiple languages to employees across a wide range of topics, including technical skills, business development and marketing, quality and risk, and technology.

In 2022, Over 110 new courses were developed in 7 languages with ever increasing Member Firm engagement.

### Supplementary to a wealth of local Member Firm people initiatives, key 2022 global initiatives included:

#### Diversity and Inclusion

Established a framework of guidelines and associated leadership, management and employee training.

#### Forward Sprint

A virtual innovation event held to build connections between, and gain insight from, younger generations of RSM professionals.

#### Virtual Events

A programme of virtual regional, topical and service line conferences and events, reaching more than 3,000 leaders across RSM.

#### Brand and Marketing Training

E-learning modules launched to an active global community of brand and marketing professionals, to drive more effective internal and external communications.

#### Global Mobility

Strategy developed for increased global mobility across RSM Member Firms.

## The Forward Sprint

### WHO ARE RSM'S FORWARD THINKERS?

RSM's Forward Sprint community is comprised of forward-focused innovators that have been with the RSM family for at least 2 years. They are all under 26 and started their careers in the past 2-5 years.

# 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.**

Throughout 2022, investment continued in the development and embedding of the Growth Platform, RSM's proprietary methodology and common language for data-led relationship development and client engagement. To promote consistent value-added client experiences globally, leaders from all RSM Member Firms across all regions took part in both on-demand and live training. These best practice approaches are used across RSM to drive understanding and relevance with organisations towards fostering long-term relationships based on deep understanding, and providing tailored, trusted and valued advice.

From an internal perspective, this work was supplemented by the introduction of the Blueprint for Growth initiative, a bespoke programme of relationship development initiatives tailored to individual geographies – helping a range of RSM Member Firms to standardise their approaches to industries, insight generation and client relationship management.

RSM continued to grow its relationship and business development support structures to ensure RSM's full global expertise can be leveraged for the benefit of client engagements. This has helped to contribute to a significant increase in the value of cross-border engagements won during the year and RSM's global growth of 15% for 2022.

### Supplementary to a wealth of local Member Firm client initiatives, key 2022 global activities included:

#### Global CRM solution

Defined data sources, scoped potential global CRM solutions, and developed roadmap for the future.

#### Data analysis

Introduced data visualisation technology and dashboards to enable informed decision making.

#### Global client experience training

Rolled-out regional training to ensure aligned and consistent experiences from market to market.

#### Client Platform

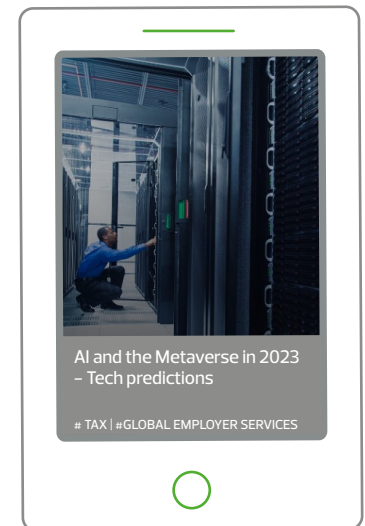
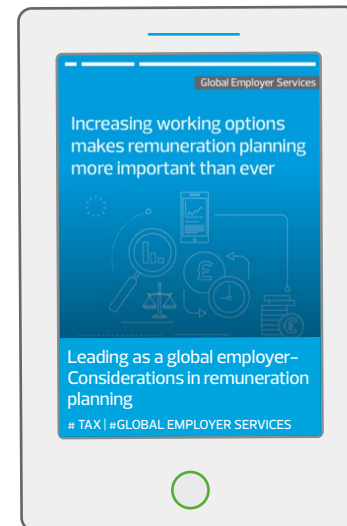
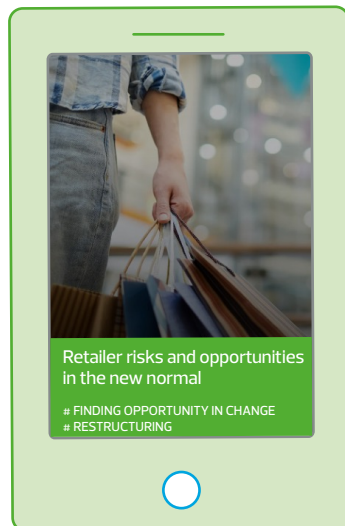
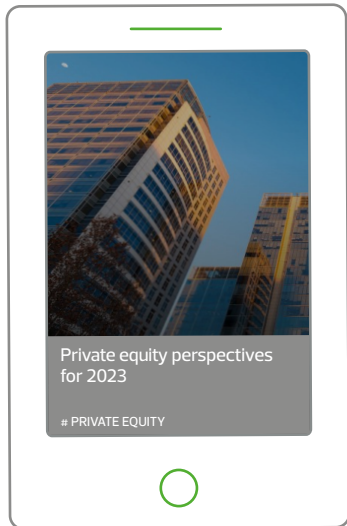
Worked collaboratively across RSM Member Firms and with third-party providers to scope and define a pilot for a digital global client platform.

#### Insight generation

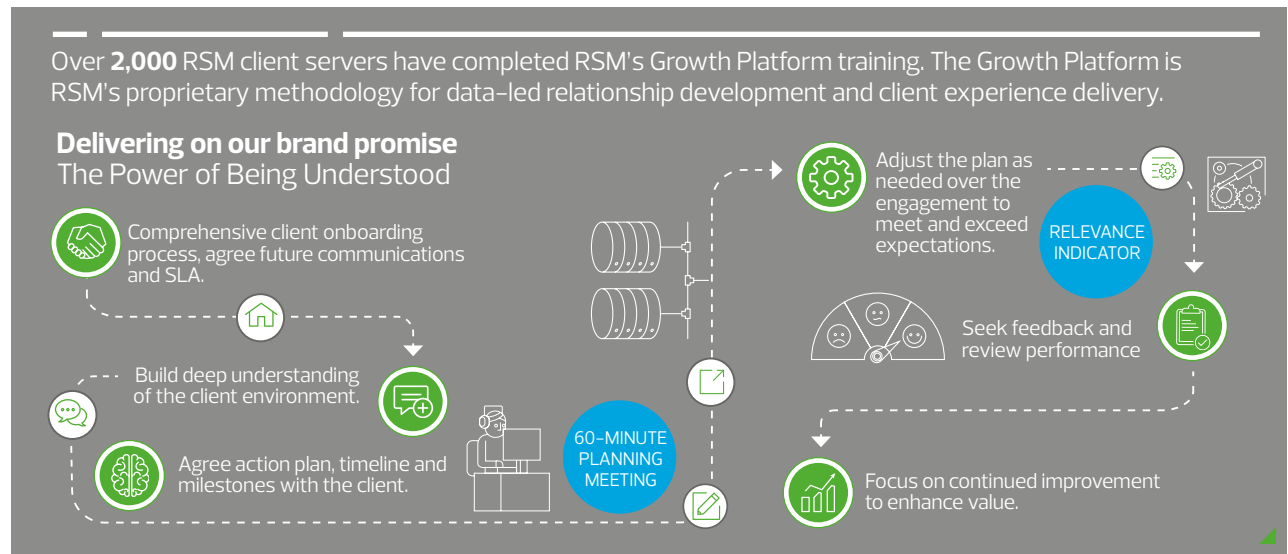
Multiple global campaigns and thought leadership, covering important topics such as global M&A, ESG, AI and automation.



