

Transparency report

PricewaterhouseCoopers, Dubai
October 2023



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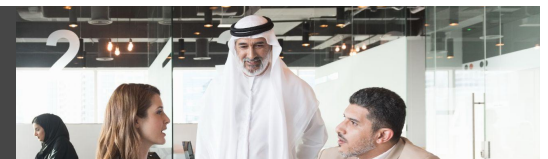
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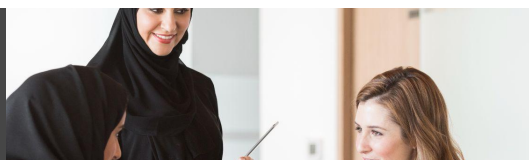
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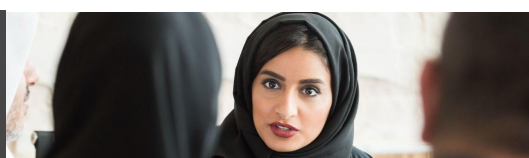
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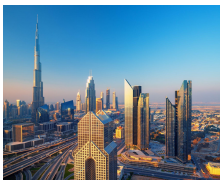
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Message from leadership



Welcome to our 2023 transparency report

I am delighted to bring you the 2023 Transparency Report for PricewaterhouseCoopers Limited Partnership Dubai Branch. Throughout this report, the terms “PwC Dubai”, “we”, “firm” and “our” refer to PricewaterhouseCoopers Limited Partnership Dubai Branch.

This report is a description of how we bring together our culture, people, values and processes to meet our audit quality objectives. Quality is central to our firm-wide strategy, and remains the top priority for our audit practice.

At PwC, our purpose is to build trust in society and solve important problems. We are a network of firms in 151 countries with more than 364,000 people who are committed to delivering quality in assurance, deals, tax, legal and advisory services. We are committed to driving a strong culture of quality and excellence that is core to our purpose.

PwC’s global strategy, The New Equation, responds to fundamental changes in the world, including technological disruption, climate change and macroeconomic environment. The New Equation focuses on two interconnected needs that clients face: to build trust, which has never been more important, nor more difficult, and to deliver sustained outcomes in an environment where competition and the risk of disruption are more intense than ever and societal expectations have never been greater.

As part of The New Equation strategy, the PwC network is making an incremental US\$3bn investment in quality. This includes a US\$1bn investment in a five-year programme to deliver a next generation audit ecosystem – human-led, tech-powered and data-driven. It will enable us to make continuous improvements to audit quality by further standardising, simplifying, centralising and automating our audit work, transforming the experience for our stakeholders and our people.

The New Equation is more relevant than ever in our Middle East region. Our ability to build trust and deliver sustained outcomes for our clients is our key differentiator as our region is going through a transformation across various countries. Our clients want to digitise, decarbonise, localise, privatise and modernise and our community of solvers are right there, collaborating with them to realise these ambitions. We bring them human-led and tech-powered solutions, guided by our firm values, to make us the leading professional services firm in our region.

Transparency and quality are fundamental to delivering this trust. We invest heavily in innovation and new technology to meet the rapidly changing needs of our clients, amid the region’s accelerating digital transformation. We are empowering our audit teams with advanced, innovative tools, support and guidance. The quality of our audits also depends on our people’s integrity and conduct. We expect our Partners to set an example of how our culture and values inform everything we do and are fundamental to driving quality throughout; from winning new work and building trust with our clients to recruiting and developing our people. We thus aim to achieve a perfect blend of people and technology, reimagining the audit and how we bring the best of human and machine intelligence to our clients. In this way, we can better serve our people, our clients and our society with our unwavering commitment to trust.

We will continue our growth journey and recognise that we have an important role to play and we are well placed to support our clients and help increase trust through our ongoing commitment to audit quality.

Hani Ashkar
Middle East Senior Partner



A message from our Middle East Assurance leader and United Arab Emirates Assurance leader

Our Assurance practice sits in the centre of our strategy in building trust. Quality in whatever we do is core to our purpose and remains at the heart of our strategy in Assurance.

We remain committed to delivering consistently high-quality audits that meet the needs of investors, the organisations we audit and wider stakeholders.

In that context, we are delighted to share our PwC Dubai's Audit Transparency Report in respect of the financial year ended 30 June 2023, in accordance with the requirements of Article 13 of the EU Regulation No 537/2014, which shows how we maintain quality in our audit work. This report describes our policies, systems and processes for ensuring quality, the results of key quality monitoring programmes and reviews, and the way we foster a culture of quality at every level of the firm.

A culture that supports audit quality

Performing high-quality audits requires more than just the right processes, it requires the right culture.

Our Behaviours are designed to create a culture that best supports high-quality audit. These behaviours set clear expectations for our auditors and have been embedded into everything we do, from audit training to delivery and the evaluation of our people's performance.

Importance of digital and quality to redefine stakeholder trust

Digital transformation is creating significant opportunities for businesses; whether this is for improving the quality of reporting and relieving the burden on company resources, optimising company processes, or providing stakeholders transparent and reliable information on corporate action. For assurance to provide the trust that stakeholders need, it must be focused on quality.

At PwC Dubai, we have continued to thrive in providing digitally upskilled audits that put quality first, by embracing cutting-edge technology that has now become part of how we work, in order to bring greater insights and value to our clients through innovation.

At PwC Dubai, we provide efficient, robust and independent assurance and insights across financial and non-financial information through an integrated, multidisciplinary team of tech-powered audit, technical and sector specialists. Trust through rigour – no gaps, no repetition, no misalignment.

Today, companies should bring the sustainability and finance teams together to review data sources and embed ESG reporting standards in their strategy and operations. Audit quality is fundamental to establish trust in markets. This is why at PwC, we have been consistent in supporting our clients in their digital transformation journeys and helping them build trust in what matters.

The future of trust in the Middle East

Now is the time to build trust and sustained outcomes in areas of critical importance to business, capital markets and society. Today, we truly believe in the capabilities of our upcoming generation to drive this agenda forward in the Middle East, combining human-led, tech-powered solutions to solve, collectively, for the future.

What matters for the future will be different for every company, country and industry, but what doesn't change is the value and power of quality information – relevant, reliable, transparent and assured. In a complex and changing environment, subject to intense stakeholder scrutiny, robust assurance is important.

We are proud of the role we are playing in discussions about audit quality in Dubai. We will continue to drive audit quality to contribute to the success of our clients and stakeholders.



Mohamed ElBorno
Middle East Assurance
Leader



Douglas O'Mahony
United Arab Emirates Assurance
Leader



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Our approach to quality

A specific focus on audit quality across the Network

The PwC Network's Assurance QMSE framework

Delivering high-quality work is at the heart of what we do at PwC; it is what our stakeholders rightly expect of us.

To deliver services in an effective and efficient manner that meets the expectations of our clients and other stakeholders, the PwC network has established the Quality Management for Service Excellence (QMSE) framework that integrates quality management into how each firm runs its business and manages risk.

This framework introduces an overall quality objective that is supported by a series of underlying quality management objectives and each firm's system of quality management (SoQM) should be designed and operated so that the overall quality objective, which includes meeting the objectives of ISQM 1, is achieved with reasonable assurance.

The International Standard on Quality Management 1 (ISQM 1)

ISQM 1 became effective 15 December 2022 and required all firms performing audits or review of financial statements, or other assurance or related service engagements to have designed and implemented an SoQM to meet the requirements of the standard.

The PwC Network's Assurance QMSE framework was designed to enable our firms to meet the requirements of ISQM 1. This includes design and implementation of the SoQM to comply with ISQM 1 to meet the effective date and evaluation of the SoQM under the standard by 15 December 2023.



