

A person stands on a mountain peak, looking out over a vast lake and distant mountains. The scene is bathed in the warm, golden light of sunset or sunrise, creating a serene and expansive atmosphere. The mountains in the background are layered, with some peaks covered in snow.

Transparency Report 2024

Baker Tilly Cyprus

01 January – 31 December 2024

Now, for tomorrow





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A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are partially obscured by a dark grey horizontal band that serves as a background for the title. On the left side of this band, there is a thin vertical yellow line. On the right side, there are several thin, white, concentric circular lines. The sky is a clear, vibrant blue.

Leadership Message

Leadership Message

At Baker Tilly South East Europe, our commitment to transparency and quality remains unwavering. The year 2024 has been a testament to our dedication to delivering exceptional audit and assurance services, fostering trust, and upholding the highest standards of integrity and professionalism.

Our purpose is to build trust in society and solve important problems. This year, we have continued to invest in our System of Quality Management, ensuring that our processes are robust and aligned with the highest international standards. We have made significant steps in integrating advanced technologies and data analytics into our audit processes, which has enabled us to deliver more insightful and reliable audits.

As part of our culture, we believe that transparency is the cornerstone of trust. Our annual transparency report provides a comprehensive overview of our governance structure, quality control systems, and the measures we take to ensure compliance with relevant standards and regulations. We are committed to being open about our practices and the steps we take to maintain our independence and objectivity.

As part of serving the public interest, Baker Tilly South East Europe is committed to consistently perform and deliver high-quality audits, while complying with the applicable professional and regulatory standards. We apply a risk-based approach in designing, implementing, and operating the components of our System of Quality Management in an interconnected and coordinated manner to proactively manage the quality of engagements performed by us. We strive to make continuous improvements in our audit quality through the implementation of responsive actions on all external and internal monitoring review findings. The annual evaluation of our System of Quality Management as of 31 December 2024 provides reasonable assurance that the objectives of the System of Quality Management are being achieved.

As we look ahead, we remain focused on continuous improvement and innovation. We will continue to invest in our people, processes, and technologies to ensure that we can meet the evolving needs of our clients and stakeholders. Our goal is to deliver sustained outcomes that contribute to the public interest and support the growth and stability of the capital markets.

Thank you for your continued trust and support.

Marios A. Klitou
Chief Executive Officer
Baker Tilly South East Europe



Leadership Message

As the Regional Managing Partner of Baker Tilly South East Europe, I am proud to present our annual transparency report for the year 2024. This report reflects our ongoing commitment to transparency, accountability, and excellence in all that we do.

The past year has been one of growth and transformation for our firm. We have expanded our service offerings, strengthened our quality control systems, and enhanced our capabilities in areas such as sustainability reporting, cyber security, and data privacy. These efforts are part of our broader strategy to provide comprehensive and high-quality services that meet the diverse needs of our clients.

Our focus on quality is at the heart of everything we do. We are continuously investing in the enhancement of our rigorous quality management systems and in the past year we conducted extensive internal and external reviews to ensure that our services meet the highest standards of excellence.

We are also committed to fostering a culture of continuous learning and improvement. We have invested in training and development programs for our people, ensuring that they have the skills and knowledge needed to deliver exceptional services. Our people are our greatest asset, and their dedication and expertise are what drive our success.

Looking ahead, we will continue to build on our achievements and strive for excellence in all our endeavours. We are committed to being a trusted partner to our clients and a responsible member of the global business community. Together, we will navigate the challenges and opportunities of the future with confidence and integrity.

Thank you for your trust and partnership.

Savvas M. Klitou
Regional Managing Partner
Baker Tilly South East Europe





Baker Tilly South East Europe

Who we are

Legal structure and ownership

Baker Tilly Cyprus Limited operates as a private limited liability company, established under Cyprus law, with registered address at Corner C. Chatzopoulou & 30 Griva Digheni Avenue 1066, Nicosia, Cyprus and registration number HE364689.

All voting rights in Baker Tilly Cyprus Limited are held by “BAKER TILLY CY”, a Cyprus limited liability partnership, registered in Cyprus under registration number 13170. Baker Tilly Cyprus Limited is a member firm of the Baker Tilly South East Europe Network (defined below).

Subsidiary undertakings

The principal subsidiary undertakings of Baker Tilly Cyprus Limited as at 31st December 2024 are shown on the table on the right:

Company name	Country	%
Baker Tilly Klitou and Partners Limited	Cyprus	100%
Baker Tilly Klitou and Partners (Limassol) Ltd	Cyprus	100%
Baker Tilly Corporate Recovery Cyprus Ltd	Cyprus	100%
Baker Tilly South East Europe Ltd	Cyprus	100%
Baker Tilly Recovery & Restructuring Services Ltd	Cyprus	100%
Baker Tilly Secretarial Services (Cyprus) Ltd	Cyprus	100%
Baker Tilly Klitou and Partners (Larnaca) Ltd	Cyprus	100%
Baker Tilly Advisory Services Ltd	Cyprus	100%
Baker Tilly Corporate Services Ltd	Cyprus	100%
Baker Tilly BRI Limited	Cyprus	100%

Who we are

Baker Tilly South East Europe

Baker Tilly South East Europe is an accounting and advisory group that offers assurance, tax and advisory services across all sectors of the industry, operating under a unified structure, directed by a single, central management team, operating through 7 offices in 5 countries by 44 directors and more than 500 professionals.

Baker Tilly South East Europe is an independent member of Baker Tilly International and holds practice rights to provide professional services using the “Baker Tilly” trade name in five countries – Cyprus, Greece, Romania, Bulgaria and Moldova.

Baker Tilly South East Europe has established five separate limited liability partnerships, all registered in Cyprus (one for each country that it operates in), namely:

Partnership Name	Reg. Number
BAKER TILLY CY	13170
BAKER TILLY GR	13169
BAKER TILLY MOLDOVA	13171
BAKER TILLY ROMANIA	13172
BAKER TILLY BULGARIA	13173



Baker Tilly South East Europe Alliance

The Baker Tilly South East Europe Alliance (the “Alliance”) is a regional alliance of independently owned local accounting and professional service firms with similar client service goals.

The Alliance presents an opportunity for firms to access the resources of Baker Tilly South East Europe and to expand services to their clients without jeopardizing their existing relationships or their autonomy. In the wake of a changing business landscape, the Alliance was developed to provide member firms with an alternative strategy for gaining a competitive advantage. With 14 member firms, the Alliance represents all key locations and includes a comprehensive range of services (Appendix-3).



Corporate Governance



The Governance structure of Baker Tilly South East Europe is made up of three main bodies: the Partners' Council, the Board of Directors and the Regional Council.

Partners' Council

The Partners' Council is the upper governance body for the Firm. It has the right to decide for every matter concerning the Partnerships and the Firm.

Board of Directors

The Board of Directors is responsible for the governance and oversight of the Audit and Assurance practice of the Firm which include the protection of the interests and reputation of the Firm and its partners. Moreover, it is responsible for overseeing management and operations at a strategic level to ensure that the Firm has an appropriate structure for corporate governance and specific oversight of quality and risk.

The Board of Directors of Baker Tilly Cyprus Limited as at 31 December 2024 consists of the following people:

- Marios A. Klitou (Chief Executive Officer)
- Maria Kaffa
- Savvas M. Klitou
- Andreas Pittakas
- Moisis Aristidou
- Socrates Efstratiou

Regional Council

The role of the Regional Council is to provide advice to the Board of Directors in support of the development of strategy, policies and activity.

The Regional Council consisted of the following persons as at 31 December 2024:

- Geoff Barnes – Regional Chairman
- Yiannis Evangelou – Regional Deputy Chairman
- The Country Managing Partners of the Baker Tilly South East Europe offices
- Service Line Leaders
- Selected Partners, Officers and Heads of Committees

The Regional Council responsibilities include the following:

- Oversee and monitor the operations of the countries' practices and be the first to review and approve country budgets, funding and working capital requirements and business development plans
- Support country practices in developing business and investment plans
- Implement consistent policies and processes in terms of operations, finance, reporting, controlling, planning and budgeting, IT, procurement and HR.
- Develop new service offerings and branding initiatives through thought leadership



Baker Tilly International

Baker Tilly International

Description & legal structure

Baker Tilly International is one of the world's leading networks of independently owned and managed accountancy and business advisory firms united by a commitment to provide exceptional client service.

Baker Tilly Cyprus Limited is an independent member of Baker Tilly International Limited, which is a company limited by guarantee registered in England and Wales. It is owned by its members, all of which hold an equal interest in the legal entity. The members, in the Annual General Meeting, are responsible for appointing the board of directors, approving the company's strategy and other matters such as making changes to the company's constitution.

Baker Tilly International does not itself provide professional services, advice or opinions to clients but acts as a member services organisation operating from its Global Office in London. Client services are delivered by a network of over 140 independent members worldwide.

Each member is a separate and independent legal entity. Each member is locally owned, operated and managed and is responsible for its own actions. No single member is responsible for the services or actions of another.

Although many members operate under the Baker Tilly name, there is no common ownership amongst the members.

