

Retirement plans for former Partners

Question 1

What is the nature of payments provided by Deloitte to former Partners through so-called 'retirement plans'? Are they classified as superannuation? Are the payments a fixed amount? What determines the value each former Partner receives?

There are two forms of retirement payment to retired Equity Partners of Deloitte who are eligible for such payments: a discontinued Pension Plan (Pension Plan discontinued in 2004) and a Retirement Payment (New Plan). These are described below.

Pension Plan (discontinued)

The pension plan is a payment of a predetermined amount over a multiple year but finite period. The amount of the pension plan is not impacted by the performance of the Firm.

Retirement Payment (new plan)

The retirement payment is a fixed, pre-determined amount paid over a multiple year but finite period. The amount is not subject to the performance of the Firm after the date of retirement.

These payments are not classified as superannuation.

Question 2

Do former Partners receiving retirement plans still hold equity in the Partnership?

Partners in receipt of payments under either of the plans are required to have retired as Partners from the Firm. Therefore they do not hold equity in the Partnership.

Question 3

Under what conditions would these payments be impaired? Does the overall profitability of the Partnership affect the amount paid? If Deloitte was wound-up or bought-out, would this affect the amount paid?

The amount of payment under both plans is not subject to the profitability of the Firm after the date of retirement. Any other information is confidential under the terms of our governing documents.

Question 4

What discretion does Deloitte have to terminate these retirement payments? Other than disclosing commercially sensitive material, are there certain conditions that would give Deloitte cause to terminate these retirement payments? For example: would public criticism of Deloitte by the former Partner be grounds to terminate these retirement payments?

The requested information is private and confidential under the terms of our governing documents.

Question 5

Has Deloitte ever impaired retirement payments to a former Partner?

The requested information is private and confidential under the terms of our governing documents.

Question 6

Under what conditions could these payments be enhanced?

The Firm makes retirement payments under the pre-determined rules of either plan.

Question 7

Has Deloitte ever enhanced retirement payments to a former Partner above any pre-agreed increases?

The Firm makes retirement payments under the pre-determined rules of either plan.

Question 8

Does Deloitte keep account of the current activities of former Partners receiving retirement plan payments?

All retired Partners receiving retirement payments from the Firm are required to advise and seek approval from the Deloitte Independence Team prior to accepting new appointments, and the Firm keeps account of such information.

Question 9

Do any former Deloitte Partners who are receiving retirement plan payments have a role— paid or voluntary—with the Australian Government, including any agency, statutory body, or boards that are funded by the Australian Government? Please provide details.

This information is confidential.

Question 10

What is the total annual value of Deloitte's payments to former Partners through retirement plans?

Total payments made to the 154 retired Deloitte Partners under both plans for the year ended 31st May 2019 were \$15,375,572.

Question 11

How many former Partners receive payments through retirement plans?

This information is confidential.