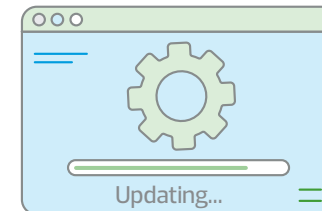
Over 2022, RSM published hundreds of insight-focused articles, thought leadership reports, podcasts, and whitepapers.



RSM SERVES OVER  
**40,000**  
 International client groups



# 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.**

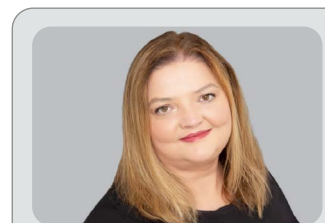
At RSM, we know that the value we bring stems from using a combination of world-class technology and expert human insight, and that the use of new technologies brings both opportunity and risk. Opportunity to move faster, more effectively and with more efficiency in supporting both our clients and our people, but risk from the increased threat of cybercrime, data mismanagement, and often lack of IT training.

Recognising this, in 2022 RSM recruited Nicola McCoy as Chief Information Security Officer, who now leads RSM's Information Security Risk Committee. Over 2022, Nicola worked as part of a wider collaborative international team of RSM experts to develop a Data Strategy. This Data Strategy seeks to create common data models across the global organisation in order that we can better leverage data to provide sustainable and impactful solutions, personalised experiences and insight, and to facilitate insight-led decision making.

Underpinning all of this is a continued global focus on IT security and quality. In 2022, RSM made great progress in working with RSM Member Firms on achieving and maintaining their ISO 27001 accreditation – an international standard to manage information security. RSM also launched RSM InTrust, a new integrated global independence, entity management and service authorisation system.



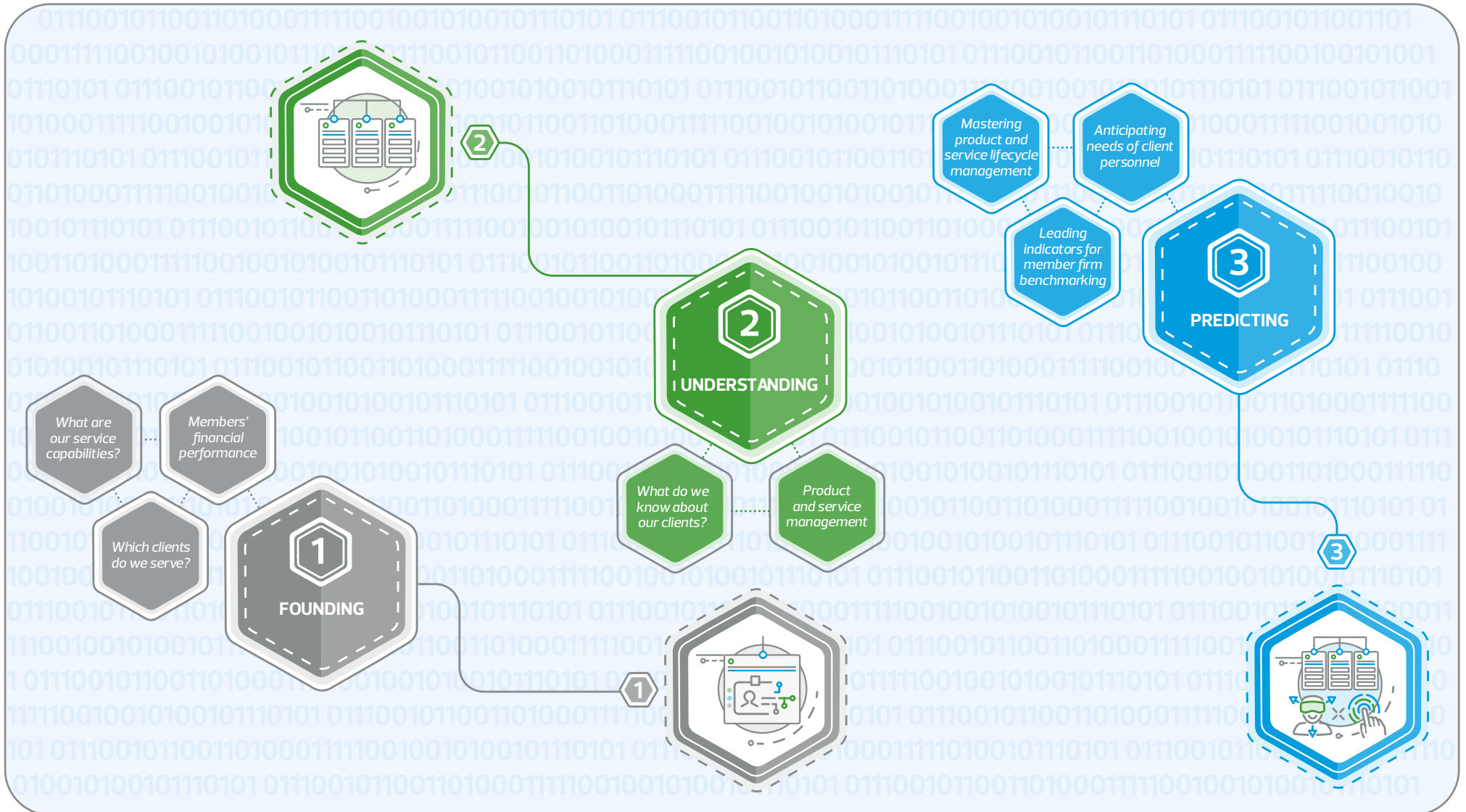
*“ We are focused on being an insights-driven global organisation. As we effectively capture and analyse information across a range of fundamental metrics, we are able to leverage data to actively inform our thinking – basing our decision-making on both expert human intuition and insights based on data.”*



**Nicola McCoy**

Chief Information Security Officer

# Data management at RSM



## A spotlight on: RSM Global Innovation Hub



RSM has a strong culture of entrepreneurialism and technological innovation. The RSM Innovation Hub was launched as a state-of-the-art technology platform for ideation and the development and launch of solutions. This began with internal pilots, and quickly moved to campaigns focused on internal opportunities, such as process improvements, new ways to meet ESG goals, and talent retention.

Since its inception, the RSM Innovation Hub has hosted 36 campaigns, logged 434 idea submissions, and seen 2,350 visitors – enabling faster problem-solving, more diverse thinking, and unlocking the potential of innovation.

## Supplementary to a wealth of local Member Firm client initiatives, key 2022 global activities included:

### Data Strategy

Defined a global Data Strategy to 2030, established a global data office, and an Information Security Risk Committee.

### Design and productivity software

For consistent application of the RSM brand and generation of client reporting templates rolled out to over 75% of RSM Member Firms.

### Next generation global intranet

Initiated a longer-term scoping project for more effective information sharing, networking and collaborating across borders, including exploration of metaverse solutions.

### Digital communications and events technologies

Deployed a variety of new digital technologies to engage RSM leaders in internal and external virtual events.