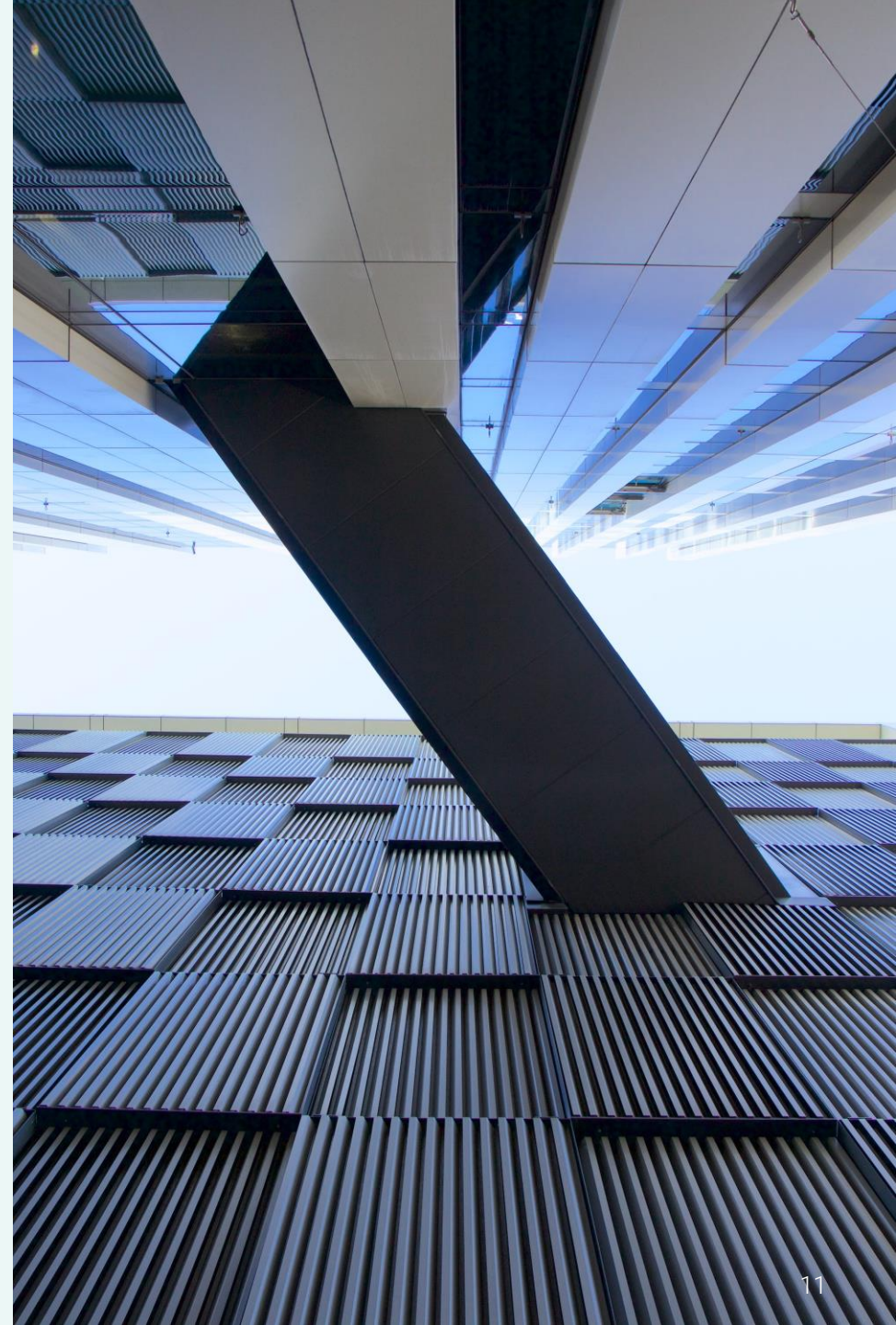
Management and governance

Baker Tilly International operates with a board of directors consisting of the Chief Executive Officer (CEO), and directors drawn from independent members around the world. The board of directors appoints the CEO. It also formulates the strategy for Baker Tilly International and approves the policies and procedures to govern and manage the network. On the recommendation of the CEO and regional advisory councils, the board is responsible for admitting new members and, on occasion, terminating membership.

The network operates geographically through five regions - North America; Latin America; Europe; Middle East and Africa; and Asia Pacific. Each region has a chairperson who chairs an advisory council made up of partners from members in that region. The chairperson's role includes the co-ordination and development of business between members, the recruitment of new members as necessary and the implementation of the regional strategy.

At a management level, the network is co-ordinated by the CEO. The CEO is responsible to the board and ultimately to the members for all matters relating to the management and leadership of the network.

The CEO is supported by a team at Global Office which supports members worldwide. Support includes international brand development initiatives, technical development of the global audit tool and the co-ordination of a global secondment programme.





Baker Tilly International

Quality assurance

Baker Tilly International's members are expected to conduct all aspects of their business to the highest professional standards, to maintain integrity and to keep in good standing in their local business community.

They are required to comply with all national standards applicable to all aspects of their work. These include auditing, independence and any other standards issued in a member's country which impact on their work. They are also expected to comply with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and to carry out audits to standards that are at least compliant with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB).

Members are also required to comply with IAASB's ISQM 1 International Standard of Quality Management. Regular quality assurance reviews of all members are carried out by Baker Tilly International, with members typically subject to a review at least once every three years.

Independence

Although Baker Tilly International is a network, it is for each member to determine its position under the ethical codes which govern its work. Each member identifies those other members of the Baker Tilly International network that must be considered in respect of independence for their client base. Each member complies with their local code of ethics. Where no local code exists or where the local code is significantly less comprehensive than the International Code of Ethics for Professional Accountants (Code) members are expected to comply with the Code.

All members are required to include in their audit process a procedure that requires consideration of whether there are threats to independence resulting from work done for the client and any of its related companies by themselves or any other members of Baker Tilly International. This includes discussion with the client of circumstances where any such threats may arise.

Baker Tilly International provides a conflict check messaging system and an Independence Database to assist members in complying with this requirement. The Independence Database includes details of all clients which are members of a listed group for which any member provides any service to any company within the listed group. Details are recorded for all instances where members provide audit services to listed entities. This information is then used to create the Restricted Entity List which shows all the listed audit clients for whom members act as auditors. Member firms should not hold a financial interest (for example, an investment) in any entity on the Restricted Entity List and should not provide non-audit services to those entity's without first consulting the Audit Team.

Baker Tilly International

Audit firm and audit fee information in respect of EU members

As at 31 December 2024, the following independent member firms of the Baker Tilly International network provided statutory audit services in the EU:

- | | |
|---|---|
| <ul style="list-style-type: none">▪ Austria - Pro Audit Wirtschaftsprüfung und Steuerberatung GmbH (see Appendix 1)▪ Belgium - Baker Tilly Belgium▪ Bulgaria - TPA Audit OOD; Baker Tilly Klitou and Partners OOD (see Appendix 1)▪ Croatia - TPA Audit d.o.o. (see Appendix 1)▪ Cyprus - Baker Tilly Klitou & Partners Limited (see Appendix 1)▪ Czech Republic - TPA Audit, s.r.o. (see Appendix 1)▪ Denmark - Baker Tilly Denmark▪ Estonia - Baker Tilly Baltics OÜ▪ Finland – Baker Tilly Finland Oy▪ France – Strego Audit▪ Germany - Baker Tilly Holding GmbH▪ Greece - Baker Tilly Greece Auditors S.A.(see Appendix 1)▪ Hungary - TPA Control Könyvvizsgáló Kft. (see Appendix 1)▪ Italy - Baker Tilly Revisa SpA▪ Latvia - Baker Tilly Baltics SA▪ Lithuania - UAB Scandinavian Accounting and Consulting▪ Luxembourg – Baker Tilly Audit & Assurance s.à r.l.▪ Malta - Baker Tilly Malta▪ Netherlands - Baker Tilly (Netherlands)▪ Poland - Baker Tilly TPA Sp. z o.o. (see Appendix 1)▪ Portugal - Baker Tilly PG & Associados, SROC, LDA▪ Romania - TPA Audit Advisory S.R.L.; Baker Tilly Klitou and Partners SRL (see Appendix 1)▪ Slovakia - TPA Audit, s.r.o. (see Appendix 1)▪ Spain - Baker Tilly Iberia (see Appendix 1)▪ Sweden - Baker Tilly Sweden (see Appendix 1) | <ul style="list-style-type: none">▪ Austria - Pro Audit Wirtschaftsprüfung und Steuerberatung GmbH (see Appendix 1)▪ Belgium - Baker Tilly Belgium▪ Bulgaria - TPA Audit OOD; Baker Tilly Klitou and Partners OOD (see Appendix 1)▪ Croatia - TPA Audit d.o.o. (see Appendix 1)▪ Cyprus - Baker Tilly Klitou & Partners Limited (see Appendix 1)▪ Czech Republic - TPA Audit, s.r.o. (see Appendix 1)▪ Denmark - Baker Tilly Denmark▪ Estonia - Baker Tilly Baltics OÜ▪ Finland – Baker Tilly Finland Oy▪ France – Strego Audit▪ Germany - Baker Tilly Holding GmbH▪ Greece - Baker Tilly Greece Auditors S.A.(see Appendix 1)▪ Hungary - TPA Control Könyvvizsgáló Kft. (see Appendix 1)▪ Italy - Baker Tilly Revisa SpA▪ Latvia - Baker Tilly Baltics SA▪ Lithuania - UAB Scandinavian Accounting and Consulting▪ Luxembourg – Baker Tilly Audit & Assurance s.à r.l.▪ Malta - Baker Tilly Malta▪ Netherlands - Baker Tilly (Netherlands)▪ Poland - Baker Tilly TPA Sp. z o.o. (see Appendix 1)▪ Portugal - Baker Tilly PG & Associados, SROC, LDA▪ Romania - TPA Audit Advisory S.R.L.; Baker Tilly Klitou and Partners SRL (see Appendix 1)▪ Slovakia - TPA Audit, s.r.o. (see Appendix 1)▪ Spain - Baker Tilly Iberia (see Appendix 1)▪ Sweden - Baker Tilly Sweden (see Appendix 1) |
|---|---|

Total statutory audit fees for EU members which provide statutory audit services:

The total statutory audit fees for EU members for the period is approximately €250 million.