Overall quality objective

To have the necessary capabilities in our organisation and to deploy our people to consistently use our methodologies, processes and technology to deliver services in an effective and efficient manner to fulfil the expectations of our clients and other stakeholders.

Integrated and aligned in the right way

The quality objectives focus on having the necessary capabilities and to deploy our people consistently using our intellectual and technological resources to deliver audits in an effective and efficient manner that fulfils the expectations of our clients and stakeholders. Put simply, designing our business and processes to deliver consistently high-quality audits.

To help us achieve these objectives, the PwC network invests significant resources in the continuous enhancement of quality across our network. This includes having a strong quality infrastructure supported by the right people, underlying tools and technology at both the network level and within our firm, and a programme of continuous innovation and investment in our technology. The PwC Network's Global Assurance Quality (GAQ) organisation aims to support PwC firms in promoting, enabling, and continuously improving Assurance quality through effective policies, tools, guidance and systems used to further promote and monitor quality and to build an appropriate level of consistency in what we do.

These elements have been integrated and aligned by our network to create a comprehensive, holistic and interconnected quality management framework that each firm tailors to reflect our individual circumstances. Each firm is responsible for utilising the resources provided by the network as part of our efforts to deliver quality to meet the expectations of our stakeholders.

The Quality Management Process

The achievement of these objectives is supported by a **quality management process (QMP)** established by our firm and Assurance leadership, business process owners, and partners and staff. This quality management process includes:

- identifying risks to achieving the quality objectives
- designing and implementing responses to the assessed quality risks
- monitoring the design and operating effectiveness of policies and procedures through the use of process-integrated monitoring activities, such as real-time assurance as well as appropriate Assurance quality indicators
- continuously improving the system of quality management when areas for improvement are identified by performing root cause analyses and implementing remedial actions and
- establishing a quality-related recognition and accountability framework to be used in appraisals, remuneration, and career progression decisions

This involves the integrated use of Assurance Quality Indicators to aim to **predict** quality issues, Real Time Assurance to aim to **prevent** quality issues, Root Cause Analysis to **learn** from quality issues and a Recognition and Accountability Framework to **reinforce** quality behaviours, culture and actions.

The key factors that impacted our system of quality management

Our SoQM must be designed, implemented and operating on an ongoing basis to achieve the quality objectives. The ongoing process includes monitoring, evaluating, assessing, reporting and being responsive to changes in quality risks, driven by the firm's internal and external environment. This is our Quality Management Process (QMP). Our focus on quality management is therefore not to apply prescribed rules but rather to design and implement risk responses, which are fit for purpose, to manage the risks we identify in our own risk assessment and achieve the quality objective, taking into consideration the conditions, events, circumstances, actions and/or inactions that may impact our SoQM.

The past several years have seen unprecedented challenges and our firm's SoQM under the QMSE framework has helped us navigate and react to the impact that identified factors had on our ability to achieve the overall assurance quality objective – to deliver quality audit engagements.

Our SoQM involves a dynamic risk assessment process that takes and analyses the information about these conditions, events, circumstances, actions or inactions that may result in:

- New or changing quality risks to achieving one or more of the quality objectives
- Changes to the risk assessment of existing quality risks
- Changes to the design of the firm's SoQM, including the risk responses

2023 key factors impacting our SoQM

This year, we have seen various factors impact our SoQM but in particular, some of the more significant conditions, events, circumstances and actions that have necessitated attention to our SoQM include:

1. Talent recruitments and retention initiatives: In response to increased attrition, various recruitment initiatives were implemented, including a strong focus on global mobility, focusing on Arabic speakers, gender diversity, well-being initiatives and mentorship programmes.

2. In response to ISA 315R, the firm's global documentation platform, AURA, was updated to facilitate the engagement team's risk identification and risk assessment process. Engagement partners and staff underwent annual training sessions on ISA 315R and ongoing support was also provided to teams by the firm's methodology function.

The QMSE framework has helped us navigate the changes in our firm's environment, by assessing the completeness and effectiveness of our responses, including any additional monitoring to be put in place, and identifying any gaps to address new or emerging quality risks.

Statement on the effectiveness of the firm's SoQM

We believe that our quality management system for the assurance practice has been suitably designed and complied with to provide us with reasonable assurance of performing and reporting on assurance engagements in conformity with applicable professional standards.

In reaching this conclusion, we considered;

- the design and operation of the quality management system,
- the findings from compliance programmes operated by our firm
- The findings from regulatory inspections and subsequent follow up and/or remedial actions, where relevant.

Any matters identified through the various monitoring and review processes are being actioned.





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Delivering quality services across the network

Definition and culture

At PwC, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of 364,000 people. This culture of quality emphasises that quality is the responsibility of everyone. Continuing to enhance this culture of quality is a significant area of focus for our global and local leadership teams and one which plays a key part in the measurement of their performance.



Measurement and transparency

For all our businesses, each PwC firm – as part of the agreement by which they are members of the PwC network – is required to have in place a comprehensive SoQM; to annually complete a SoQM performance assessment; and to communicate the results of these assessments to the global leadership. These results are then discussed in detail with the leadership of each local firm and if they are not at the level expected, a remediation plan is agreed with the local leadership taking personal responsibility for its successful implementation.

As the services that our network provides change and develop, and the needs and expectations of our stakeholders also change, the PwC network is continually reviewing and updating the scale, scope and operations of PwC firms' systems of quality management and investing in programmes to enhance the quality of the services that the PwC network provides.



Our firm's commitment to quality

Leadership and tone at the top

Our purpose and values are the foundation of our success. Our purpose is to build trust in society and solve important problems, and our values help us deliver on that purpose. Our purpose reflects 'why' we do what we do, and our strategy provides us with the 'what' we do. 'How' we deliver our purpose and strategy is driven by our culture, values and behaviours. This forms the foundation of our system of quality management and permeates how we operate, including guiding our leadership actions, and how we build trust in what matters - how we do business, with each other and in our communities.

When working with our clients and our colleagues to build trust in society and solve important problems, we:

- act with integrity
- make a difference
- care
- work together
- reimagine the possible

The culture is supported by appropriate tone at the top through regular communication from leadership to all partners and staff about the firm's commitment to quality. Key messages are communicated to our firm by our Senior Partner and our leadership team and are reinforced by engagement partners. These communications focus on what we do well and actions we can take to make enhancements. We track whether our people believe that our leaders' messaging conveys the importance of quality to the success of our firm. Based on this tracking, we are confident our people understand our quality objectives. Delivering service of the highest quality is core to our purpose and our Assurance strategy, the focus of which is to strengthen trust and transparency in our clients, in the capital markets and wider society.



Aim to Predict: Assurance Quality Indicators

We have identified a set of Assurance Quality Indicators (AQIs) that support our Assurance leadership team in the early identification of potential risks to quality, using metrics to aim to predict or detect quality issues. This quality risk analysis is an essential part of our SoQM, and the AQIs, in addition to other performance measures, also provide a key tool in the ongoing monitoring and continuous improvement of our SoQM.

The AQIs are used by the leadership to measure the achievement of quality objectives quarterly, in areas including independence, engagement performance, people-related matters, quality matters, direction, supervision and review. This is monitored through appropriate periodic reporting by the relevant functional teams to the leadership. Trends in areas with indicators of quality within these measures are considered quarterly and actions implemented, as appropriate. Quality outcomes within these quality indicators are used to determine appropriate actions.