# Solutions



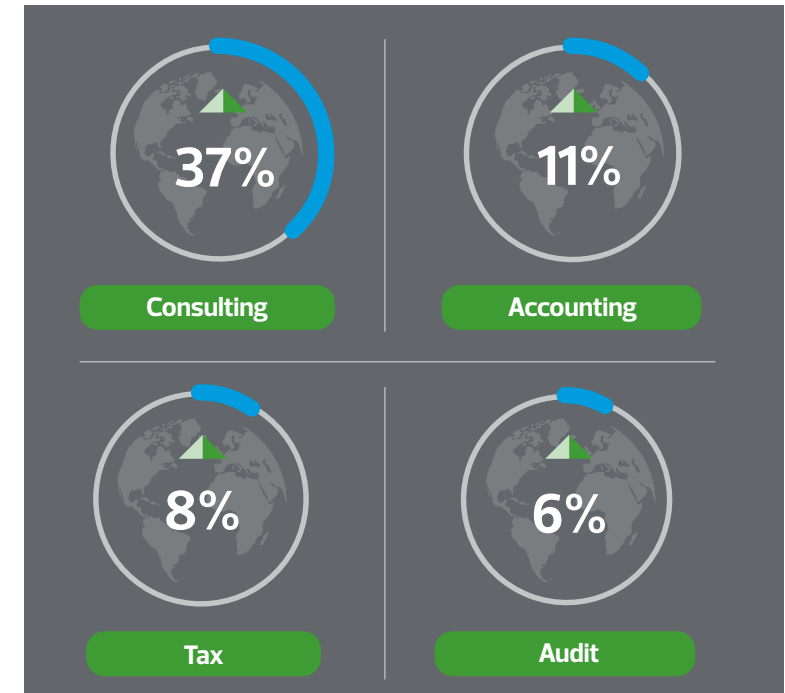
## Our goal is to develop industry-specific approaches, and compelling global products and services

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

Client needs and expectations are ever evolving. We understand that in order to maintain and grow our relevance with growth-orientated, internationally-minded companies, our services need to be efficient, effective and agile. In 2022, we looked across our service offering, exploring how our existing services need to evolve and be further empowered by technology, and what new services need to be brought to market.

Global teams of RSM experts focused their efforts across assurance, tax, consulting and managed services, creating forward-thinking plans for service development. This work also informed the launch and evolution of a number of our global service offerings, including an update to RSM's global audit solution, RSM Orb, and the establishment of RSM's Global M&A Tax Hub.

Importantly, we know that how our clients want to consume our services is also changing. While valuing the intuitive relationship based interactions they have with RSM experts, productised and subscription-led services are alternative routes to RSM providing solutions. In 2022, a number of global products were trialled successfully, with plans to expand this approach more formally from 2023 onwards.



## Supplementary to a wealth of local Member Firm client initiatives, key 2022 global activities included:

### Explored Global Managed Services offering

Taskforce established with Member Firm and GEO representation to discuss and assess different approaches to better understanding the opportunity and potential for a more formalised global approach to Managed Services. A strategy document has been prepared and shared with the GEO for further consideration as part of the workstreams of the 2030 Global Strategy.

### Established Global M&A Tax Hub

Establishment of RSM's virtual M&A Tax Hub. Webinars scheduled and delivered. Global M&A Tax Group continues to undertake assessments for Econ 1 and 2 countries resulting in a capabilities matrix being developed. Results of the capabilities matrix published on RSM Link.

### Implementing ISQM 1

Implementation of ISQM 1 due 15 December 2022, with all Member Firms supported through regular communication and information shared via RSM Link on the implementation group discussions. Quality dashboards to be prepared to support Member Firms ISQM 1 requirements.

### Updated RSM Orb – RSM's global audit methodology and tools

Audit Manual templates and resources have been updated and published as a result of the impending implementation of ISQM 1. ISQM 2 and ISA 220 will be included in the 2023 update to RSM Orb. In the interim the RSM Orb development team continues to publish guidance as these standards apply to periods commencing on or after 15 December 2022.

### Progressed Global Anti-Money Laundering policies and tool

Project commenced during 2022 with the GEO working closely with colleagues from RSM Netherlands to develop policy and guidance. The output will be communicated during 2023.

## In 2022, RSM globally trialed a range of products, including:

### Tax Risk Evaluator

An application which provides boards, finance and tax executives with an instant visualisation of the different levels of tax risk across their business.

### Analytics Automation Platform

Accelerating digital transformation and removing menial and repetitive data management and analytics tasks.

### Global Tax Dashboard

Supporting global clients to implement a best practice tax governance system as part of their broader ESG framework.

### Interactive Report Modelling

Enabling real time client insight to the impact of decisions.





# Creating Positive Impact

## Global Annual Review | 2022

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

# Creating positive impact

**Our Purpose focuses on giving 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 shapes our approach towards our people, clients, services, community and places factors relating to environmental issues, social behaviour and governance at the heart of our organisation.**

Across RSM, our people and firms are engaged every day with impactful initiatives, by: living our values through the RSM DNA; inspiring and developing our teams; community volunteering, charity or pro-bono work; and delivering best-practice advisory and assurance services which are trusted by many thousands of organisations globally.

To 'instill confidence', we have started by understanding what needs to change and why; respecting and leveraging many different perspectives to define our goals; and taking responsibility for making change happen – as individuals, as RSM Member Firms and as one global organisation.

Over 2022 we took the results of a network-wide consultation process to understand activity currently underway across RSM to bring our purpose to life and to deliver impact in relation to ESG themes. To ensure openness and independence, the consultation process was executed by a third party, Landor&Fitch – a global leader in brand consultancy. The information we gathered enabled us to identify a number of opportunities for development as we consider our global impact plans and our collective direction of travel in relation to ESG.

## Work to inform our impact plans:

### Market intelligence

Understanding best practice principles and activities across ESG themes from established and respected global influencers.

### Member Firm Purpose and Sustainability Survey

Harnessing in-depth feedback from 66 RSM Firms globally, representative of all geographies, regions, cultures and sizes of Firm within the RSM membership.

### Member Firm feedback from interviews and outputs from global programmes

Better understanding of local sustainability and CSR activity, dynamics and areas of global alignment and opportunity.

### Trends analysis – Review of RDE (Residual, Dominant and Emerging) trends and drivers

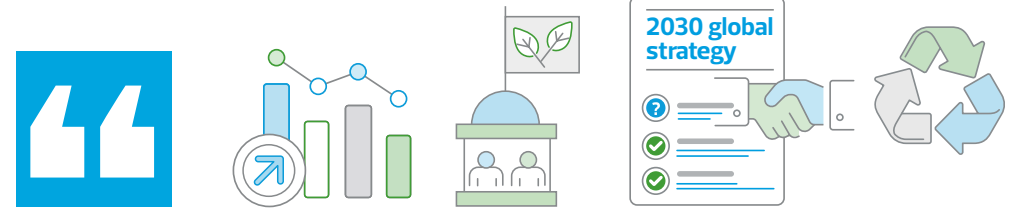
Considering the critical issues facing the world and where we might make a difference.