Global Results 2024



\$5.62bn

2024 worldwide
revenue (US\$)



698

OFFICES



143

TERRITORIES



43,500

PEOPLE

Regional growth in 2024

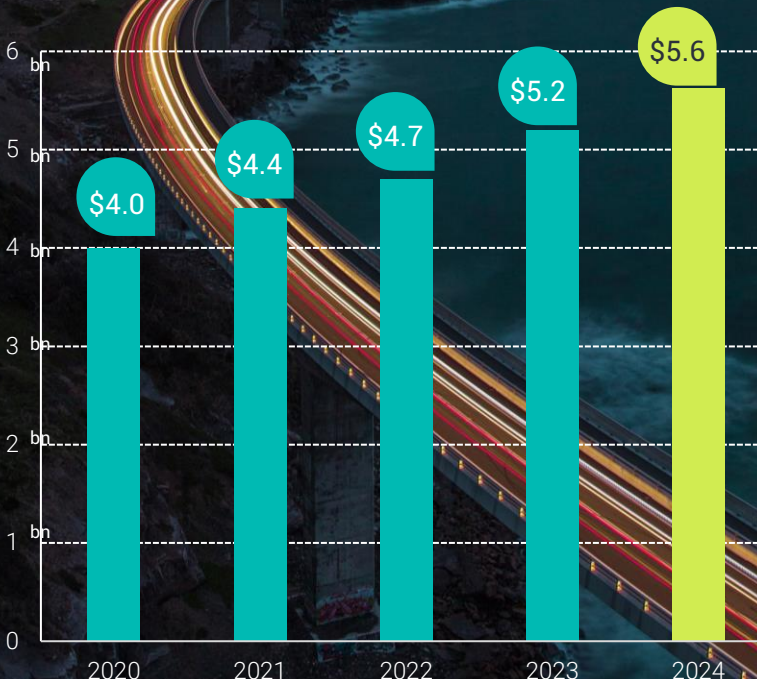
2%
Asia Pacific

13%
EMEA

18%
Latin America

11%
North
America

Global revenues in US\$



As always, I am very grateful for the leaders in all of our 143 markets and the hard work of our people who make this possible. Breaking through the US\$5.5bn barrier demonstrates that this is a network with real ambition and drive."

Francesca Lagerberg
Chief Executive Officer

An aerial photograph of agricultural fields, showing a mix of green crops and brown tilled soil. A dark blue rectangular overlay covers the middle portion of the image. On the left side of this overlay is a vertical yellow bar. On the right side are several thin, white, concentric circles. The text 'Our Approach to Quality' is written in white, bold, sans-serif font on the left side of the blue overlay.

Our Approach to Quality

Our Approach to Quality

System of Quality Management

Baker Tilly Cyprus has established a System of Quality Management (the SoQM) as required by International Standard on Quality management 1 (ISQM 1) to provide us with reasonable assurance that the Firm and its personnel comply with professional standards and regulatory and legal requirements and that reports issued by the Firm are appropriate in the circumstances. Our System of Quality Management consists of policies designed to achieve the quality objectives, and procedures necessary to implement and monitor compliance with these policies.

All quality objectives required by ISQM 1 and the responses to those risks have been established and documented by the Firm. Additional quality objectives are identified when the Firm considers it necessary to achieve the objectives of the SoQM.

The following are the pillars of our System of Quality Management:

- Governance and leadership
- Risk assessment process
- Acceptance and continuance procedures
- Ethical requirements, including independence
- Engagement performance
- Human, technological, and intellectual resources
- Information and communication
- Compliance with applicable requirements of the EU & local regulations and the Baker Tilly Network
- Monitoring and remediation process

Our Approach to Quality

Baker Tilly Cyprus designs and implements adequate risk responses to address all quality risks identified. The effectiveness of the procedures in mitigating the quality risks is monitored on an ongoing basis so that any issues are addressed in a timely and proactive manner.

The overall responsibility for the Firm's SoQM lies with the Firm's Board of Directors. The Board of Directors has assigned day-to-day operational responsibilities of the various elements of the SoQM to the Heads of various functions as appropriate. Baker Tilly South East Europe (the BTSEE Network) has a dedicated Audit Quality Department that monitors the quality of the audit engagements performed by the members of the BTSEE Network.

The SoQM operates in a continual and iterative manner and is responsive to changes in the nature and circumstances of the Firm and its engagements. The Audit Quality Department re-evaluates the Firm's quality objectives, quality risks and responses on a regular basis, at least annually, to proactively modify them when changes affecting the SoQM occur, or when deficiencies are identified.

The monitoring and remediation process provides the Board of Directors with information on the design, implementation, and operation of the SoQM to take appropriate and timely actions to respond to deficiencies. This is further explained in the "Monitoring and Remediation" section of this report.



Client and engagement acceptance & continuance

Baker Tilly South East Europe's Client Engagement Acceptance and Continuance section of the Risk Manual sets out the policies and procedures which shape the decision whether to accept a new client engagement or a new engagement for an existing client, or to continue an existing client engagement.

These comprehensive policies and procedures are an important part of the Risk Management process and comply with applicable Anti-Money Laundering EU Directives transposed into local legislation as well as local and international guidelines issued by Regulators in all the countries that the Group operates around the region, International Standards on Auditing and the IFAC Code of Ethics for Professional Accountants issued by IESBA. The CEAC procedures are completed prior to signing off the terms of an engagement and prior to performing any other significant activities that would have been performed if the client or engagement was formally accepted or continued.

The CEAC policy applies to all member firms under the umbrella of Baker Tilly South East Europe and is monitored by the Risk Committee. The Risk Committee has structured the Risk Manual as clearly and practically as possible aiming at an effective and efficient process of assessing risk prior to acceptance and managing risk during the course of execution of the engagement. The Manual follows a risk-based approach which is determined by the Group's risk tolerance as set out by the Board of Directors.

The approach to risk entails significant interaction and coordination with other required processes, namely Anti-Money Laundering and Ethics & Independence to ensure that Group standards are maintained in terms of onboarding clients within the Group's risk appetite and safeguarding the Firm's independence at local, regional, and international levels. The devised risk grading questionnaires assess both the client and the engagement.

The overall risk assessment determines whether to accept a client and consequently an engagement or not, ensuring that Baker Tilly has the professional competence to proceed with the client and relevant engagement or decline any clients with overall risk higher than Baker Tilly's risk tolerance.

Our Approach to Quality



Ethical responsibilities, including independence

Baker Tilly Cyprus complies with the IESBA Code of Ethics of the International Federation of Accountants (IFAC) which has been adopted by the Institute of Certified Public Accountants of Cyprus (ICPAC).

In addition, the Firm ensures compliance with Baker Tilly International Network requirements related to ethics and independence matters.

All partners and staff of Baker Tilly Cyprus submit annual independence compliance confirmations, as part of ensuring their understanding of the ethical requirements, including those required by the Network. Additional specific confirmations are obtained for PIE audit clients, for the relevant engagement team members, engagement quality reviewers and any internal experts used.

To reinforce the understanding of ethical requirements, the Ethics Director conducts a mandatory training for all employees of the Firm annually.

Baker Tilly Cyprus has designed and implemented several policies and procedures to ensure the Firm's compliance with the provisions of the IESBA Code of Ethics, some of which are discussed in the "Ethics, Independence and Objectivity" section of this report.

Audit methodology

Baker Tilly Cyprus performs all audit engagements in accordance with professional standards and regulatory and legal requirements to provide reasonable assurance that the Firm only issues audit reports that are appropriate in the circumstances.

Our procedures to enable performance of high-quality audit engagements on a consistent basis include the usage of Global Focus audit methodology, which is a common methodology that is standardized across the Baker Tilly network. This methodology is based on the International Standards on Auditing (ISAs) and provides a framework to enable BTI member firms to consistently comply with the applicable standards, regulations and legal requirements.

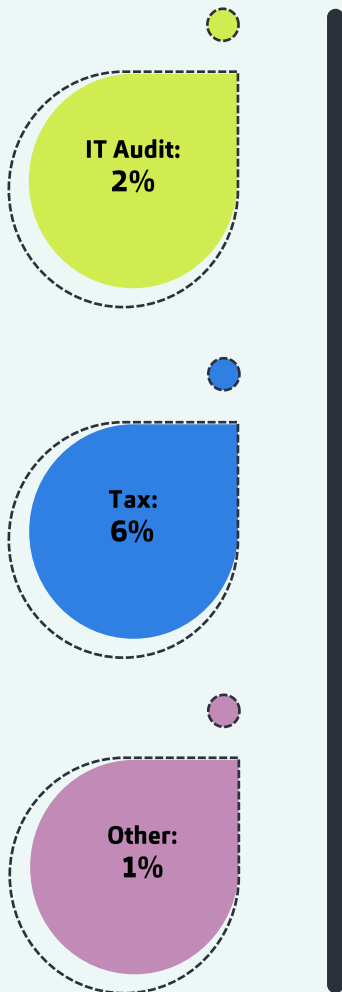
Engagement team selection

We consider that the composition of the engagement team is key to executing a high-quality audit. While assigning professionals to audit engagements, the engagement leader assesses the competence and capabilities of team members in terms of skills, experience and subject-matter expertise.

For more complex engagements, consideration is given to whether specialized or additional external knowledge is needed to supplement or enhance the audit engagement team. When internal or external experts are used, we ensure that the expert has the necessary competence, capabilities, and objectivity to perform the tasks assigned to them.

In 2024, 9% of audit hours across engagements in Baker Tilly South East Europe (listed and non-listed) were provided by specialists.

Internal Expert Hours:



Our Approach to Quality

Direction, supervision and review

The Firm follows a partner-led approach for its audit engagements. The engagement leader has overall responsibility of managing and achieving quality on the engagement and for being sufficiently and appropriately involved throughout the engagement, including having responsibility for appropriate direction and supervision of the engagement team and review of their work.

Baker Tilly South East Europe Network brings together the experience and expertise of various partners, directors and other senior personnel in different offices in the region, who provide valuable guidance and feedback on selected high-risk audit engagements through additional quality reviews.

Differences of opinion

Baker Tilly Cyprus encourages its personnel to express their differences in opinion or disagreements related to an engagement without fear of reprisal.