Ethics

At PwC, we adhere to the fundamental principles of ethics set out in the Code of Ethics of International Ethics Standard Board for Professional Accountants (IESBA Code or “the Code”), which are:

Integrity: to be straightforward and honest in all professional and business relationships.

Objectivity: to not allow bias, conflict of interest or undue influence of others to override professional or business judgements.

Professional competence and due care: to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards.

Confidentiality: to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the professional accountant or third parties.

Professional behaviour: to comply with relevant laws and regulations and avoid any action that discredits the profession.

Our network standards applicable to all network firms cover a variety of areas, including ethics and business conduct, independence, anti-money laundering, antitrust/fair-competition, anti-corruption, information protection, firm's and partner's taxes, sanctions laws, internal audit and insider trading. We take compliance with these ethical requirements seriously and strive to embrace the spirit and not just the letter of those requirements. All partners and staff undertake annual mandatory training, as well as submitting annual compliance confirmations, as part of the system to support appropriate understanding of the ethical requirements under which we operate. Partners and staff uphold and comply with the policies developed by the PwC network and the leadership monitors compliance with these obligations.



In addition to the PwC values (act with integrity, make a difference, care, work together and reimagine the possible) and PwC purpose, we have adopted the PwC network standards which include a code of conduct, and related policies that clearly describe the behaviours expected of our partners and other professionals behaviours that will enable us to build public trust. Because of the wide variety of situations that our professionals may face, our standards provide guidance under a broad range of circumstances, but all with a common goal – to do the right thing.

Upon hiring or admittance, all staff and partners of PwC Dubai are provided with the PwC Global Code of Conduct. They are expected to live by the values expressed in the Code in the course of their professional careers at our firm and have a responsibility to report and express concerns, and to do so fairly, honestly, and professionally when dealing with a difficult situation or when observing conduct inconsistent with the Code. In addition, every partner and staff are required to complete new hire training, which covers the ethics and compliance network standards, including ethics and the code of conduct.

PwC has implemented a network-wide confidential ethics helpline for the reporting of questions or concerns related to behaviours that are inconsistent with the code of conduct and related policies. Every PwC firm has a separate and secure tier of the ethics helpline for their confidential matters and investigations. The ethics helpline is also available for third parties, including clients. The ethics helpline allows our partners, staff and third parties to feel safe raising a question or concern without the fear of retaliation.

The PwC Code of Conduct and the ethics helpline ([Global Ethics Helpline](https://www.pwc.com/ethics)) are available online for all internal and external stakeholders at <https://www.pwc.com/ethics>. This resource is accessible on the Middle East and Global PwC portals.

PwC Dubai has adopted an accountability framework to facilitate remediation of behaviours that are inconsistent with the code of conduct.

Finally, the Organisation for Economic Co-operation and Development (OECD) provides guidance, including the OECD guidelines for multinational enterprises (the OECD Guidelines), by way of non-binding principles and standards for responsible business conduct when operating globally. The OECD Guidelines provide a valuable framework for setting applicable compliance requirements and standards. Although, the PwC network consists of firms that are separate legal entities that do not form a multinational corporation or enterprise, PwC's network standards and policies are informed by and meet the goals and objectives of the OECD Guidelines.

Objectivity and Independence

As auditors of financial statements and providers of other types of professional services, PwC firms, their partners and staff are expected to comply with the fundamental principles of objectivity, integrity and professional behaviour. In relation to assurance clients, independence underpins these requirements. Compliance with these principles is fundamental to serving the capital markets and our clients.

The PwC Global Independence Policy, which is based on the Code, including International Independence Standards, contains minimum standards with which PwC firms have agreed to comply, including processes that are to be followed to maintain independence from clients, when necessary.

The independence requirements of the United States Securities and Exchange Commission (SEC) are, in certain instances, more restrictive than the Global Independence Policy. Given the reach of these requirements and their impact on PwC firms in the network, the Policy identifies key areas where an SEC requirement is more restrictive. Provisions that are specifically identified as applicable to SEC restricted entities must be followed in addition to, or instead of, the Policy in the associated paragraph.

PwC Dubai is part of the PwC Middle East Network (defined under the **'Legal and governance structure'** section of this report). The PwC Middle East Network has a designated partner (known as the 'Partner Responsible for Independence' or 'PRI') with appropriate seniority and standing, who is also the Chief Risk Officer ("CRO") and is responsible for implementation of the PwC Global Independence Policy and other local independence requirements applicable in the UAE including managing the related independence processes and providing support to the business. The partner is supported by a team of independence specialists. The PRI reports directly to the Managing Partner and the Territory Senior Partner of the Middle East Network. Effective 1 July 2023, a new PRI has been appointed who reports to the CRO.

In addition, there is a Network Risk Management Policy governing the independence requirements related to the rotation of key audit partners.

These policies and processes are designed to help PwC firms comply with relevant professional and regulatory standards of independence that apply to the provision of assurance services. Policies and supporting guidance are reviewed and revised when changes arise, such as updates to laws and regulations, including any changes to the Code or in response to operational matters.

PwC Dubai supplements the PwC Global Independence Policy as required by local laws and regulations where they are more restrictive than the network's policy. The PwC Global Independence Policy also captures SEC and EU independence rules where they are more restrictive than the network's policy.

Independence policies and practices

The PwC Global Independence Policy covers, among others, the following areas:

- personal and firm independence, including policies and guidance on the holding of financial interests and other financial arrangements, e.g. bank accounts and loans by partners, staff, the firm and its pension schemes;
- non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services (SOPS), which provide practical guidance on the application of the policy in respect of non-audit services to audit clients and related entities;
- business relationships, including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on purchasing of goods and services acquired in the normal course of business; and
- acceptance of new audit and assurance clients, and the subsequent acceptance of any non-assurance services to be provided for those clients.



Independence-related systems and tools

As a member of the PwC network, PwC Dubai has access to a number of systems and tools which support PwC firms and their personnel in executing and complying with their independence policies and procedures. These include:

The Central Entity Service (CES), which contains information about corporate entities including all PwC audit clients and their related entities (including all public interest audit clients and SEC restricted clients) as well as their related securities. CES assists in determining the independence restriction status of clients of the PwC firm and those of other PwC firms before entering into a new non-audit service or business relationship. This system also feeds Independence Checkpoint and the Authorisation for Services systems;

Independence Checkpoint, which facilitates the pre-clearance of publicly traded securities and other securities by all partners and practice managers before acquisition and is used to record their subsequent purchases and disposals. Where a PwC firm wins a new audit client or there is a change in the restriction status of a security, this system automatically informs those holding relevant securities of the requirement to sell the security where required;

Authorisation for Services (AFS) which is a global system that facilitates communication between a non-audit services engagement leader and the audit engagement leader, regarding a proposed non-audit service, documenting the analysis of any potential independence threats created by the service and proposed safeguards, where deemed necessary, and acts as a record of the audit partner's conclusion on the permissibility of the service;

Joint business Relationships (JBR) which is a global system used to clear joint business relationships from an independence perspective. The JBR system is used to facilitate PwC firms' compliance with JBR requirements for new and existing joint business relationships. It assists independence specialists in gathering information to assess, from an independence perspective, the permissibility of proposed joint business relationships and in monitoring the continued permissibility of previously approved existing joint business relationships.

All approved Joint Business Relationships (JBR) entered into by PwC Dubai are also maintained in the JBR system. These relationships are reviewed and refreshed every six months to ensure their ongoing permissibility under the applicable independence rules, and

Global Breaches Reporting System which is designed to be used to report any breaches of external auditor independence regulations (e.g. those set by regulation or professional requirements) where the breach has cross-border implications (e.g. where a breach occurs in one territory which affects an audit relationship in another territory). All breaches reported are evaluated and addressed in line with the Code.