## Purposeful progress

Following this groundwork, at RSM, our impact plans to 2030 are being directed towards three key areas, with work having begun in 2022, but to be continued over the coming years as we build depth in each of these areas and create a strong global overlay alongside all the great work being conducted at individual Firm level:

1. Alignment with principled global strategic initiatives to further responsible business practices and working with strategic partners to support our approach and to bring an independent, outside-in perspective.
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 structure – Further developing RSM's global policy framework and, over time, developing a consistent global reporting structure across RSM against a set of key metrics, enabling uniform measurement of actions.

Alongside this is our focus on ESG advisory services. As a long-standing provider of assurance services to an extensive corporate client base globally, and understanding the regulatory and best practice requirements concerning matters of governance, accountability and measurement, puts us in an important position to influence change across a large group of stakeholders.



*“ Across RSM, there is a wealth of impactful activity underway. Whilst we celebrate the great work being done by our Member Firms, our task now is how to further leverage our collective strength so that we can make a powerful, positive and lasting difference in everything we do and with everyone we engage with.”*



**Rebecca Richards**

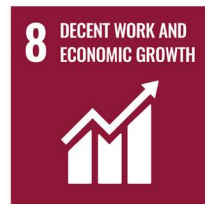
Lead for Purpose and Sustainability

## Alignment with principled global strategic initiatives

Whilst the UN Global Compact was a programme some of our Member Firms had individually signed up to, 2022 saw RSM take the decision to sign up as a global organisation to the 10 principles of the Compact.

At RSM we have an inherent respect and advocacy for legal and regulatory regimes. Whilst our own employment culture, focus on continuing professional development, governance and quality frameworks place us in an advanced position in relation to many of the stated UN Global Compact principles, like every organisation, there are areas where we can do even better. Whilst it will take time to create a global uniformity to the individual Member Firm policies and approaches, we recognise the value and importance of seeking to do so. Over time, our aim is to put in place united global principles of behaviour which would apply to every RSM employee, client, supplier or strategic partner in every market in which we operate.

In addition to the UN Global Compact, over 2022, RSM has globally sought to champion the UN Women's Empowerment Principles and the Sustainable Development Goals. In relation to the Women's Empowerment Principles, we have already seen 10 Member Firms sign up, with many more reviewing what they mean and how they might adopt them. With respect to the Sustainable Development Goals, we have begun a programme to promote understanding around all these goals across RSM globally. After an internal consultation process involving all RSM Member Firms, to help channel activity and create the greatest possible impact for RSM activities globally, we have selected five Goals which are known as RSM's Foundational Goals to champion.



RSM is proud to support the UN Sustainable Development Goals



60%  
of RSM Member Firms report partnering with an external organisation in support of RSM's Purpose or in support of ESG related goals.

### Such partners included:

Business networks and Chambers of Commerce

Organisations supporting sustainable change (e.g. Global Sustain)

Various global and local professional bodies

Media partnerships

Partnerships with charitable organisations covering a diverse range of issues with the highest focus:

Poverty | Hunger | Gender Equality | Cancer  
Child | Welfare | Healthcare

## Educating all our stakeholders on ESG themes

Recognising the important role each and every one of our people can make in influencing change, in 2022, RSM created a number of critical global training courses, available in multiple languages to reach all our 58,000 people. With courses covering an Introduction to ESG, The UN Global Compact, The Sustainable Development Goals, the UN Empowerment principles as well as specific areas such as unconscious bias and mental wellbeing, these courses are part of the RSM onboarding process for all new starters to the organisation globally and have been championed to all staff globally.

Over 2022, the RSM Women in Leadership community gained even greater traction. With nearly 2000 active members and a detailed programme of events available for all employees, regardless of gender, to attend.



Our annual **RSM World Day in October 2022** celebrated the theme 'Owning our Future', reinforcing RSM's on-going commitment to giving back to the communities around us and celebrated some of the many hundreds of charitable, volunteer and impact related activities that take place across RSM Member Firms globally.



Today, RSM professionals take the time to reflect on what each and every one of us can do to act responsibly and build a better future wherever we have influence.

I am proud that RSM is a wonderfully diverse and dynamic global organisation. Today is a day to celebrate what we have already achieved, and it is an opportunity to inspire each other to achieve our greatest potential in the future.

Happy RSM World Day!

## Building a global ESG reporting structure

Many RSM Member Firms already have in place specific policies and practices in relation to the protection of human rights, diversity, inclusion, volunteering, client acceptance procedures and supplier acceptance protocols. As we seek to develop a collective RSM approach to principled business, we will further develop RSM's global policy framework and develop a consistent global reporting structure across RSM against a set of key metrics, enabling action and uniform measurement. Of particular focus will be our global reporting on climate action, diversity and inclusion and global volunteer initiatives.



*"At RSM we are focused on creating a global culture where our people, wherever in the world they work, are not treated differently or less favourably because of characteristics that are not related to their merit or the inherent requirements of the job."*



**Candice Eaton Gaul**

Diversity and Inclusion Leader

## CASE STUDY

RSM's Five Foundational Goals



3 GOOD HEALTH AND WELL-BEING



### Good health and well being *Bringing hope for good health*

Societies can truly flourish when health and well-being are viewed as a priority. This is why RSM Eastern Africa has enthusiastically embraced Faraja Cancer Support, an organisation dedicated to helping cancer patients and their caregivers through their treatment and recovery.

#### A financial lifeline

Whether it is medical bills or missed work, cancer can put unforeseen pressure on a patient's finances. The Faraja Medical Support Fund (FMSF) is an offshoot initiative that was founded to help provide the required sustainability for continued financial assistance for life-saving treatments.

To keep FMSF stable and well-managed, Faraja sought help from RSM Eastern Africa, who stepped in to provide tax guidance and direction. "As part of our pro bono work, we handle Faraja's audit free of charge", said Elvis Ogeto, Audit & Assurance Partner. "But just because it's a pro bono project does not mean it doesn't receive the full rigour we give to other clients. It's important not to let our guard down and always live our promise to provide our best work, no matter the size or the means of our client".

From a fund sustainability point-of-view, RSM Eastern Africa provides advice on how the organisation can take steps to best manage its resources and ensure they have funds beyond what is required for a particular year. With the help of a professional financial services provider, Faraja was able to set up a fund that earns interest and can support a wider group of cancer patients and caregivers. This also enables them to budget beyond a specific year and plan for the foreseeable future.

Furthermore, RSM Eastern Africa leans on its legacy strengths by providing essential tax guidance. The result is a tax exemption certificate that helps the organisation hang onto more of its own monies.



## CASE STUDY

### RSM's Five Foundational Goals



4 QUALITY EDUCATION



## Quality education *Supporting our youth*

RSM Canada holds an annual charitable giving campaign, known as the Power of Love season, where offices throughout the country volunteer and raise funds for select local charitable organisations, and in 2022 more than \$300,000 was raised. RSM's 2022 fundraising goal was achieved through several employee events, along with external donor contributions. Here are some of the charitable organisations that will benefit from RSM's 2022 fundraising campaign:

### Calgary

Brown Bagging For Calgary's Kids (BB4CK) provides lunches for approximately 4,700 kids each school day. BB4CK works with school staff members to identify needs and to plan how best to make sure hungry students get the nutrition they need to think clearly and learn. They believe that by enabling better education outcomes, BB4CK gives students a hand up, not just a handout.