The Firm has designed and implemented policies and procedures to raise and resolve any differences of opinion between the engagement team members or between the engagement leader and other key audit partners. All differences of opinion are documented, and the conclusions are implemented. The reports are issued only after the differences are resolved.



Engagement Quality Reviews

Baker Tilly Cyprus performs Engagement Quality Reviews (EQ Reviews) for all PIE engagements and selected non-PIE engagements. An EQ review is an objective evaluation of the significant judgments made by the engagement team and the conclusions reached thereon, performed by a suitably qualified professional, who is independent of the engagement team, before the audit report is issued.

Baker Tilly Cyprus carries out an assessment of the need for an EQ review against specific criteria. This assessment takes place at the client acceptance or continuance evaluation stage and at the beginning of each year. If the client is a Public Interest Entity, by default an EQ Reviewer is appointed. In addition to PIE engagements, selected non-PIE high-risk engagements are also subject to EQ Reviews. Engagement Quality reviews are also performed when this is considered as a response to quality risks.

In accordance with Regulation (EU) No 537/2014, the EQ reviewers of all EU PIE engagements are statutory auditors who are not involved in the performance of the statutory audit to which the review relates. We follow the requirements of ISQM 2 on the appointment and eligibility of engagement quality reviewers.

For selected PIE engagements, the Regional Head of Quality assigns an additional Regional EQ Reviewer when it is considered that a more detailed review might be appropriate. Individuals who are eligible to act as Regional EQ reviewers are Senior Managers and Partners/Directors of the Firm, who are not part of the audit team, and having technical qualifications, necessary experience, time, and knowledge. Non-PIE high-risk engagements are subject to EQ reviews by Regional EQ Reviewers.

All personnel who are eligible to act as Engagement Quality reviewers are provided training on the performance and documentation of EQ reviews, at least annually. The EQ reviewers are appointed by the Regional Head of Quality considering the skill, experience, and time to conduct an effective review at appropriate points of time. The Regional Head of Quality, during the annual monitoring review process, performs an evaluation of the effectiveness of EQ reviews.

During 2024, 28 audit engagements of Baker Tilly Cyprus were subject to Engagement Quality Reviews.

Our Approach to Quality



Engagement documentation

Baker Tilly Cyprus requires the assembly of each engagement file to be completed within 60 days from the date of the audit/assurance report. The engagement files are also required to be locked down within 60 days from the date that the audit/assurance report is signed.

Locking compliance is continuously monitored by weekly automated email alerts as well as through periodic checks conducted by the Regional Head of Quality. Exceptions, if any, are investigated and corrective actions are taken. To encourage timely assembly and locking of engagements, archiving compliance is considered as one of the parameters of KPI scores of managers.

It is the policy of Baker Tilly Cyprus to retain all audit/assurance documentation for at least seven years from the date of signing the audit report. In addition, the Firm regularly reviews the need to retain working papers for a longer period, according to legal or other requirements.

The Firm's policies and procedures also address the retention of documents (in paper and electronic form) including addressing confidentiality, safe custody, integrity, accessibility and retrievability of archived documentation.

Consultation

Baker Tilly Cyprus encourages a consultative culture that helps the engagement teams in all phases of the engagement to deal with complex, difficult and contentious issues. Baker Tilly South East Europe has formed a Regional Technical Committee for technical consultations. Our professionals can request for assistance related to audit methodology, application of accounting and auditing standards, and other technical queries. In addition, Baker Tilly International as a Network, has established an IFRS/ISA consulting committee, which member firms can use to direct specific queries.

Our consultation policy ensures that all consultations are answered in a timely manner, there are no unresolved differences between the consulting party and the committee providing the consultation, and that conclusions of the consultation are documented and implemented. The Firm also has laid down specific circumstances where prior consultation is recommended.

Complaints & allegations

Baker Tilly Cyprus is committed to providing a high-quality service to all its clients. All client complaints and allegations against the Firm in relation to professional matters are acknowledged promptly, and formal procedures are followed with the objective of resolving complaints the earliest.

Resources

Apart from human resources used in the performance and review of engagements undertaken by the Firm, Baker Tilly Cyprus uses a variety of technological and intellectual resources including the audit software, data analytics, internal memos, and training materials used in conducting engagements. These resources drive greater standardisation and consistency across BTI Network members. The technical committee issues guidance to our personnel and communicates changes/additions to the applicable standards and regulations.

Information & communication

Our policies and procedures ensure that relevant and reliable information is exchanged throughout the Firm and with engagement teams and communicated to external parties. The information provided to external parties are reviewed and approved by the relevant engagement leader or other appropriate senior personnel.

Network requirements

The member firms of the Baker Tilly International Network (BTI Network) are required to comply with the membership guidelines issued by the Network. The policies and procedures of Baker Tilly Cyprus incorporate the requirements of the BTI Network, where applicable.

Global Audit Methodology



Our global audit methodology provides a consistent, high-quality approach for all our Audit engagements. The audit methodology, Global Focus, is our 'audit language' which ensures a common understanding of the audit approach and procedures. Global Focus is underpinned by advanced technology which uses intelligent software and risk registers to highlight the areas of greatest risk and provides efficient documentation tools for an electronic approach to statutory audit.

Working across borders

Global Focus provides a shared:

- Audit engagement approach for our network by establishing expectations for audit quality
- Understanding of the audit procedures performed

This allows for the following:

- Consistent and high-quality audit, tailored to the profile of each engagement
- Integrated quality assurance procedures, compliant with the International Standards of Auditing
- Efficient and streamlined process – saving time, helping meet deadlines and allowing us to focus on providing our clients with insights into their business
- The built-in group audit approach results in a controlled and robust process
- The risk-based approach means that we can highlight inefficiencies in our client's processes and make recommendations for improvement
- Helps assure global consistency and quality with comprehensive standardized training and the capacity for central quality assurance review

Four steps to confidence and compliance

We apply a four-step process which helps us understand the business and deliver the best results quickly.

1

Planning

Our experts undertake activities to understand the business, including operation and internal control environment of our clients. This allows us to develop an audit plan that fits the clients' profile and results in an audit strategy that is tailored to them.

2

Risk Assessment

We assess clients' financial reporting risks and identify business-critical issues. We review and test internal controls to enhance our audit procedure and where necessary make recommendations for improvement.

3

Risk Response

We design our audit procedures to adequately respond to the assessed audit risks identified.

4

Completion and reporting

We use a range of checks to ensure accuracy to develop the results into insights that are action based and realistic, allowing you to enhance your operations.

Technology

Intelligent software: Using a recognised audit software platform, Global Focus introduces efficient documentation tools. The software assists the auditor to align the documentation of thought processes and risk assessments throughout the audit to automate compliance with audit requirements.

Risk registers: The software enables us to compile risk registers tailored to your business, together with mitigating controls and reportable items.

Remote access to audit files in real time: Software tools enable audit team members to work on one live version of the audit file, allowing teams to work on the audit wherever they are in the world and have access to the same information.

Easily understood visual presentation: Visual diagrams can be generated from the audit planning documentation to show material financial statement areas, the associated risks and the mitigating controls or control deficiencies.



Monitoring & Remediation



Monitoring & Remediation

The Firm has established a monitoring and remediation process to provide relevant, reliable, and timely information about the design, implementation, and operation of the System of Quality Management (the SoQM) and takes appropriate actions on a timely basis to respond to such deficiencies.

Leadership responsibilities

The ultimate responsibility for the quality monitoring and remediation process rests with the Board of Directors. The operating responsibility of the monitoring and remediation process has been delegated by the Board of Directors to the Regional Head of Audit Quality of Baker Tilly South East Europe. The Board of Directors has appointed a Quality Compliance Partner who performs the annual evaluation of the System of Quality Management at least annually.

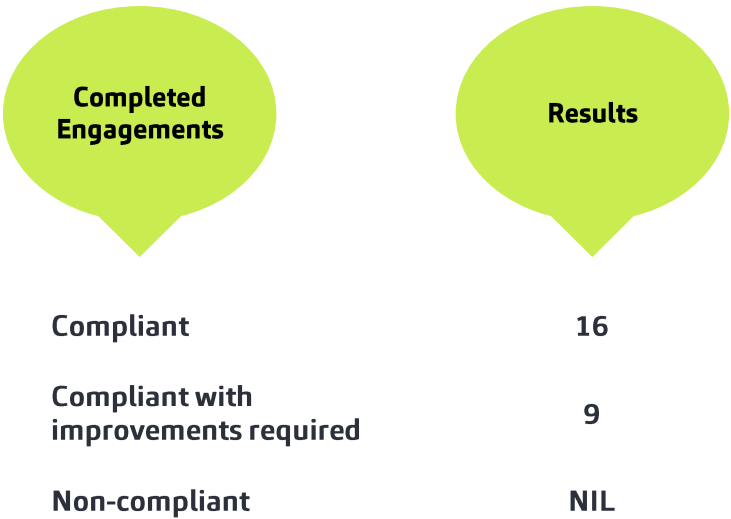
Internal monitoring

Our internal monitoring includes ongoing monitoring activities and periodic monitoring activities. Ongoing monitoring includes pre-issuance reviews (hot reviews) as well as reviews of completed engagements that happen on a regular basis. The audit engagements of newly appointed engagement leaders and engagement managers are also subject to internal monitoring reviews by the Quality Control Department.

Periodic monitoring activities include reviews conducted annually on completed engagements (cold reviews). The Firm conducts an annual cold review process every year, in which at least one completed engagement is selected for review from the portfolio of each engagement manager.

Cold reviews are also performed by the Regional Head of Quality and other qualified reviewers in the South East Europe Network, who do not belong to the same audit team as the engagement under review. To ensure the objectivity and competence criteria, the appointment of reviewers is done by the Regional Head of Quality.