In addition, a Query Manager, a Middle East territory specific tool, is used by PwC Dubai partners and staff to log their independence related inquiries and consultations on personal and corporate independence matters for the Independence team to review and address.

PwC Dubai also tracks rotation requirements as applicable under the network independence policy and with reference to local rules, as applicable, for the engagement leaders and other key audit partners involved in audits.



Independence training and confirmations

PwC Dubai provides all partners and practice staff with annual and on-going training in independence matters. Training typically focuses on milestone training relevant to a change in position or role, changes in policy or external regulation, changes in independence systems and, as relevant, provision of services. Partners and staff receive computer-based training on the firm's independence policy and related topics. Additionally, face-to-face training is delivered to members of the practice on an as-needed basis by the firm's independence specialists and risk and quality teams.

All partners and practice staff are required to complete an annual compliance confirmation, whereby they confirm their compliance with relevant aspects of the PwC firm's independence policy, including their own personal independence. In addition, all partners confirm that all non-audit services and business relationships for which they are responsible comply with policy and that the required processes have been followed in accepting these engagements and relationships. These confirmations are supplemented by engagement level independence confirmations for all audit clients

Independence monitoring and disciplinary policy

The leadership of PwC in the Middle East Network and UAE is responsible for monitoring the effectiveness of its systems of quality management in managing compliance with independence requirements. In addition to the confirmations described above, as part of this monitoring, the Middle East Network independence team perform:

- Compliance testing of independence controls and processes;
- Personal independence compliance testing of a random selection of, at a minimum, partners and practice managers as a means of monitoring compliance with the personal independence policies; and
- An annual assessment of the Middle East Network's adherence with the PwC network standard relating to independence.

The results of monitoring and testing are reported to the Middle East leadership team on a regular basis with a summary reported to them on an annual basis.

The Middle East Network has an Accountability framework and supporting disciplinary policies and mechanisms in place that promote compliance with independence policies and processes and that require any breaches of independence requirements to be reported and addressed.

This would include discussion with the client's audit committee regarding the nature of a breach, an evaluation of the impact of the breach on the independence of the PwC firm and the engagement team and the need for actions or safeguards to maintain objectivity. Although most breaches are minor and attributable to an oversight, all breaches are taken seriously and investigated as appropriate. The investigations of any identified breaches of independence policies also serve to identify the need for improvements in the firm's independence systems and processes and for additional guidance and training.



Considerations in undertaking the audit

Our principles for determining whether to accept a new client or continue serving an existing client are fundamental to delivering quality, which we believe goes hand-in-hand with our purpose to build trust in society. We have established policies and procedures for the acceptance of client relationships and audit engagements that consider whether we are competent to perform the engagement and have the necessary capabilities including time and resources, can comply with relevant ethical requirements, including independence, and have appropriately considered the integrity of the client. We reassess these considerations in determining whether we should continue with the client engagement and have in place policies and procedures related to withdrawing from an engagement or a client relationship when necessary. The policies and processes we have in place emphasise risk and quality considerations such that financial and operational priorities do not lead to inappropriate judgements about whether to accept or continue a client relationship.

Client and Engagement Acceptance and Continuance

The firm has implemented a process to identify acceptable clients based on the PwC network's proprietary decision support systems for audit client acceptance and retention (called Acceptance and Continuance (A&C)). A&C facilitates a determination by the engagement team, business management and risk management specialists of whether the risks related to an existing client or a potential client are manageable, and whether or not PwC should be associated with the particular client and its management. More specifically, this system enables:

Engagement teams:

- To document their consideration of matters required by professional standards related to acceptance and continuance;
- To identify and document issues or risk factors and their resolution, for example through consultation by adjusting the resource plan or audit approach or putting in place other safeguards to mitigate identified risks or by declining to perform the engagement; and
- To facilitate the evaluation of the risks associated with accepting or continuing with a client and engagement.

PwC firms (including PwC firm leadership and risk management):

- To facilitate the evaluation of the risks associated with accepting or continuing with clients and engagements;
- To provide an overview of the risks associated with accepting or continuing with clients and engagements across the client portfolio; and
- To understand the methodology, basis and minimum considerations all other PwC firms in the network have applied in assessing audit acceptance and continuance.





Reinforce: Recognition and Accountability Framework

Our Recognition and Accountability Framework ('RAF') reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high quality culture. It holds Partners, including non-Partner Engagement Leaders, accountable for quality behaviours and quality outcomes beyond compliance. Our RAF considers and addresses the following key elements:

Quality outcomes: We provide transparent quality outcomes to measure the achievement of the quality objectives. Our quality outcomes take into account meeting professional standards and the PwC network and our firm's standards and policies.

Behaviours: We have set expectations of the right behaviours that support the right attitude to quality, the right tone from the top and a strong engagement with the quality objective.

Interventions/recognition: We have put in place interventions and recognition that promotes and reinforces positive behaviours and drives a culture of quality.

Consequences/reward: We have implemented financial and non-financial consequences and rewards that are commensurate to outcome and behavior and sufficient to incentivise the right behaviours to achieve the quality objectives.





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People strategy

Our people strategy was developed in support of our broader business strategy, The New Equation. We are focused on being the world's leading developer of talent and enabling our people with greater agility and confidence in a rapidly changing world. Specific focus areas include creating a resilient foundation for times of change through supporting the well-being of our people and enabling effective delivery; developing inclusive leaders for a shifting world; and, enabling our workforce for today's realities and tomorrow's possibilities.

We hire candidates who have diverse backgrounds and appropriate skills; have a questioning mindset and intellectual curiosity; and demonstrate courage and integrity. Our hiring standards include a structured interview process with behavior-based questions built from The PwC Professional framework, assessment of academic records, and background checks.

We believe that investing in a broad range of skills, experiences and backgrounds puts us in a stronger position to understand and meet the needs of our clients. This year we have continued to recruit a more diverse range of talent, in particular to encourage more talented women.

In addition, we are focused on talent management and investment in UAE nationals. The firm has a Watani programme to offer ambitious and talented UAE nationals an exciting opportunity to work and develop in PwC. PwC is committed to contributing towards the UAE Vision through various Watani programme streams (The Watani Graduate and internship programmes, the Watani Client secondment programmes and global mobility opportunities). This programme includes, but is not limited to, technical, digital and leadership training to facilitate individual career development and progression.



'Tomorrow, Today'

With "Tomorrow, Today" we are transforming and digitising our firm at scale. Through investing in emerging technologies and our upskilling programmes, we are supercharging citizen-led innovation, and sharing through the Digital Lab. Importantly, by combining new skills and ideas with our firm-led transformation, we can reimagine how we deliver for our clients. This will also allow us to remove repetitive tasks and free up the time of our people so they can focus on higher-value work and their wellbeing.

"Tomorrow, Today" supports in driving our transformation agenda across the region, building a community of solvers with the right skills to deliver solutions that are human-led and tech-powered. Our digital upskilling initiative provides a wide choice of programmes to build the people's digital capability from novice to practitioner. Our framework "Digital For All" is created to provide our people with individualised learning tools to expand the use of digital solutions on their audits and empower them with a mindset of continual improvement and innovation.