### Edmonton

The Little Warriors Be Brave Ranch is a specialised, trauma-informed, evidence-based, treatment centre focused on helping children who have been sexually abused, as well as their families. The Be Brave Ranch program assists children with overcoming the devastating effects of child sexual abuse – their program is for girls and boys from 8–12 years old and girls between the ages of 13 and 16, and is designed with significant input from many leading experts who specialise in child sexual abuse.

### Red Deer

Red Deer Family Services Bureau (Family Services of Central Alberta) is a nonprofit organization that provides preventive, supportive, and early intervention services throughout Central Alberta. Incorporated in 1970, their record for excellence and community service has been built on the delivery of accountable, innovative programs and services based on best practices.

### Toronto and Kitchener

ComKids aims to provide youth with limitless and infinite potential through technology, digital literacy, and life tools. The program was established in 1998 to level the playing field for students by providing technology (laptop computers) and support (educator mentorship) so they have the means to succeed. ComKids is a community-based intervention with a proven track record of effectively supporting youth to become technologically proficient, improve academic outcomes, build confidence, make better life choices and build their communities.

### Vancouver

For more than 40 years, the Adoptive Families Association of British Columbia has been dedicated to providing ground-breaking programs for families, children, and youth. They strive to inform, support, educate, and connect everyone in the adoption and permanency community, and welcome prospective and waiting adoptive parents and guardianship, kinship, moral, and custom adoption families, as well as those formed through legal adoption.



## CASE STUDY

### RSM's Five Foundational Goals



5 GENDER EQUALITY



## Gender equality Empowering women

Committing to the UN Women's Empowerment Principles (WEPs) was considered an easy decision for the RSM Costa Rica team. Thomas Acosta Alvarado, Managing Partner, said "I first became aware of the principles during 'Ring the Bell for Gender Equality' at the Costa Rica stock exchange, as part of International Women's Day. I knew I wanted to do something related to Environmental, Social, and Governance (ESG) issues; something that would have an impact. The UN Women's Empowerment Principles felt like a natural fit."

### Supporting women re-entering the workplace

RSM Costa Rica placed a special emphasis on supporting women who left the workforce and were seeking to re-enter. An exit like this can be detrimental to a woman's career advancement in the long run. Naturally, the staff were excited to champion the project. They felt uniquely suited to support and train women because the Firm is filled with CPAs, tax experts, and auditors who could volunteer time, give training, and offer coaching to help women build skills to get back to work. Additionally, RSM has an entire network of companies that are clients and potential future employers of these women.

### Eliminating discrimination in the recruiting process

Signing the WEPs changed the way RSM Costa Rica handled the recruitment process. To help eliminate any possibility of bias, they no longer include the names of people when reviewing a resume and finalists are chosen without knowing their gender. "We also analyse our salaries to ensure we don't have a skew, and we actively try to promote women into leadership roles", Thomas said. "We also have a 'Bring your child to work'

programme, so if you need to bring your child to the office, you are welcome to do so, and we have access to childcare on the floor right below us for children 0-5 years of age".

### Allies who support women

Working with allies has allowed RSM Costa Rica to maximise resources. They partnered with Vital Voices, a global women's organisation that grows and fosters women's leadership. Through Vital Voices, RSM provides guidance to women entrepreneurs. The International Development Bank provided training for RSM staff, enabling them to coach women through their mentorship programme. Hope Partners, a US-based non-government organisation (NGO), has a childcare programme combined with coaching and mentorship for mothers from low-income families. RSM Costa Rica works through Hope Partners to support women in learning basic skills and mentor them in their own small business ventures, giving them space to support and strengthen their families.



"Our Firm has always naturally aligned with the principle of empowerment and equitable employment for each person. We are delighted to champion these UN principles."

**Kerry Smith, Managing Partner, RSM Eswatini.**

"At RSM UK, we are committed to being a fully inclusive workplace. As a business, we know it is our responsibility to support all our people to build rewarding, fulfilling careers. The seven UN Women's Empowerment Principles align closely with our own gender equality aims."

**Robert Donaldson, Managing Partner, RSM UK.**

"We are proud to be part of this movement to advance gender equality and women's empowerment in the workplace, marketplace and community."

**John Glennon, Managing Partner, RSM Ireland.**

"For RSM Mozambique, joining the UN Women's Empowerment Community to implement the WEPs is both an affirmation and a celebration of our values."

**Paulo Lopes, Managing Partner, RSM Mozambique.**

"Taking actions to improve in gender equality mostly in women's rights and opportunities is very important in Uruguay, because it benefits everyone."

**Gabriella Montaldo, Managing Partner, RSM Uruguay.**

## CASE STUDY

### RSM's Five Foundational Goals



8 DECENT WORK AND ECONOMIC GROWTH



## Decent work and economic growth

### *Strong foundations for the future*

As a global network focused on driving Corporate Social Responsibilities (CSR) and Environmental, Social and Governance (ESG) initiatives, many Firms have found it useful to create a 'foundation' that could support and strengthen their charitable ambitions.

#### The RSM US Foundation

Over the past six years, the RSM US Foundation has donated nearly \$29 million to help young people in the North American markets where RSM operates. The foundation's largest fundraising programme is Power of Love, part of The RSM Classic, a PGA TOUR tournament hosted by the Davis Love Foundation, which supports charitable organisations across North America, India and El Salvador.

#### The foundation supports many other initiatives in North America, including:

- Junior Achievement, a nonprofit that focuses on in-school and after-school education programmes for at-risk youth.
- Dollars for Doers, a grant-matching programme that encourages employees to volunteer with charitable organisations of their choice that support the next generation of leaders.
- The University Giving Match programme, that matches RSM employees fundraising efforts to create scholarships for colleges and universities important to RSM's people.

#### The RSM UK Foundation

Set up in 2018, the RSM UK Foundation seeks to better its communities through well-being initiatives, environmental causes, and education programmes for underprivileged youth. The Foundation donated over £700,000 in 2022 to charities and anticipates exceeding £1,000,000 in donations this year.

#### The Foundation supports over 50 local charities along with national charities, including:

- The Duke of Edinburgh Awards, an organisation that empowers marginalised young people to learn new skills, overcome obstacles, and build confidence.
- Anthony Nolan, a charity that makes lifesaving connections between patients in need and incredible strangers ready to donate their stem cells.
- Trees for Cities is a UK charity focused on the environment which aims to plant urban trees and create greener cities.
- EDGA (formerly the European Disabled Golf Association) a nonprofit, volunteer organisation, active in the promotion and delivery of opportunities to sample, participate and compete in golf.

#### The RSM France Foundation

The principal aim of the RSM France Foundation is working toward the professional integration of disadvantaged, vulnerable people into the workplace, and the inclusion of people with disabilities.

#### The Foundation was started in 2019 and serves roughly ten charities at the national and local levels, including:

- Deux mains en main is a charity whose goal is to promote sign language.
- Refugee Food, a charitable organisation that sets up workshops for refugees to help them understand French labour laws and help prepare them for job interviews.
- Viens Voir Mon Taf, which encourages high school students from educational priority areas to think about what they want to do as a career.