The last annual cold review process covered the completed engagements of Baker Tilly South East Europe during the period from 1 July 2023 to 30 June 2024. A total of 25 engagements were reviewed for Baker Tilly Cyprus, with the following results:



Other periodic reviews are undertaken by the Regional Head of Quality to evaluate the ISQM procedures of the Firm and the performance of engagements. This includes, amongst others, the evaluation of the effectiveness of Engagement Quality Reviews, audit file archiving compliance, review of consultations, mandatory training attendance, etc.

All findings of the internal monitoring reviews were communicated to the audit teams by the Regional Head of Quality and corrective actions have been implemented.



Monitoring & Remediation

External monitoring

Baker Tilly Cyprus is subject to inspection by the Cyprus Public Audit Oversight Board (CyPAOB– Regulator) and by the Institute of Certified Public Accountants of Cyprus (ICPAC – Professional Body).

ICPAC carried out its last inspection of Baker Tilly Cyprus during the end of 2021 and we received the final report on the findings in 2022.

The last inspection of the Firm by the Cyprus Public Audit Oversight Board (CyPAOB) was completed in 2023. The inspection focused primarily on the design and implementation of the Firm's System of Quality Management based on the provisions of ISQM1 as well as a follow up of the implementation of the agreed action plans on the significant findings of the 2020 inspection. One completed audit engagement was inspected to assess whether it was performed in accordance with professional standards and applicable legal and regulatory requirements, and that the audit report issued thereon was appropriate in the circumstances.

Based on the results of the above inspections, the Firm continues to be registered to conduct statutory audit work in Cyprus.

Baker Tilly International Network has implemented a Quality Improvement Framework (the QI Framework) to ensure that all member firms provide services meeting the highest standards of quality and professionalism. As required by the QI Framework, the Quality Improvement team at Global Office performs QI reviews of all member firms every 1-3 years.

Our Firm was subject to Baker Tilly International Quality Improvement Review in 2023. The review covered, amongst others, the ISQM 1 implementation of the Firm, internal & external quality assurance activities, and the use of audit methodology. The review concluded that the Firm has good policies and procedures with regards to quality management across all offices, and these are well documented in our quality control documents. We received an overall rating of 1 (on a scale of 1-4, 1 being the best) both in ISQM 1 implementation and compliance with International Standards on Auditing. The next review is expected to take place in June 2025.

All findings of the external inspections, whether significant or not, were taken into consideration and action plans were communicated to the external reviewers. The implementation of the action plans is monitored by the Regional Head of Quality.

Root cause analysis & remediation

Baker Tilly Cyprus considers that timely and effective remediation of identified deficiencies is critical for maintaining and improving quality. Identifying the root cause of the deficiency is required to design and implement effective remedial actions. We perform a root cause analysis of all the significant findings from internal monitoring activities, Network inspections, external inspections and other inputs such as HR and client satisfaction surveys to help identify possible improvement opportunities.

Based on the root cause analysis results, we design and implement remedial actions, for both individual audits as well as the SoQM as a whole. The implementation timeframe is decided by evaluating the severity and pervasiveness of the identified deficiencies, and the impact of those deficiencies, individually and in aggregate, on our SoQM.

The Regional Head of Quality monitors the effective implementation of the remedial actions through ongoing and periodic monitoring activities.

Client feedback

As part of our commitment for continuous improvement, we seek feedback from our clients through client satisfaction surveys to monitor their satisfaction with the services delivered by Baker Tilly Cyprus.

Monitoring & Remediation

Statement on the effectiveness of SoQM

The Board of Directors, with the assistance of the Quality Compliance Partner, evaluates the System of Quality Management at least on an annual basis, and based on how the System of Quality Management has performed over the period, concludes whether the objectives of SoQM are being achieved.

Baker Tilly Cyprus performed its last annual evaluation of its System of Quality Management as of 31 December 2024. The conclusion considers whether the System of Quality Management provides reasonable assurance that:

- The Firm and its personnel are fulfilling their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and engagements are being conducted in accordance with such standards and requirements, and
- Reports being issued by the Firm and engagement partners are appropriate in the circumstances.

Based on the results of the annual evaluation performed, Baker Tilly Cyprus has concluded that the System of Quality Management Provides reasonable assurance that the objectives of the SoQM are being achieved.



The background of the slide features a photograph of the Machu Picchu terraces in Peru. In the foreground, a llama stands on a grassy terrace. To the left, a small stone house with a thatched roof is visible. The terraces are built into a steep, forested mountain. A dark blue horizontal band across the middle of the image contains the title text. On the right side of this band, there are several concentric white circles. A thin yellow vertical line is positioned on the left edge of the dark blue band.

Our Culture & Values

Our Culture & Values

Tone at the top

Our leadership establishes the tone at the top through their actions and behaviours, clear, consistent and frequent actions and communications at all levels within the Firm and collectively contributes to the Firm's culture and demonstrates a commitment to quality. Key messages on the importance of quality are communicated by our CEO and the management team which are reinforced by the engagement leaders.

We have established an Accountability Framework (the Framework) that summarizes the matters that all engagement leaders of the Firm are required to follow and acknowledge. Accountability for quality is one of the important elements of this Framework. Our monitoring activities ensure that positive quality outcomes are rewarded while strict actions are taken on any negative outcomes.

Culture of quality

Baker Tilly Cyprus is committed to fostering a robust culture of quality that underpins our audit process. We aim to deliver consistent high-quality services to our clients while adhering to the highest standards of integrity, professionalism and ethical conduct. Through our robust system of quality management, continuous learning & development, and ongoing internal monitoring activities, we embed quality in our day-to-day operations and uphold the trust placed in us by our clients and stakeholders.



Our values

Baker Tilly Cyprus adheres to the ICPAC Code of Ethics, and the Codes of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA). We have adopted the following principles:

01

Lead by example

02

Deliver quality services with an emphasis on integrity on a timely basis

03

Be open and honest in all communications

04

Act ethically

05

Foster teamwork and collaboration with other member firms

06

Maintain a supportive environment in which their individuals can flourish

Our professionals are trained to follow a robust ethical framework that ensures independence, objectivity, and transparency. Our policies and procedures on ethics and independence compliance are explained in the "Ethics, Independence and Objectivity" section of this report.

We are committed to continuous improvement in everything we do. We actively seek opportunities to learn, grow, and innovate, ensuring that our services remain relevant and of the highest quality.

Our Culture & Values

Leadership responsibilities for quality

- The ultimate responsibility and accountability for our System of Quality Management (SoQM) rests with the Board of Directors.
- The operational responsibility of the SoQM lies with the CEO of the Firm, Mr. Marios Klitou.
- Baker Tilly South East Europe has established a Quality Control Department to support the leadership in performing and managing the operational activities related to the SoQM of the member firms of the South East Europe Network. The Regional Head of Audit Quality has been appointed with the principal objective of assisting the Board of Directors in implementing, operating and managing the System of Quality Management of the region, including the monitoring and remediation process.
- The Regional Head of Audit is responsible for implementing the action plans decided based on the outcome of internal and external monitoring reviews.
- The operational responsibilities of other areas of the SoQM have been allocated to the heads of the relevant departments or functions.
- The annual evaluation of the System of Quality Management is performed by the Quality Compliance Partner on behalf of the Board of Directors.

Regional committees

Baker Tilly South East Europe has formed various committees to ensure compliance of its member firms with the policies and procedures and to assist the Board of Directors in taking key decisions related to the engagements of the Firm and our System of Quality Management. The Regional Committees include the following:

- Ethics and Independence Committee
- Risk Committee
- AML Committee
- Training Committee
- Quality Committee
- Technical Committee
- Information Security and Privacy Committee
- HR Committee
- Complaints Committee
- Disciplinary Committee

The Committees support the operational responsibilities of the related elements of the System of Quality Management.



Ethics, Independence & Objectivity

Ethics, Independence & Objectivity

Leadership responsibilities

The Board of Directors has appointed Mr. Moisis Aristidou as the Firm's Ethics Director, who is responsible for the implementation of the Firm's ethical policies and procedures and to ensure that they comply with the ICPAC and IESBA Codes and the requirements of Baker Tilly International Network.

The Ethics Partner is also responsible for recommending to the Board of Directors policies and procedures for establishing, promoting and monitoring ethical conduct amongst all personnel. More specifically, the Ethics Partner is responsible for:

- Ensuring the adequacy of the Firm's policies and procedures relating to integrity, objectivity and independence, their compliance, and the effectiveness of their communication to personnel within the Firm; and
- Providing related guidance to senior personnel

The Ethics Director heads the Regional Ethics and Independence Committee of Baker Tilly South East Europe. The ethics committee provides support to the Ethics Director in implementing Ethical and Independence-related policies in the region. The committee also provides ethics consultation services for the personnel of the Baker Tilly South East Europe Network and takes decisions in the event of any ethics and independence threats. Any differences of opinion on ethics and independence matters are escalated to the Board of Directors.

Rotation and long association

Our rotation policy of Engagement Leaders and Engagement Quality Reviewers (EQRs) safeguards Baker Tilly Cyprus against familiarity and self-interest threats, which may impact an individual's objectivity and professional skepticism.

As per the provisions of Article 17 of the EU Audit Regulation No. 537/2014, our rotation policy requires the Engagement Leaders and the EQRs for all EU PIE audit clients to be rotated after seven consecutive years of service. Following rotation, they may not resume the lead partner/signing auditor or engagement quality reviewer role until at least three years have elapsed. For non-PIE entities key audit partners are rotated every 10 years.

Where the Firm has served an audit/assurance client for 10 years, the Firm will only accept an audit reappointment if it is able to put appropriate safeguards in place to reduce the threat to independence to an acceptable level.

Baker Tilly Cyprus performs an evaluation of the portfolio of its audit/assurance clients and its engagement leaders and EQ reviewers, at least annually, to identify the requirement of any rotation or safeguards to be applied.