The Data Booster, Digital Accelerator, Digital Innovation for Leaders, and Digital Skills Catalogue are the core upskilling 'Tomorrow, Today' programmes, aimed primarily on building core skills: data wrangling, automation, data visualisation and driving insights. These tools enhance the firm's collective digital fluency while providing each individual with a personalised curriculum to build their digital IQ. Our Digital Accelerators are embedded within our engagement teams and are dedicated to applying digital capabilities to each audit, as well as developing new digital solutions for the firm. We focus on building a growth mindset culture and at the same time, we commit to leaving nobody behind, as long as they choose not to be left behind. Being committed to lifelong learning is foundational to our transformation in a digital and data driven world.

87%

of our core assurance staff and partners participated in our Global People Survey.

84%

of the respondents to the Global People Survey agree that, at PwC, the quality of the technology they work with allows them to complete their work effectively.

Wellbeing

The health, wellbeing and safety of our people continue to be a top priority. We recognise that further progress in enabling a healthy lifestyle for our people requires sustained focus on achieving a systemic change in how we work.

Building a culture of wellbeing goes straight to PwC's Purpose of establishing trust, in this case with our people and clients and solving important problems: illness, burnout and other issues that arise from not prioritising wellbeing.

Our wellbeing strategy is supported by **"Wellbeing Heroes"** who implement the strategy through encouraging new ways of working, incorporating wellbeing activities and role modeling positive, healthy behaviours and habits.

We further developed a pool of PwC Mental Health First Aid-ers who are equipped with the skills to identify and assist someone who is experiencing a mental health challenge. Just as with physical first aid, in all situations the goal is to provide support until appropriate professional help arrives.

Various wellbeing initiatives are in place and we continue to encourage our people to adopt:

- Flexibility Framework - "The New Normal": In response to feedback from our workspace, we have refreshed our flexibility framework. The FlexMenu on the Flexibility Framework assist our people to work in a way that works for individuals, the firm and our clients.
- Team/ project charter: A document which aims to identify and prioritise the personal interests, responsibilities and commitments of each team member, while collectively establishing everyone's preferred working norms.
- Other various initiatives implemented including: financial wellbeing workshops, 'wellbeing sessions at your desk' and 'wellbeing talks'.

80%

of the respondents to the Global People Survey are proud to work at PwC





Inclusion and diversity

At PwC, we're committed to being a leading organisation for inclusion and belonging with our people, clients, and external stakeholders and a leading employee destination for diverse talent. We are focused on ensuring our ways of working embrace diversity and fostering an inclusive environment in which our people are comfortable bringing their whole selves to work and feel that they belong and can reach their full potential. As demonstrated through our core values of Care and Work Together, we strive to more deeply understand and empathise with different backgrounds, perspectives and experiences. We know that when people from different backgrounds and with different points of view work together, we create the most value for our clients, our people and society.



Feedback and continuous development

Our team members obtain feedback on their overall performance, including factors related to audit quality, such as technical knowledge, auditing skills and professional scepticism. Audit quality is an important factor in performance evaluation and career progression decisions for both our partners and staff. Feedback on performance and progression is collected via our Snapshot tool, a simple, mobile-enabled technology. We also use Workday to give and receive upward and peer feedback. Ongoing feedback conversations help our people grow and learn faster, adapt to new and complex environments, and bring the best to our clients and firm.



Global People Survey

Each PwC member firm participates in an annual Global People Survey, administered across the network to all of our partners and staff. PwC Dubai is responsible for analysing and communicating results locally, along with clearly defined actions to address feedback.



Recruitment

We aim to recruit, train, develop and retain the best and the brightest staff who share in the firm's strong sense of responsibility for delivering high-quality services. Our hiring standards include a structured interview process with behavior-based questions built from The PwC Professional framework, assessment of academic records, and background checks for our 'manager through partner' grade recruits.

665 new people recruited across the firm in FY23, including 67 university graduates.



Career progression

We use The PwC Professional, a global career progression framework, which sets out clear expectations at all staff levels across five key dimensions. The framework underpins all elements of career development and helps our people develop into well-rounded professionals and leaders with the capabilities and confidence to produce high-quality work, deliver an efficient and effective experience for our clients, execute our strategy, and support our brand. Our annual performance cycle is supported by continuous feedback conversations and regular check-ins with the individual's Team Leader to discuss their development, progression and performance.



Team selection, experience and supervision

Our audit engagements are staffed based on expertise, capabilities and years of experience. Engagement leaders determine the extent of direction, supervision and review of junior staff.



Retention

Turnover in the public accounting profession is often high because as accounting standards and regulations change, accountants are in demand and the development experience we provide make our staff highly sought after in the external market. Our voluntary turnover rate fluctuates based on many factors, including the overall market demand for talent. Various retention initiatives were implemented during the year including: revised performance and reward initiatives, blackout days, flexible working model, team charter and Project Health Check 'a tool designed to gauge and enhance team culture and morale throughout a project's execution'.

The PwC Professional

The PwC Professional supports the development and career progression of our staff by providing a single set of expectations across all lines of service, geographies, and roles; outlining the capabilities needed to thrive as purpose-led and values-driven leaders at every level.

Professional development

We are committed to putting the right people in the right place at the right time. Throughout our people's careers, they are presented with career development opportunities, classroom, virtual classroom and on-demand learning, and on-the-job real time coaching/development. Our flexible training portfolio facilitates personalised learning with access to a variety of educational materials, including webcasts, podcasts, articles, videos, and courses.

Achieving a professional credential supports our firm's commitment to quality through consistent examination and certification standards. Our goal is to provide our staff with a more individualised path to promotion and support them in prioritising and managing their time more effectively when preparing for professional exams. Providing our people with the ability to meet their professional and personal commitments is a critical component of our people experience and retention strategy.

Continuing education

We, and other PwC member firms, are committed to delivering quality assurance services around the world. To maximise consistency in the network, the formal curriculum, developed at the network level, provides access to training materials covering the PwC audit approach and tools-this includes updates on auditing standards and their implications, as well as areas of audit risk and areas of focus for quality improvement.

This formal learning is delivered using a blend of delivery approaches, which include remote access, classroom learning, and on-the-job support. The curriculum supports our primary training objective of audit quality, while providing practitioners with the opportunity to strengthen their technical and professional skills, including professional judgement while applying a sceptical mindset.

The design of the curriculum allows us to select, based on local needs, when we will deliver the training. Our Learning and Education leader then considers what additional training is appropriate – formal and/or informal – to address any additional specific local needs.





We leverage learning technology tools and platforms to provide our people with development opportunities, relevant to them and in a way that best works for them, empowering them to take ownership of their own learning and development journey.

Our training practices to develop and maintain capabilities and technical competence include:

- An annual risk and quality update training for all partners and staff spanning matters relating to compliance, independence and ethics;
- The provision of a mandatory technical training programme which comprises both foundation and update of accounting and audit methodology trainings as well as specific training for auditors of US PCAOB or AICPA and industry clients;
- The consideration of training needs on an ongoing basis. We release guidance and/or training material as appropriate throughout the year. This allows us to respond to emerging performance gaps promptly when they are identified. This includes but not limited to IFRS hot topics and alerts on risk management and methodology considerations; and
- Equipping our tutors with effective instructor skills and having processes in place to measure the effectiveness of our training.



Our training investment in people

Assurance Training FY23

	Average hours
Partners and directors	58
Managers	58
Senior associates	68
Associates	93

FY23 total hours completed

37,200

Mandatory training attendance

100%

Of partners and staff have completed all mandatory training attendance in FY23



Our approach



Message from leadership



Our approach to quality



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PwC network



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Our approach



We use a range of cutting-edge methods, processes, technologies, and approaches to ensure continuous improvement in the performance and quality of our audit engagements.