## CASE STUDY

RSM's Five Foundational Goals



9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



### Industry, innovation and infrastructure *Providing water for villages*

Access to clean, safe water and sanitation is a right for everyone to ensure good health and hygiene – however many people continue to suffer from poor access. Recent statistics show that in Egypt's developed areas 98% have piped water coverage, however in rural areas, there is only 84% coverage. These figures demonstrate the inequality present in rural areas today.



To help bring a solution to this critical issue, RSM Egypt collaborated with a local charity to provide potable water to five small villages (two in Upper Egypt and three in the Nile Delta area) facing challenges accessing clean sources.

The infrastructure installed provides water to about 5,000 people, ensuring that these villages no longer live with life-threatening poor sanitation and contaminated water.



## Impactful insights

In 2022, RSM published a wealth of material to support education around issues related to ESG and sustainability.

The ESG agenda and the rise of non-financial reporting

GLOBAL SPOTLIGHT  
PODCAST HOST  
Jon Cronin

OUR GUESTS

Global Spotlight: COP27 and the sustainability agenda in 2023 and beyond

Global electric car market breaks records in 2022 but can it last?

Building a Sustainable Future for the Automotive Industry

ESG: How to develop a tax disclosure policy

Effective data management - the key to good corporate governance and reputation

# FINDING OPPORTUNITY IN CHANGE | CYBER

World Economic Forum Gender Gap Report 2022: A comment from Candice Eaton Gaul

Why do organisations need to include tax in their ESG policies?

Sticks and carrots: The positive case for ESG in a world of regulation

ESG factors influencing deals - if not now, when?

# FINDING OPPORTUNITY IN CHANGE | FINANCIAL DUE

MENA is seeing the business appeal of ESG

ESG in MENA: Realities, challenges, and opportunities

'Force majeure' - a Force 10 for 2022?

ESG in supply chains: Summer 2022

INTERNATIONAL WOMEN'S DAY

#IWD2022 #BreakTheBias #RSM

International Women's Day 2022 - Unacceptable norms that perpetuate...



# Quality at RSM

## Global Annual Review | 2022

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

# Uncompromising integrity and a focus on quality

**Following the easing of COVID restrictions in most countries during 2022, many of our Member Firms pivoted to a hybrid model of working. The evolution of our working environments combined with new or changing regulatory requirements drove significant change projects across the year for RSM – with a focus on maintaining and building upon our high standards of quality.**

In April 2022, RSM replaced its global online independence, relationship, and conflict of interest tracking tool with RSM InTrust. The implementation of this new global independence entity management system in all Member Firms was achieved through the collaboration of over 200 Ethics and Independence Champions from across RSM. This was a significant change project involving eight workstreams covering areas such as: business requirements development, reorganisation of client and affiliate data, migration of data, user acceptance testing, training, and implementation support. The key features of RSM InTrust will enable our engagement teams worldwide to move quickly and confidently to client or service independence conclusions.

A further change project in 2022 was the implementation of International Standard on Quality Management 1 (ISQM 1) which became effective on 15 December 2022. A Network-wide approach was developed through a series of internal ISQM 1 Roundtables, which facilitated the development of tools and training to assist Member Firms with their understanding and implementation of ISQM 1. RSM Member Firms have welcomed this important new standard, forming implementation teams that devoted extensive time on enhancing existing systems and controls to meet the requirements of ISQM 1. This involved performing risk assessments, identifying quality risks and then designing and implementing appropriate responses.

Continuing our focus on change and transformation, in 2022, RSM's Global Audit Centre of Excellence formed agile project teams to develop ideas for new and innovative client service offerings in assurance. Our immediate focus includes ESG Assurance services, Audit Delivery Centres, improved data analytics tools and the training of regional experts to assist audit teams to use these tools effectively. We are also dedicated to enhancing both the effectiveness and efficiency of our solution for auditing shared service centers and improved processes for recruiting and retaining staff with the key skills that we will need in the future. In addition, we continue agile development of our core audit solution, RSM Orb, and our consideration of different technology avenues and options for RSM Orb mark2.

Hybrid working requires the evolution of RSM's training programmes, and we have initiated the development of a suite of online learning modules for launch in 2023 to provide global audit training for staff – whether they be at the start of their careers, taking charge of group audits, or experienced Managers and Partners joining from other organisations. These modules are designed to provide high quality learning that staff and partners can access through our online learning and development portal, RSM Campus, when and where they need it.

As the post pandemic profession adjusts to the new ways of working, RSM continues to respond by developing innovative solutions and enhancing the resources and tools that we provide to Member Firms. Our pursuit of quality is never-ending and, following our achievements in 2022 and the projects that we are planning for 2023 and beyond, I am confident that our focus and commitment in this area will continue to reap rewards – meeting and exceeding expectations.



**Marion Hannon**

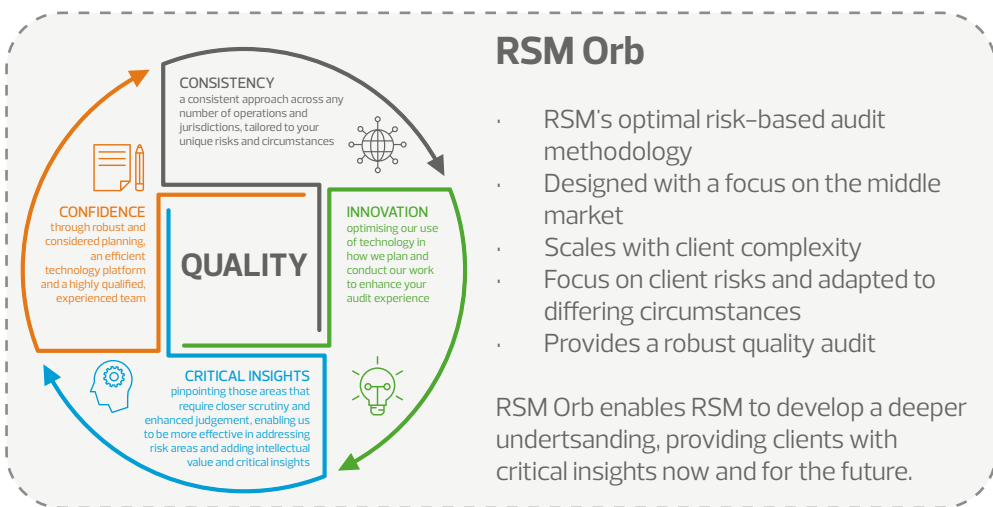
Global Leader, Quality & Risk

RSM International

# Quality, Ethics and Independence

The RSM Global Leader, Quality & Risk has oversight over the quality of assurance and other services provided by Member Firms. These responsibilities specifically include:

- Meeting membership obligations of the Forum of Firms
- RSM quality assurance policies, procedures, and inspections
- RSM Orb
- Global ethics and independence
- Network wide and GEO operational risk registers
- Risk appetite statements



## Global Quality Committee (GQC)

To ensure quality matters receive the time and attention necessary to drive uniform high-quality professional services, the Board established the Global Quality Committee in April 2021 as a successor to the Transnational Assurance Services Executive Committee. The GQC, as a sub-committee of the Board, operates as an overseer and a maker of 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, officers, and other members of senior management.

According to its terms of reference, the GQC, whose members are appointed by the Board, consists of five to nine suitably qualified and experienced partners or equivalent from RSM Member Firms. The composition of the GQC is designed to ensure representation from across the RSM regions.