Non-audit services

Baker Tilly Cyprus provides non-assurance services to audit/assurance clients under strict compliance with ethical standards, ensuring that the Firm's independence and objectivity are not compromised. The Firm complies with the provisions of the IESBA Code of Ethics while deciding to provide non-audit/non-assurance services to audit/assurance clients. We only provide audit/assurance clients with non-audit/ non-assurance services if the services do not involve making managerial decisions on behalf of the client.

Before we accept an engagement to provide a non-assurance service to an assurance client, the Firm evaluates and addresses any threat to independence that might be created by providing that service. When multiple non-assurance services are provided to an assurance client, the combined effect of threats created by providing those services is considered during the Firm's evaluation of threats. When we provide non-audit services to audit clients that are PIEs, the non – audit services are only provided if the services fall within the allowable parameters and requirements as per the Regulation (EU) No. 537/2014.

Baker Tilly Cyprus has designed and implemented an approval process as well as a post-approval monitoring procedure for non-audit services, to ensure compliance with applicable regulations and to identify and mitigate any risks associated with the provision of such services.



Ethics, Independence & Objectivity

Anti-bribery policy

Our anti-bribery policy is designed to ensure that our operations and activities adhere to the Prevention and Suppression of Money Laundering Activities Law of 2007, the Criminal Code, the Public Procurement Law of 2016, and the Companies Law, Cap.113.

Our policy prohibits any form of improper payment or inducement, and mandates transparent and accountable business practices. All employees are responsible for compliance with management ensuring policy dissemination and training. Violations are subject to disciplinary actions and are reported to the Disciplinary committee for further actions.

Non-compliance with laws and regulations

Baker Tilly Cyprus is committed to complying with the IESBA framework for addressing non-compliance with laws and regulations (NOCLAR), and to promptly addressing and reporting any instances of non-compliance that come to our attention. We understand that NOCLAR can have serious legal, financial, and reputational consequences, and we take our responsibilities to the public interest and the integrity of the profession seriously. The Firm has adopted a policy designed to meet its obligations with respect to NOCLAR. We maintain a culture of transparency and accountability and ensure that all reports of NOCLAR are taken seriously, and that appropriate action is taken to address the non-compliance.



Data privacy, information security and confidentiality

In Baker Tilly South East Europe, we have established robust procedures to maintain client data confidentiality as a cornerstone of our core services. Information classification procedures have been implemented through our ISO 27001 ISMS system, and access to confidential information is strictly limited through role-based access controls and encrypted document sharing platforms.

All staff, including temporary and contract personnel, undergo mandatory Information Security & Data Privacy training and review and confirm adherence to our code of ethics annually. We have also implemented internal monitoring mechanisms to prevent, detect and respond to unauthorized disclosures and incidents, supported by periodic reviews and compliance checks.

We are committed to upholding the highest standards of data protection and privacy across all aspects of our operations of all our offices in South East Europe. In 2024, we further strengthened our regional data privacy protocols to align with both local legislations and the General Data Protection Regulation (GDPR). We have introduced standardized procedures for data minimization, anonymization, and secure storage across all client engagements.

We have a centralized Data Protection Officer responsible to lead and oversee compliance and coordinate responses to data subject requests. Internal Committees ensure the assessment and onboarding of new suppliers. Privacy impact assessments are embedded in all new service offerings, and staff are annually trained to ensure consistent handling processing of personal data in line with regulatory expectations. Protecting privacy is integral to maintaining the trust of our clients, employees, and stakeholders.

To ensure the confidentiality, integrity and availability of our services and client data, we have implemented a unified information security strategy and management system across our South East Europe Network. We have also successfully upgraded our ISO 27001 certification to the 2022 version in 2024. This includes multi-factor authentication, secure VPN access for remote work, and routine vulnerability scans.

In 2024, we introduced quarterly cybersecurity drills and updated our incident response plan to reflect regional risk scenarios. Our IT infrastructure is continuously monitored, and we partner with certified cybersecurity firms to conduct annual penetration tests, ensuring a proactive approach to threat detection and prevention.

Ethics, Independence & Objectivity

Insider trading

Baker Tilly Cyprus is committed to preventing insider trading in all its operations and activities. The Firm takes all reasonable steps to prevent insider trading, and to promote ethical business practices. We ensure that any material non-public information obtained through our business activities is not used for personal gain or to benefit others. To ensure that all employees understand and comply with insider trading laws, regular training, and awareness programs are provided to all employees.

Independence monitoring

To ensure the compliance with independence requirements, Baker Tilly Cyprus has implemented the following:

- As part of the monitoring activities, the Ethics and Independence Committee performs an annual audit to ensure that information reported by the staff through the Firm's Ethics and Independence database is valid. The annual audit was performed with a sample consisting of a) 100% of the Assurance Directors and b) 5% random selection from all remaining employees. No omissions or discrepancies were reported.
- The Ethics and Independence committee, during their annual monitoring procedures, tests on a sample basis whether the actual non-audit services provided by the Firm during the year agree to the approvals provided during the year. The annual audit was performed on 100% of the non-audit services provided to assurance clients. No omissions or discrepancies were reported.

Consultation and differences of opinion

The employees of Baker Tilly South East Europe are encouraged to consult the Ethics and Independence Committee for any ethical matters. Our consultation policy ensures that all consultation requests are documented, responded to on a timely manner, and implemented. Any differences of opinion on ethics and independence issues are escalated to the Board of Directors who takes the final decision based on the evaluation of the matter.

Ethical breaches

Breaches of any actual, perceived, or potential ethical matters, are to be reported promptly by all personnel, including those external to the Firm who are involved in the Firm's engagements. All personnel of the Baker Tilly South East Europe network can report all ethical breaches using an incident report that is available on the intranet. External parties like service providers and component auditors/practitioners/assurers engaged by the Firm can report breaches by sending a mail to complaints@bakertilly.com.cy. Breaches of independence or failure to adhere to the independence policies are investigated and actions are taken based on the disciplinary policy of the Firm.

The background of the slide is a photograph of an office interior. In the foreground, a person is seated at a white table, working on a laptop. Another person is standing behind them. To the right, another person is seated at a similar table. The background shows large windows with a view of a city skyline. A dark blue overlay covers the middle portion of the image, and a yellow vertical bar is on the left side. The text "Our People" is written in white on the dark overlay. On the right side of the dark overlay, there are several concentric white circles of varying sizes.

Our People



Our People

Tomorrow's opportunities, today!

At Baker Tilly South East Europe, we offer everyone the opportunity to join highly skilled and motivated teams dedicated to solving our clients' complex business challenges.

Our team members thrive in a dynamic work environment, with targeted development opportunities that include various training programs, secondments, and potential career transitions within our Firm.

Our values



Integrity

We walk our talk, staying to who we are and what we believe.



Belonging

We foster an environment deeply rooted in mutual respect, where each one of us feels seen, heard, valued and connected. We invite each other in, welcoming ideas and see dialogue as a path to learning and change.



Passion

We embrace change and never stop moving forward. We love our profession and take great pride in it.



Collaboration

We ask questions and share knowledge in the pursuit of growth and progress.



Stewardship

We hold ourselves accountable to making positive change for our people, clients, communities and profession.

Our People

Strategy

We are committed to creating a work environment that fosters a sense of belonging, emphasizes people development, and cultivates an inclusive and fair culture where everyone can thrive and grow.

In 2024, we focused on key areas such as talent recruitment, prioritizing younger professionals, and enhancing learning and development opportunities. A major achievement was the promotion of 34% of our total staff to higher positions, a result driven by over 6,000 working hours dedicated to 90 training courses held within the Firm.

We also made significant strides in our inclusion efforts. Our top management, played a key role in this by actively engaging with their teams, dedicating time to get to know their people better. Through active listening practices, they ensured that the voices of all employees were heard, fostering a more inclusive environment at every level of the organization. This hands-on approach from top to bottom has been vital in creating a culture where everyone feels valued and supported.

Employee engagement was also a key priority throughout the year. We are proud that our people view our Firm as a great workplace, as evidenced by our employee survey, which saw a 75% participation rate. Additionally, 84% of respondents would recommend our organization as a great workplace.

These efforts align with our broader strategic vision to establish Baker Tilly South East Europe as a leading employer in Learning and Development and Talent Development. We are dedicated to creating opportunities for growth and advancement, ensuring that our employees have access to continuous learning, development programs, and career progression, ultimately setting us apart as a top-tier employer in these areas.

Talent acquisition

Ensuring the acquisition of top-tier talent remains a pivotal focus for our network. To this end, we have meticulously aligned our recruitment strategy with contemporary trends and standards, enhancing our appeal and attracting dynamic new talent. Adopting a proactive stance, we execute a multifaceted approach that bolsters brand recognition and broadens our outreach to both local and international student communities.

Our Firm undertakes the following initiatives:

- **Strategic Engagement with Academia and Brand Recognition:** We cultivate robust partnerships with local universities and colleges through targeted presentations tailored to specific academic disciplines, deliver lectures, host tutorials, and actively participate in students career fairs and events. Additionally, we recognize and reward top-performing students to foster talent and maintain strong connections with academic communities.
- **Employee Referral Scheme:** We actively engage our current employees, who are valuable ambassadors for our Firm, through a structured referral scheme. This initiative leverages our employees' networks to attract high-quality candidates who align with our Firm's culture and values.
- **Maximizing Career Events & Traditional Recruitment Methods:** We actively participate in career events and use traditional recruitment methods to enhance our Firm's visibility and employment branding. These efforts help us connect with a broader pool of talent, reinforcing our position as an employer of choice within the industry.

Additionally, we recognize the invaluable role that internships play in shaping the future professionals of tomorrow. Our internship programs provide a nurturing environment where interns are embraced as integral members of our team, valued for their unique perspectives and fresh insights. We also offer the chance to secure permanent positions, recognizing their outstanding contributions and providing them with early career advancement and continued mentorship.



Our People

Secondment opportunities

In addition to other programs, we offer secondment opportunities as an important pillar for professional growth. These opportunities allow secondees to apply their knowledge and skills in different markets, experience diverse sectors of the economy not available in their original place of work and expand their professional networks on an international scale.