The quality and effectiveness of audit is critical to all of our stakeholders. We therefore invest heavily in the effectiveness of our audits, in the skills of our people, in our underlying audit methodology, the technology we use, and in making the right amount of time and resources available. We pay close attention to the internal indicators and processes that routinely monitor the effectiveness of our risk and quality processes, and provide timely information about the quality of our audit work and any areas for improvement. Additionally, we consider what our various stakeholders require from us, what they tell us we need to improve and the findings of regulatory inspections on the quality of our work. Details of these indicators and processes, as well the most recent regulatory findings can be found in the **'Monitoring'** section of this report.

Developing our audit approach

We are continuously developing our approach to audit delivery to maximise the experience for our people and ensure high quality work for our clients in an efficient and sustainable way. Our Smart Delivery approach is changing the way we plan, resource and deliver our engagements. Aligned with our firm's new global strategy, The New Equation, we are combining world-class teams with market-leading technology, enabled by smart, yet simple, business processes. Together, these measures represent a significant transformation of our audit business and support our focus on continuing to enhance audit quality.

We continue to change the way we deliver our services so our people give our clients an even better experience, further enhance the quality of what we do and add economic capacity to invest in the future. We use delivery centres to streamline, standardise, automate, and centralise portions of the audit.

We use both on and offshore resources to streamline, standardise, automate, and centralise portions of the audit. For example, our Acceleration Centre is dedicated to specific areas of the audit and these team members can apply deep expertise and advanced tools to drive quality and efficiency.

PwC continues to invest in a world-class suite of digital tools and technologies to enhance the quality of the audit, in alignment with our new global strategy. You can see more about audit-specific tools and technology on the next page. We encourage our teams to challenge traditional ways of working and to embrace the benefits that digitisation brings to us and our clients. Technology enables our teams to be connected and to collaborate, whatever their location, and enhances our engagement and relationship building with our clients. Digitisation and automation of some audit procedures plays an important role in enhancing audit quality and providing assurance to our clients. Encouraging innovation and collaboration on new tools not only empowers our people and enhances their digital skills development, but drives consistency and quality in the delivery of our work to clients.

Tools and technologies to support our audit



Our tools

As a member of the PwC network, PwC Dubai has access to and uses PwC Audit, a common audit methodology and process. This methodology is based on the International Standards on Auditing (ISAs), with additional PwC policy and guidance provided where appropriate. PwC Audit policies and procedures are designed to facilitate audits conducted in compliance with all ISA requirements that are relevant to each individual audit engagement. Our common audit methodology provides the framework to enable PwC firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements.



Our technology

Aura, our global audit documentation platform, is used across the PwC network. Aura helps drive how we build and execute our audit plans by supporting teams in applying our methodology effectively, by creating transparent linkage between risks, required procedures, controls and the work performed to address those risks, as well as providing comprehensive guidance and project management capabilities. Targeted audit plans specify risk levels, controls reliance and substantive testing. Real-time dashboards show teams audit progress and the impact of scoping decisions more quickly.

Connect is our collaborative platform that allows clients to quickly and securely share audit documents and deliverables. Connect also eases the burden of tracking the status of deliverables and resolving issues by automatically flagging and tracking outstanding items and issues identified through the audit for more immediate attention and resolution. Clients are also able to see audit adjustments, control deficiencies, and statutory audit progress for all locations - in real time.

Connect Audit Manager streamlines, standardises and automates group and component teams coordination for multi-location and statutory / regulatory audits. It provides a single digital platform to see all outbound and inbound work and digitises the entire coordination process which facilitates greater transparency, compliance and quality for complex multi-location audits.

Halo, our data auditing tools, address large volumes of data, analysing whole populations to improve risk assessment, analysis and testing. For example, Halo for Journals enables the identification of relevant journals based on defined criteria making it easier for engagement teams to explore and visualise the data to identify client journal entries to analyse and start the testing process.

Count, which facilitates the end-to-end process for observing inventory counts, allows our engagement teams to create and manage count procedures, counters to record results directly onto their mobile device or tablet and engagement teams to export final results into Aura.

Halo Platform enables our engagement teams to manage all data extractions, executions and storage for all applications through one central location, allowing our engagement teams to monitor the status of data uploads and use the acquired client data for multiple applications during the audit.



Our Next Generation Audit (NGA)

As part of our commitment to building trust and delivering sustained outcomes, the PwC network is investing in a multi-year effort to deliver a new global audit platform to power our next generation audit, ultimately replacing our legacy technologies such as Aura and Connect. By exploring and investing in new technologies and redefining underlying audit processes, PwC will further standardise, simplify, centralise and automate our audit work. PwC's investment will accelerate ongoing innovation and enable us to respond to changing stakeholders' needs while taking advantage of emerging technologies, providing a transformed audit experience focusing on continuous quality enhancement. PwC's vision for NGA is to provide efficient, robust and independent assurance and audit insights across financial and non-financial information, helping to build trust in what matters to our stakeholders. As PwC gains momentum around the next generation audit programme, we will continue to release new capabilities on an ongoing basis to enhance quality and the overall audit experience.



Reliability and auditability of audit technologies

Our firm has designed and implemented processes and controls to underpin the reliability of these audit technologies. This includes clarification of the roles and responsibilities of audit technology owners and users. In addition, we have guidance focused on the sufficiency of audit documentation included in the workpapers related to the use of these audit technologies, including consideration of the reliability of the solution, and the documentation needed to assist the reviewers in meeting their supervision and review responsibilities as part of the normal course of the audit.



Confidentiality and information security

Confidentiality and information security are key elements of our professional responsibilities. Misuse or loss of confidential client information or personal data may expose the firm to legal proceedings, and it may also adversely impact our reputation. We take the protection of confidential and personal data as a matter of the highest priority.

Our focus on our clients requires a holistic and collaborative approach to reducing security, privacy and confidentiality risks with significant investment in appropriate controls and monitoring. It is the firm's policy that its information assets and those of its clients are protected from internal and external threats, confidentiality and integrity of information is maintained; statutory, regulatory and contractual obligations are met; and access to information assets is granted only for justified business needs.

Data Privacy

The firm maintains a robust and consistent approach to the management of all personal data, with everyone in our organisation having a role to play in safeguarding personal data. We have set our Data Protection policy that reflect the requirements of applicable local data privacy or data protection laws including the EU General Data Protection Regulation "GDPR" whenever there is a processing of personal data.