The Chair of the GQC is selected by the Board from members of the Committee and serves for a term of three years and can be renominated at the end of the three-year term. Current members of the GQC are from RSM Member Firms in Australia, France, Hong Kong, Mexico, South Africa, US and UK. The Chair of the GQC is from the RSM Member Firm in South Africa.



## The GQC's responsibilities are to:

- Consider and recommend RSM policies in relation to:
  - >> Quality management systems/frameworks compliant with Standards issued by the International Auditing and Assurance Standards Board
  - >> Ethics and Independence compliance with the requirements of the International Ethics and Standards Board for Accountants
  - >> Quality Assurance & Risk Containment
  - >> Anti-Bribery and Corruption and any related or associated requirements
  - >> Learning and development, 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, 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 or systems which:
  - >> House RSM Orb
  - >> 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. This includes:
  - >> Oversight of the Member Firm and Global Inspection Programmes
  - >> Receiving reports on globally coordinated annual independence system monitoring
  - >> Preparing reports on compliance with policy, procedures, guidance, processes and controls. This includes the annual Quality & Alignment Report to the Board which summarises the results of the Member Firm and Global Inspection Programmes
  - >> 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 sanctions is available where it is determined that a Member Firm is not complying with its Membership obligations across RSM's strategy, branding, quality standards, risk management and ethics and independence policies and processes. The proposed sanctions are presented by the Global Executive Office to the GQC for review, and a recommendation is then made to the CEO for approval. Where a Member Firm appeals against a sanction that has been imposed, the appeal is considered by the Board or a sub-committee of the Board. Under the Articles of Association of RSM International Limited, the Board has the ultimate authority with regard to the sanction of termination of Membership.



## Ethics and independence policies

RSM maintains ethics and independence policies which all Member Firms are required to adopt. These policies help to ensure that Member Firms, partners, and professional employees comply 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 augment these policies, 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 basic 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. If the Member Firm's Head of Ethics and Independence has a question regarding these policies, they consult with the Global Ethics and Independence Leader.

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 qualifications to such confirmation are fully explained in writing and corrective actions are taken by a 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 the Member Firm has undertaken minimum testing procedures to confirm compliance with RSM Ethics and Independence policies.

RSM has a Global Independence Committee comprised of representatives from Member Firms and members of the GEO. The committee provides input to the GEO on independence matters including the development of ethics and independence policies. In 2022 policy enhancements were made to require Member Firms to record business and financial relationships on RSM InTrust and revisions were made to the Conflicts of Interest Resolution policy.



### RSM InTrust



Enhancing our global independence, through integrated entity management.



Enabling timely and informed data-driven decisions.



Meeting ever changing regulatory and client requirements through intelligent technology and automated processes.

An independence solution that empowers our teams and clients to move forward with confidence.

RSM InTrust is our integrated global independence, entity acceptance and service authorisation system, enabling timely and informed data-driven decisions to meet ever-changing regulatory requirements.

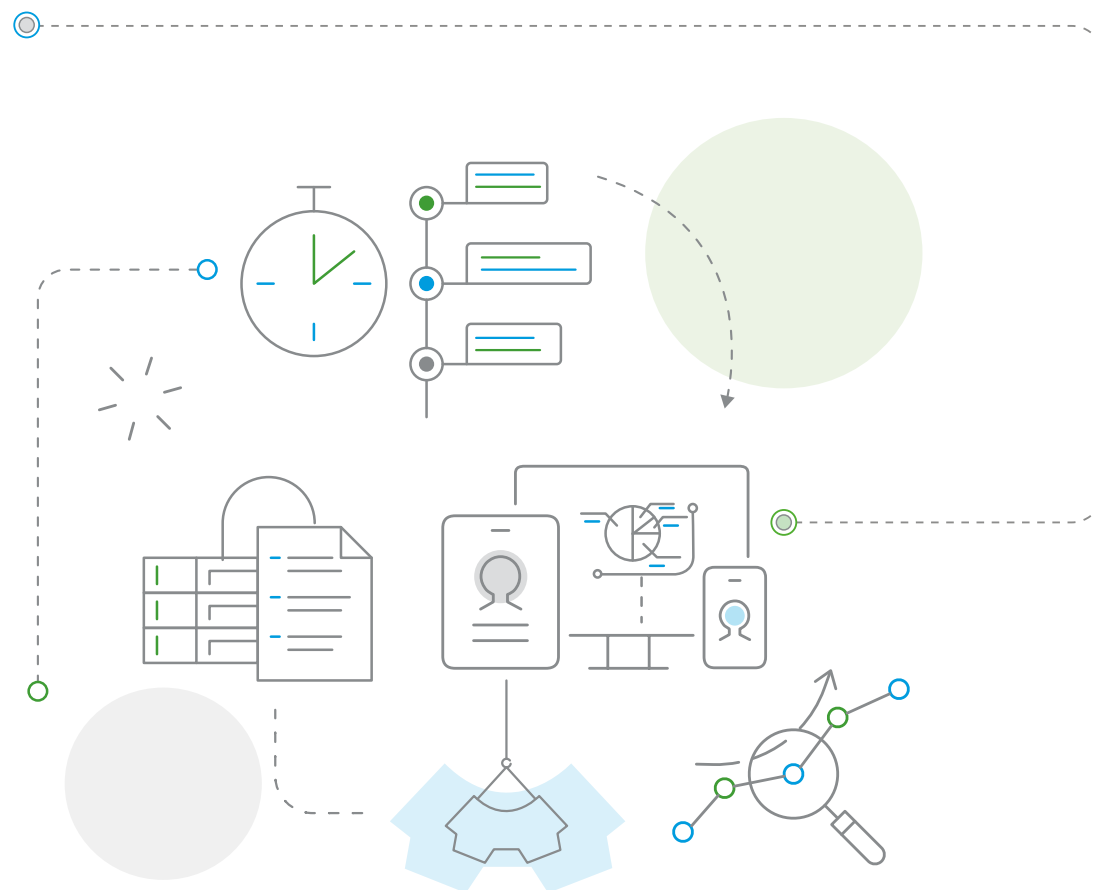
As we protect public interest, RSM InTrust safeguards the independence and collective objectivity of our Member Firms and professionals, helping to avoid conflicts of interest in client engagements, and empowering our teams around the world to move forward with confidence.

## 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 a Member Firm partner or professional employee identifies a potential impairment of independence or conflict of interest with respect to a client or prospective client of another Member Firm through system searches and other conflict of interest checks, the Head of Ethics and Independence of the Member Firm is required to be informed. The Head of Ethics and Independence communicates the relevant details of the client (or prospective client) and 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 agree appropriate safeguards, the GEO and the Chair of the Board are requested to consider the potential impairment of independence or conflict of interest. The Member Firms provide the GEO with the necessary information regarding the relevant facts and circumstances, which will be used to assess the potential impairment of independence or conflict of interest. The GEO and the Chair of the Board will then, after considering the request and information provided, make a recommendation as to the resolution of the potential impairment of independence or conflict of interest which the Member Firms are required to follow.