The benefits of secondment extend beyond the career and personal development of the secondees. By fostering cross-office collaborations, we strengthen professional ties within our regional network, enabling us to provide support to each office during peak periods. Secondment opportunities also encourage the exchange of knowledge and expertise, ensuring that our people are continually learning and growing while making meaningful contributions to the Firm's overall success.

Equal opportunities employer

At Baker Tilly South East Europe, we are committed to fostering a diverse and inclusive workplace where all individuals are treated with respect and dignity. We embrace diversity in all forms, including but not limited to race, ethnicity, gender, sexual orientation, age, religion, disability, and background.

As an equal opportunities employer, we ensure that all applicants and employees have equal access to employment opportunities and advancement without discrimination. We value the unique contributions of every team member and believe that a diverse workforce enhances our ability to serve our clients and communities effectively.

We encourage applications from individuals of all backgrounds and experiences, and we are dedicated to creating an environment where everyone can thrive.



Our People

Learning and development across the organization

We formulate a comprehensive Annual Learning & Development Plan tailored to the evolving needs of our regional offices and various professional roles. Our programs are structured around four key pillars: Mandatory Trainings, Service Line Mandatory Trainings, Service Line Optional Trainings, and Personalized Trainings. These initiatives aim to enhance our people's knowledge, technical capabilities, and soft skills.

Baker Tilly Cyprus is committed to the continuous professional development of its statutory auditors. The Firm offers comprehensive support for obtaining and maintaining professional qualifications such as ACA, ACCA, and CFA, including full coverage of qualification costs and paid educational leave. Additionally, Baker Tilly Cyprus provides access to a variety of learning and development activities, including in-house training, external courses, and on-the-job supervision, to enhance technical competency and professional skills. This commitment is further demonstrated by the firm's status as an Approved CPD Employer by the Association of Chartered Certified Accountants (ACCA) and as an Approved Training Practice by the Institute of Chartered Accountants in England and Wales (ICAEW).

Training is delivered through multiple channels to ensure accessibility and engagement. These include our internal communications portal, which serves as a central hub for disseminating the Learning & Development Plan. Through this platform, employees are encouraged to express their interest in participating in seminars and workshops, promoting proactive involvement in their development journey. In addition, we offer in-house workshops, as well as opportunities to participate in external programs, conferences, and webinars, both locally and internationally.

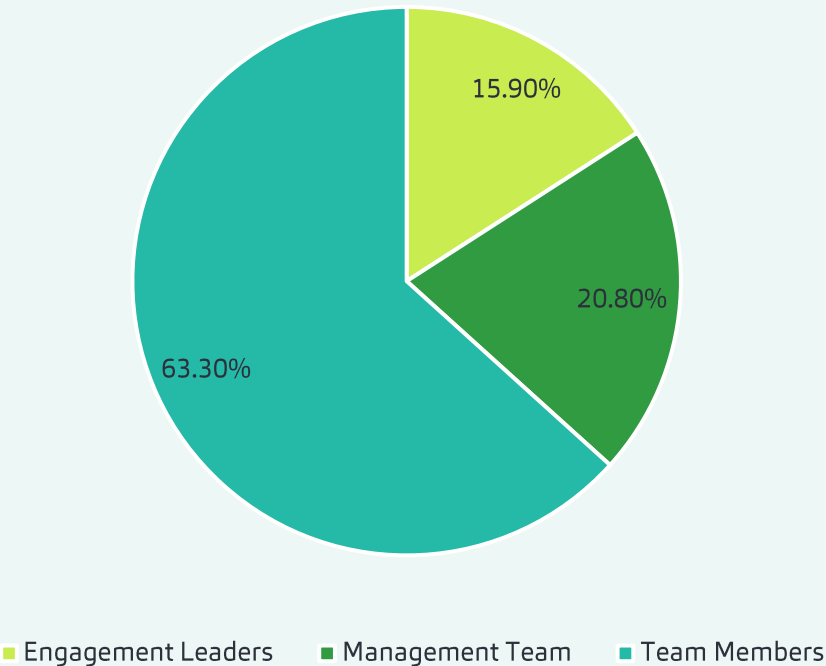
The delivery of these training programs is entrusted to accredited professionals, ensuring the highest standards of instruction. Furthermore, we continuously monitor and integrate emerging trends and best practices in Learning & Development to maintain the relevance, quality, and impact of our initiatives.



Training key metrics



Allocation of training hours per position



Our People



Feedback

At our firm, feedback is a crucial element of employee development and organizational growth. We employ a comprehensive set of tools and mechanisms to assess and enhance the performance of our people, ensuring that we foster a culture of continuous improvement and professional development.

A great emphasis is placed on evaluating the performance of our people through a variety of mechanisms.

- **Annual Performance Reviews** - One of the key tools is our annual performance appraisal process, which assesses employee performance, provides constructive feedback, and sets objectives for the upcoming year. These appraisals offer a systematic and consistent approach to performance evaluation, based on overall performance and quality criteria. Our appraisal process is an essential part of rewarding and recognizing talent within the Firm.
- **Interim Feedback Sessions** - In addition to the annual performance appraisals, we conduct Interim Feedback Sessions mid-year (in June and July) for Associates up to Assistant Managers. These sessions provide an opportunity for more immediate feedback, ensuring that employees receive timely guidance and can make any necessary adjustments well before the annual review. These interim sessions are designed to reinforce continuous development and help staff stay on track with their career goals.

▪ Ongoing Feedback and Performance

Conversations - While formal procedures such as annual appraisals and interim feedback sessions are critical, we believe that feedback should be ongoing. Our firm actively encourages and promotes regular performance conversations between managers and team members. This culture of continuous feedback helps employees receive real-time insights into their performance, fostering a proactive approach to personal and professional development.

- **Upward Feedback Mechanism** - To ensure that feedback flows in all directions, we have implemented an upward feedback mechanism. This tool allows staff members to provide constructive feedback directly to their respective Managers and Directors. The focus of this initiative is to foster development at all levels of the organization, pinpoint areas where managers can improve, and offer appropriate support to our leadership team in addressing these areas effectively. This open feedback culture contributes to a collaborative work environment where everyone is empowered to contribute to organizational improvement.

Employee well-being

At Baker Tilly South East Europe, we recognize that the well-being of our employees is not only crucial for their own health and happiness but also plays a fundamental role in the success of our organization. A healthy, engaged workforce is key to achieving both individual and organizational goals. Therefore, we are committed to providing our employees with a supportive work environment that promotes work-life balance, stress management, and healthy lifestyle choices.

Our Firm offers a range of well-being initiatives designed to support our employees across multiple dimensions. These initiatives are not one-size-fits-all; rather, they are carefully adapted to the cultural context and circumstances of each country in which we operate. This ensures that we meet the specific needs of our diverse workforce while maintaining a consistent commitment to overall health and well-being.

Our People

Partners Remuneration

Baker Tilly has developed an effective framework to hold Partners accountable for their actions, to evaluate their performance, review their remuneration and reward performance – always ensuring alignment with the values, risk appetite and objectives of the Firm.

The framework is reviewed on an annual basis, with the aim to evaluate whether it operates as intended, and whether it follows local legislation and professional standards and is consistently applied across the Firm.

Partners are remunerated based on three components:

- 1) Salary Income: A monthly salary income is provided reflecting the partner's role and responsibilities
- 2) Performance Income: A salary bonus is provided reflecting the assessment of each partner based on the company Key Performance Indicator Scheme.
- 3) Equity Income: Dividend payments reflecting each Partners share in the profits of the company.

At the cornerstone of our framework is quality. To ensure that quality standards are met in all professional services including Audit, relevant criteria have been embedded in the Firm's performance evaluation and reward procedures. In cases where quality standards are met, this is recognized through the various performance evaluation mechanisms of the Firm; in turn, the Partners are rewarded. In cases of failure to do so, this is reflected on the performance ratings and the Partner's rewards.

Factors beyond quality which are also taken into consideration for the Partners' performance evaluation, and which in turn affect their remuneration, include complying with relevant legislation and professional standards, adhering to the Firm's internal policies and procedures, acting in line with our risk principles, demonstrating active involvement in safeguarding and promoting our Firm, as well as managing people effectively.





Financial Performance



Financial Performance

Below is the breakdown of the Baker Tilly South East Europe turnover for the year ended 31 December 2024. In such challenging times, our firm achieved revenues of €29,03 million, representing an 20% increase over last year.