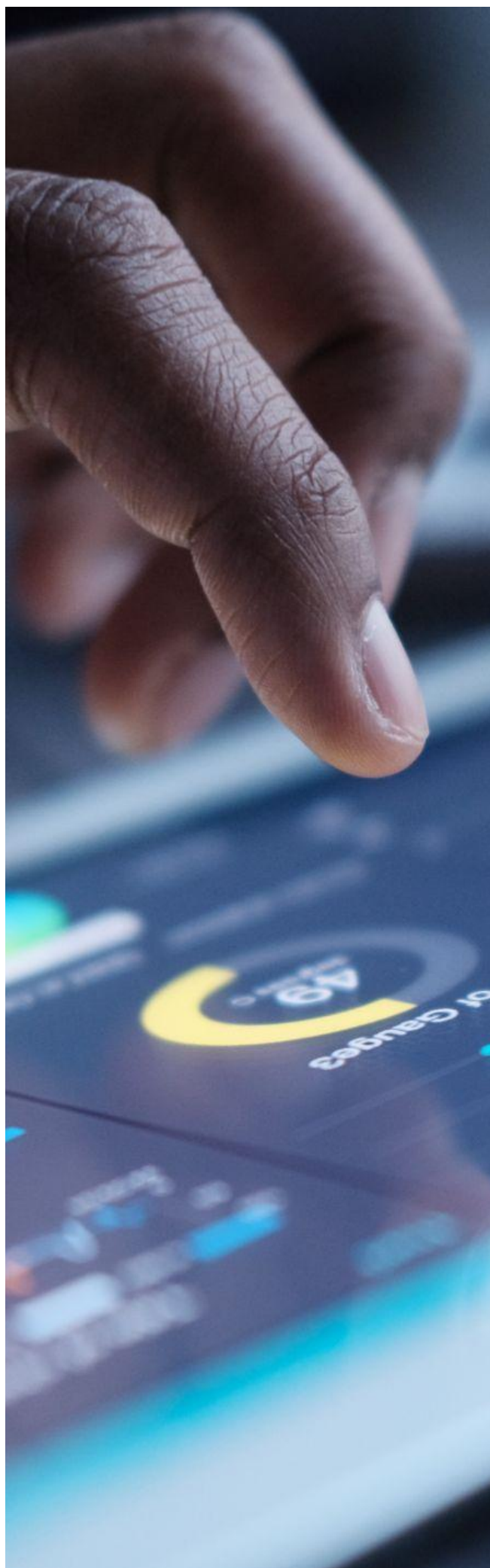
Information Security

Information Security is a high priority for the PwC network. PwC firms are accountable to their people, clients, suppliers, and other stakeholders to protect information that is entrusted to them.

Failure to protect information could potentially harm the individuals whose information PwC firms hold, lead PwC firms to suffer regulatory sanctions or other financial losses, and impact the PwC reputation and brand. The Information Security Policy (ISP) outlines the minimum security requirements with which every PwC firm must comply.

PwC firm compliance with the ISP is measured through quarterly data-driven assessment as well as a yearly evidence based assessment for each PwC firm.

Deviations that result from the assessment are prioritised for remediation per timelines agreed with firm leadership.



Supporting engagement performance



Evolving delivery model

We continue to evolve the way we deliver our services so our people give our clients an even better experience, further enhance the quality of what we do and increase economic capacity to invest in the future. We use delivery centres to streamline, standardise, automate, and centralise portions of the audit.



Direction, coaching and supervision

Engagement leaders and senior engagement team members are responsible and accountable for providing quality coaching throughout the audit and supervising the work completed by junior members of the team, coach the team and maintain audit quality. Engagement teams utilise Aura which has capabilities to effectively monitor the progress of the engagement to determine that all work has been completed and reviewed by appropriate individuals, including the engagement leader.



Consultation culture

Consultation is key to maintaining high audit quality. We have formal protocols about mandatory consultation, in the pursuit of quality. For example, our engagement teams consult with appropriate groups in areas such as taxation, risk, valuation, actuarial and other specialities.



Technical teams

Besides these specialists a pool of methodology, technical accounting, auditing, and financial reporting specialists as well as risk and quality play a vital role in keeping our policies and guidance in these areas current by tracking new developments in accounting and auditing and providing those updates to professional staff.



Quality Review Partners (QRP)

Specific audit engagements are assigned a QRP as part of the firm's system of quality management as required by professional standards. These partners who have the necessary experience and technical knowledge are involved in the most critical aspects of the audit. They consider important matters including firm independence, significant risks and a team's responses to those risks, and specific accounting, auditing and financial reporting and disclosure issues.



Differences of opinion

Protocols exist to resolve the situations where a difference of opinion arises between the engagement leader and either the QRP, another Assurance partner or central functions such as the technical team. These include the use of technical panels consisting of partners independent of the engagement.



Monitoring



Message from leadership



Our approach to quality



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Our people



Our approach



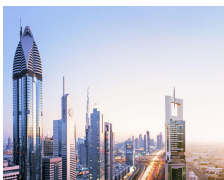
Monitoring



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Monitoring

Monitoring of Assurance quality

We recognise that quality in the Assurance services we deliver to clients is key to maintaining the confidence of investors and other stakeholders in the integrity of our work. It is a key element to our Assurance strategy.

Responsibility for appropriate quality management lies with the Assurance Leadership of PwC in the UAE. This includes the design and operation of an effective System of Quality Management (SoQM) that is responsive to our specific risks to delivering quality audit engagements, using the network's QMSE framework.

The overall quality objective under the QMSE framework is to have the necessary capabilities in our firm and to deploy our people to consistently use our methodologies, processes and technology in the delivery of Assurance services in an effective and efficient manner to fulfil the valid expectations of our clients and other stakeholders.

Our firm's monitoring includes an ongoing assessment aimed at evaluating whether the policies and procedures which constitute our SoQM are designed appropriately and operating effectively to provide reasonable assurance that our audit and non-audit assurance and related services engagements are performed in compliance with laws, regulations and professional standards (also referred to as our ongoing monitoring). This includes the use of Real Time Assurance.



Aim to Prevent: Real Time Assurance

We have developed a Real Time Quality Assurance ('RTA') programme designed to provide preventative monitoring that helps coach and support engagement teams get the 'right work' completed in real-time, during the audit.

The RTA programme which is a coaching programme to the teams has been run for a number of years and continued in FY23 for a sample of Dubai engagements. There is good breadth of coverage across all engagement leaders and both audit and non-audit engagement types, targeting the higher risk engagements based on client risk profile. The reviews are performed by experienced managers, senior managers and directors with relevant industry expertise. Issues identified through this programme are communicated to the practice through mandatory training programme webcasts, briefings and additional guidance.

In addition to the ongoing monitoring noted above, our monitoring also encompasses periodic assessment of our SoQM which includes the review of completed engagements (Engagement Quality Reviews - EQR), as well as periodic monitoring of our SoQM by an objective team within our firm. The results of these procedures, together with our ongoing monitoring, form the basis for the continuous improvement of our SoQM. EQRs are performed under a network-wide inspection programme based on professional standards and PwC audit methodology.

EQRs are risk-focused reviews of completed engagements covering, on a periodic basis, individuals in our firm who are authorised to lead audit, non-audit assurance or related engagements. The review assesses whether an engagement was performed in compliance with PwC Audit guidance, applicable professional standards and other applicable engagement-related policies and procedures. Each engagement leader is reviewed at least once every five years, unless a more frequent review is required based on the profile of that engagement leader's client portfolio or due to local regulatory requirements.

Reviews are led by experienced Assurance partners, supported by objective teams of partners, directors, senior managers and other specialists. EQR reviewers are sourced from other PwC firms if needed to provide appropriate expertise or objectivity. Review teams receive training to support them in fulfilling their responsibilities, and utilise a range of checklists and tools developed at the network level when conducting their inspection procedures. The network inspection team supports review teams by monitoring the consistent application of guidance on classification of engagement findings and engagement assessments across the network.

Additionally, the PwC network undertakes periodic reviews to evaluate certain elements of PwC firms' systems of quality management. The Network also looks at the UAE Assurance leadership's own assessment of the effectiveness of their system of quality management and their determination of whether the overall quality objective has been achieved.

PwC UAE completes its internal monitoring procedures, the EQR and SoQM, annually. These processes are then reviewed annually by the PwC network as part of the Quality Management Review (QMR) programme. The last QMR review was conducted in June 2023 and led and resourced from other PwC Network firms. There were no significant and/or pervasive deficiencies identified. Any matters identified through the various monitoring and review processes are being actioned and changes implemented as appropriate.

The last EQR in Dubai was held in June 2023 and covered 10 audit and non-audit assurance engagements, of which 9 engagements (representing 90% of the reviewed engagements) had a rating of "Compliant" and 1 engagement (representing 10% of the reviewed engagements) had a rating of "Non-Compliant".