# Quality-related policies and requirements

## International Standard on Quality Management 1 (ISQM 1)

**ISQM 1 became effective on 15 December 2022. In preparation, the following materials were provided to Member Firms:**

- A proforma tool for documenting the system of quality management
- Individual webinars on each of the components of a system of quality management which discussed the standard in detail and provided practical examples to assist Member Firms.
- Regular meetings for those responsible for implementing ISQM 1 to take a deeper dive into the standard
- Information on RSM Network Requirements and Network Services.

## Client acceptance/continuance

Providing high-quality assurance 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 high-value work.

### Criteria include:

- The client acts with integrity and adheres to compliance with all local laws and regulations, including 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
- During the client acceptance process, 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 any engagement or a client relationship that meets certain risk profiles.

## RSM Orb

**Quality is a fundamental cornerstone for RSM and, in order to support Member Firms in performing high quality audits, RSM developed RSM Orb, RSM's risk-based audit solution. It is comprised of four elements:**

- Proprietary Global Audit Methodology
- Global Audit Manual
- RSM template housed in licensed software
- Implementation guidance.

In accordance with RSM's focus on achieving common methods and processes across the Network, RSM Orb is required to 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.

**RSM Orb includes requirements for engagement quality control 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.

### Policy updates

**The following quality related policies were significantly updated in 2022:**

- RSM Quality Assurance and Risk Containment Policies, in response to the implementation of the ISQMs.
- RSM Ethics and Independence Policies as a result of the implementation of RSM InTrust and to leverage the controls within the system.
- RSM Anti-Bribery & Corruption Policies following a review for compliance with international best practice.

### 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.

# 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 control over its assurance and other professional services practices are relevant, adequate, operating effectively, and are aligned with RSM expectations and all applicable requirements established by the International Federation of Accountants (IFAC) standard-setting boards in effect during the period including:

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

### Further objectives of an RSM Member Firm's inspection programme include providing an evaluation of:

- The extent of the Firm's alignment with RSM policies and procedures.
- The Firm's adherence to local/national professional standards and applicable local/national legal and regulatory requirements.
- Whether the Firm's quality control system has been appropriately designed and implemented, so that reports that are issued by the Firm or engagement partners are appropriate in the circumstances.
- Areas where further actions are needed by either the Firm or RSM in order to take corrective actions or make improvements to the Firm's quality control system.

A distinct benefit of the inspection process is that it provides the opportunity to identify areas for improvement in engagement management and client service production and delivery systems. Under RSM's global inspection programme, an inspection team comprised of partners and staff from other Member Firms periodically performs an inspection at Member Firms on a cycle not exceeding three years.

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 RSM International Board has the authority to impose sanctions on a Member Firm to ensure compliance with professional requirements and RSM methodologies, policies and procedures.

## Member Firm admissions

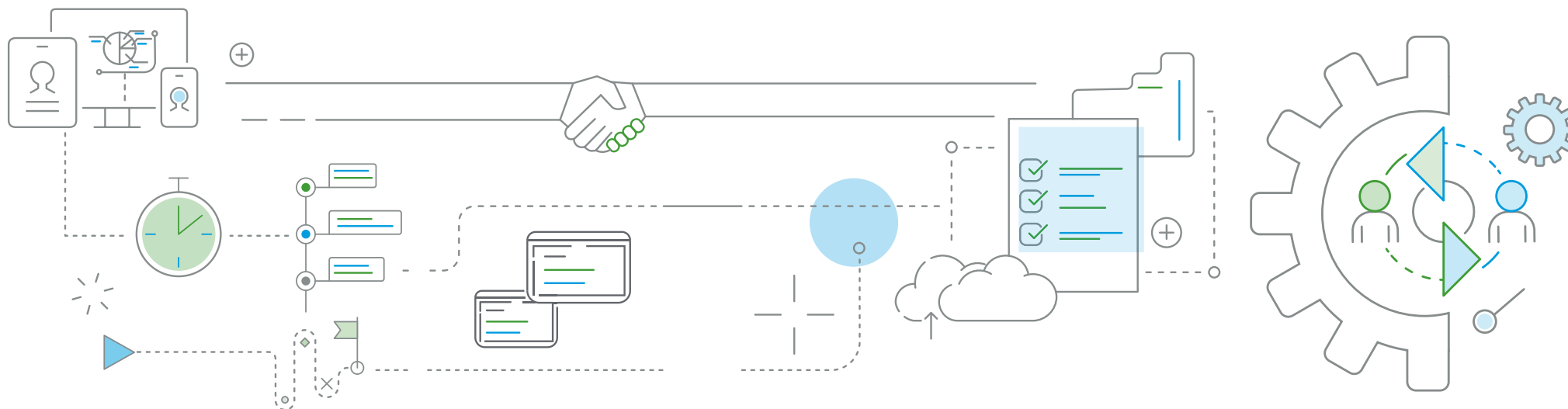
RSM seeks to admit new Member Firms that share the RSM vision, purpose, strategy, and values. Each prospective new Member Firm is subjected to a due diligence review, the outcome of which forms the basis for deciding whether to admit the firm as a Member Firm of RSM.

### 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 RSM's global strategy.
- Whether the Firm can meet the commitments and expectations of being an RSM Member Firm.

The due diligence reviews have historically been conducted by qualified independent partners and senior personnel from current RSM Member Firms. In 2022, the due diligence process was redesigned such that the firmwide and file reviews are largely performed by members of the GEO with assistance by specialists from Member Firms as needed. This 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.





# Strong foundations for the future

## Looking ahead

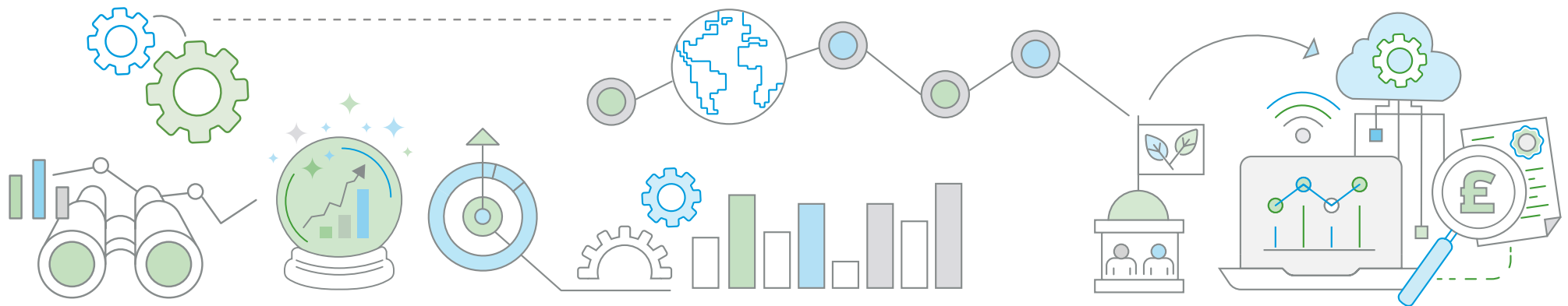


**Jean Stephens**

Chief Executive Officer  
RSM International



*“Our focus and efforts in 2022 provide strong foundations for RSM's future. Aligned behind one brand, purpose and strategy, RSM will continue to be evermore inclusive, agile and forward-thinking as one of the world's leading global professional services providers.”*





**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING



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