Services	2024	2023
TOTAL	€29.03m	€23.62m
Assurance	€7.69m	€6.52m
Advisory	€15.68m	€11.90m
Tax & Legal	€5.66m	€5.20m

Services	Revenues	
	2024	2023
Revenues from the statutory audit of annual and consolidated financial statements of EU public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a EU public-interest entity	€1.19m	€1.45m
Revenue from statutory audit of annual and consolidated financial statements of other entities	€6.50m	€5.07m
Revenues from permitted non-audit services to entities that are audited by the Firm	€2.59m	€2.79m
Revenues from non-audit services to other entities	€11.79m	€8.53m
Total turnover related to the audit firm (on gross basis)	€22.07m	€17.84m
Non-audit services provided by other entities in the BTSEE Region*	€6.96m	€5.78m
Total turnover related to all entities in the BTSEE Region (on gross basis) (**)	€29.03m	€23.62m

*of which €1.06 m for non-audit services provided to companies audited by the Firm (for 2024)

**Total turnover related to all entities of BTSEE Region on net basis after net-off expenses billed to clients and turnover related to billings by other network firms amounts to €22.07m (for 2024)



Our Offices

Our Offices



CYPRUS - Nicosia

Corner Hatzopoulou & 30
Griva Digheni Avenue,
1066 Nicosia, Cyprus
T: +357 22458500
F: +357 22751648
info@bakertilly.com.cy
bakertillysee.com

GREECE - Athens

Patmou & Olimpou, 15123
Marousi, Greece
T: +30 215 5006060
F: +30 215 5006061
info@bakertilly.gr
bakertillysee.com/el

BULGARIA - Sofia

5 Stara Planina Str., 5th &
6th Floor, 1000 Sofia,
Bulgaria
T: +359 2 9580980
F: +359 2 8592139
info@bakertilly.bg
bakertillysee.com/bg

MOLDOVA - Chisinau

65 Stefan cel Mare și Sfânt
Blvd., 7th Floor, Office 715,
2001 Chisinau, Moldova
T: +373 22 543434
F: +373 22 260134
info@bakertilly.md
bakertillysee.com/md

CYPRUS - Limassol

249, 28th October street,
Lophitis Business Centre, 3035
Limassol, Cyprus
T: +357 25 591515
F: +357 25591545
limassol@bakertilly.com.cy
bakertillysee.com

ROMANIA – Bucharest

42 Pipera Street, Globalworth
Plaza, 7th Floor, 2nd Sector,
020112 Bucharest, Romania
T: +40 21 3156100
F: +40 21 3156102
info@bakertilly.ro
bakertillysee.com/ro

BULGARIA - Blagoevgrad

1 Stefan Stambolov Str., 2nd
floor, Office 4, 2700
Blagoevgrad, Bulgaria
T: +359 2 9580980
F: +359 2 8592139
info@bakertilly.bg
bakertillysee.com/bg



Alliance Members in Greece: Thessaloniki, Komotini, Alexandroupoli, Irakleio Crete, Rhodes
Alliance Members in Romania: Iași, Cluj-Napoca, Timișoara, Constanța, Brașov
Alliance Members in Bulgaria: Sofia



Appendices



Appendix 1 – Network Operators

**Pro Auditö
Wirtschaftsprüfung und
Steuerberatung
GmbH**

TPA Group

**Baker Tilly
South East
Europe**

Baker Tilly Iberia

Baker Tilly Sweden

AuditConsultAustria
Wirtschaftsprüfung und
Unternehmensberatung
GmbH (Austria)
Pro Auditö
Wirtschaftsprüfung und
Steuerberatung GmbH
(Austria)

TPA Audit OOD (Bulgaria)
TPA Audit d.o.o. (Croatia)
TPA Audit, s.r.o. (Czech
Republic)
TPA Control Könyvvizsgáló
Kft. (Hungary)
Baker Tilly TPA Sp. z o.o.
(Poland)
TPA Audit Advisory S.R.L.
(Romania)
TPA Transilvania Advisory
S.R.L. (Romania)
TPA Audit, s.r.o. (Slovakia)

Baker Tilly Klitou and
Partners Limited (Cyprus)
Baker Tilly Klitou and
Partners (Limassol) Limited
(Cyprus)
Baker Tilly Klitou and
Partners OOD (Bulgaria)
Baker Tilly Greece Auditors
S.A.(Greece)
Baker Tilly Klitou and
Partners SRL (Romania)

Audiaxis Auditores, S.L.P
Castellà Auditors, S.L.P.
Esponera Auditores, S.L

Adsum Revision AB
Ahnell & Partner
Revisionsbyrå
Aktiv Revision I Gävle AB
Baker Tilly Ahlgren & Co
Baker Tilly Asplunds AB
Baker Tilly Borås AB
Baker Tilly GA Revision AB
Baker Tilly Guide
Baker Tilly Halmstad KB
Baker Tilly Helsingborg KB
Baker Tilly Jönköping
Baker Tilly Karnan
Baker Tilly Luminor Revision
AB
Baker Tilly Mapema AB
Baker Tilly MLT KB
Baker Tilly Norköping
Baker Tilly Saxos KB
Baker Tilly SEK AB

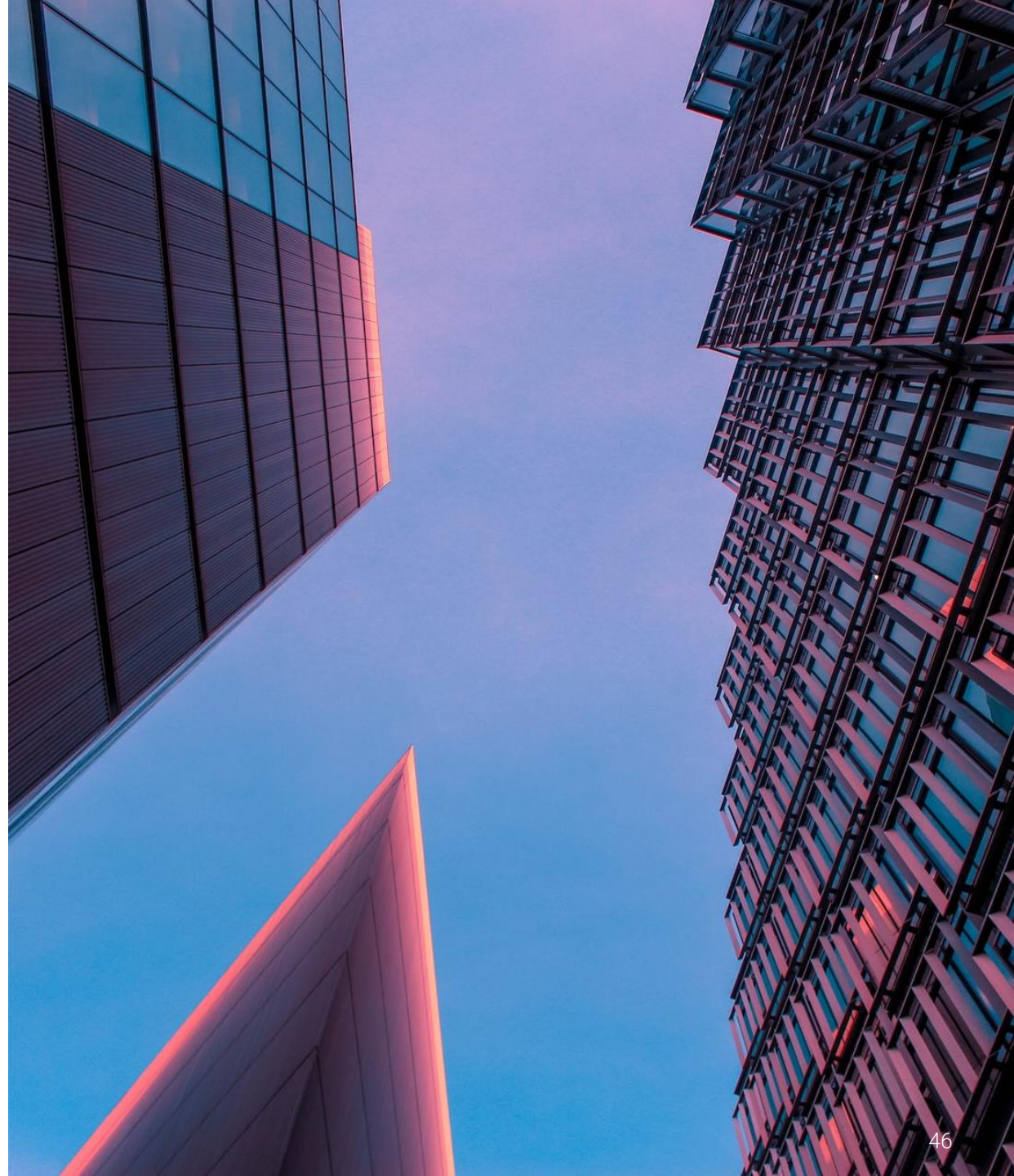
Baker Tilly Solid Revision AB
Baker Tilly Stint AB
Baker Tilly Stockholm KB
Baker Tilly Strömstad AB
Baker Tilly Swedrev
Baker Tilly Sydost AB
Baker Tilly Umeå AB
Baker Tilly Uppsala AB
Baker Tilly Örebro AB
Baker Tilly Östra Värmland
AB
Carlstedt & Lindh AB
Edlings Revisionsbyrå KB
Ernströms Revisionsbyrå, AB
M. Sandbergs Redovisning &
Revision AB
Radek KB
YW Revision AB

Appendix 2 – Public Interest Entities

Disclosure in accordance with Article 13.2 (f) of the EU Audit Regulation:

Public Interest Entities audited for the year ended 31 December 2023 for statutory purposes by Baker Tilly Cyprus Limited subsidiaries , for which the audit report was issued in 2024.

- Aiantas Investments Public Limited
- Isxis Investments and Public Limited
- Regallia Holding & Investments Public Limited
- Ovostar Union Public Company Limited
- Ellinas Finance Public Company Limited
- Lordos United Public Limited
- Unigrowth Investments Limited
- Housing Finance Corporation
- Εταιρεία Αναπτύξεως Αγρού 'Η Πρόδος' Δημόσια Λιμιτεδ
- Gan Direct Insurance Limited





Appendix 3 – Members of the Baker Tilly South East Europe Alliance

ROMANIA		
Company Name	Address	Managing Partner
Cont Consulting Srl	Str. Branduselor 68-70, etaj 2, birou 2, 500397 Brasov	Sorin Basca
Econt Srl	Fundac Armeana, no. 6B, Iasi	Sorin Craciunescu
G.I.A Consulting Srl	Strada Fratii Buzesti Nr. 11, Timisoara, 300398, Romania	Giovana Iulhasz

GREECE		
Company Name	Address	Managing Partner
Lazaros Kasekas & Associates	35 Karpathou street, Rhodes	Lazaros Kasekas
Link Consulting	13 A. Kanellopoulou street, Thessaloniki	Konstantinos Ekatos
Maltezos & Associates Accounting Firm	Herodotou 104 & Georgiadi Theofilou, Alexandroupoli, 68132	Fotis Maltezos
Savvakis & Partners	Christou Tsounta 3, Komotini, 691 00, Greece	Theodoros Savvakis
ATAS Tax	Pyranthou 26, Heraklion Crete, 71305	Konstantinos Choumas

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