The inspection results are reported to our firm's leadership who are responsible for analysing the results of the inspections along with the findings identified from all sources of information and implementing remedial actions as necessary. In situations where quality matters on engagements are identified, based on the nature and circumstances of the issues, the engagement leader or our firm's Assurance leadership personnel may be subject to additional training or sanctions in accordance with PwC Middle East's Recognition and Accountability Framework.

Assurance partners of our firm receive information on the results of the network inspection program, designed for their use in assessing the scope of audit work they determine needs to be performed and their reliance on work performed by PwC firms in connection with their audit of a client's consolidated financial statements.

External inspections

PwC Dubai is accredited to perform statutory audits and is eligible to undertake such audits for listed entities by virtue of its registration with the relevant authorities in the UAE. There were no local regulatory inspections during the last financial year on PwC Dubai.

PwC Dubai is registered with the US Public Company Accounting Oversight Board (PCAOB) and subject to their oversight. This registration allows PwC Dubai to sign audit reports of non-US companies that are listed on US stock exchanges. There were no PCAOB inspections during the last financial year.

PwC Dubai is registered with the Finanstilsynet, The Financial Supervisory Authority of Norway and subject to their oversight. This registration allows PwC Dubai to audit the annual accounts of companies incorporated outside the European Union whose transferable securities are admitted to trading on a regulated market in Norway. There were no Finanstilsynet inspections during the last financial year.



Learn: Root Cause Analysis

We perform analyses to identify potential factors contributing to our firm's audit quality so that we can take actions to continuously improve. Our primary objectives when conducting such analyses is to understand what our findings tell us about our SoQM and to identify how our firm can provide the best possible environment for our engagement teams to deliver a quality audit. We look at quality findings from various sources including Network inspection of our SoQM, and audits both with and without deficiencies —whether identified through our own internal inspections process or through external inspections —to help identify possible distinctions and learning opportunities.

For individual audits, an objective team of reviewers identifies potential factors contributing to the overall quality of the audit. We consider factors relevant to technical knowledge, supervision and review, professional scepticism, engagement resources, and training, amongst others. Potential causal factors are identified by evaluating engagement information, performing interviews, and reviewing selected audit working papers to understand the factors that may have contributed to audit quality.

In addition, the data compiled for audits both with and without deficiencies is compared and contrasted to identify whether certain factors appear to correlate to audit quality. Examples of this data include the hours incurred on the audit, the number of years that key engagement team members have been on the engagement, the number of other audits that engagement partners are involved in, whether the engagement was subject to a pre-issuance review, and the timing of when the audit work was performed.

Our goal is to understand how quality audits may differ from those with deficiencies, and to use these learnings to continuously improve all of our audits. We evaluate the results of these analyses to identify enhancements that may be useful to implement across the practise. We believe these analyses contribute significantly to the continuing effectiveness of our quality management.



PwC network



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Global network

Firms in the PwC network are members in, or have other connections to, PricewaterhouseCoopers International Limited (PwCIL), an English private company limited by guarantee. PwCIL does not practise accountancy or provide services to clients. Rather its purpose is to act as a coordinating entity for PwC firms in the PwC network. Focusing on key areas such as strategy, brand, and risk and quality, PwCIL coordinates the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual PwC firms where appropriate. PwC firms of PwCIL can use the PwC name and draw on the resources and methodologies of the PwC network. In addition, PwC firms may draw upon the resources of other PwC firms and/or secure the provision of professional services by other PwC firms and/or other entities. In return, PwC firms are bound to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

The PwC network is not one international partnership. A PwC firm cannot act as agent of PwCIL or any other PwC firm, cannot obligate PwCIL or any other PwC firm, and is liable only for its own acts or omissions and not those of PwCIL or any other PwC firm. Similarly, PwCIL cannot act as an agent of any PwC firm, cannot obligate any PwC firm, and is liable only for its own acts or omissions. PwCIL has no right or ability to control any PwC firm's exercise of professional judgement.



The governance bodies of PwCIL are:

- **Global Board**, which is responsible for the governance of PwCIL, the oversight of the Network Leadership Team and the approval of network standards. The Board does not have an external role. The Board is comprised of 19 members. One is appointed as external, independent director, and the other 18 Board members are elected by partners from all PwC firms around the world every four years.
- **Network Leadership Team**, which is responsible for setting the overall strategy for the PwC network and the standards to which the PwC firms agree to adhere.
- **Strategy Council**, which is made up of the leaders of the largest PwC firms and regions of the network, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy.
- **Global Leadership Team**, which is appointed by and reports to the Network Leadership Team and the Chairman of the PwC network. Its members are responsible for leading teams drawn from member firms to coordinate activities across all areas of our business.

The Territory Senior Partner of the PwC Middle East Network is a member of the Strategy Council and maintains our relationships with the Network Leadership Team.

EU / EEA Member firms

A list of audit firms and statutory auditors within the PwC network from European Union and European Economic Area Member States can be found in section '**EU / EEA Member firms**' section of this report.

Total turnover achieved by statutory auditors and audit firms from EU / EEA Member States that are members of the PwC network resulting, to the best extent calculable, from the statutory audit of annual and consolidated financial statements is approximately Euros 2.8 billion. This represents the turnover from each entity's most recent financial year converted to Euros at the exchange rate prevailing as of 30 June 2023.





Legal and governance structure



Message from leadership



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Culture and values



Our people



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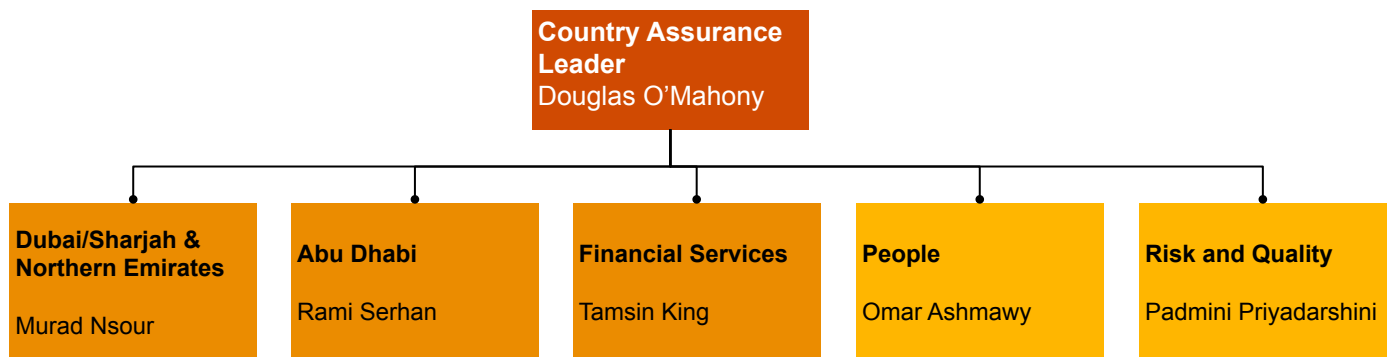
Legal and governance structure

Legal structure and ownership of PwC Dubai

PricewaterhouseCoopers Limited Partnership Dubai Branch ('PwC Dubai') is a branch of PricewaterhouseCoopers Limited Partnership, a Limited Partnership registered in the Dubai International Financial Center "DIFC". PwC Dubai is registered under the laws of United Arab Emirates holding Professional License No. 102451, with its principal place of business at Emaar Square, Building 5, Dubai, United Arab Emirates. Dubai is one of the seven Emirates within the United Arab Emirates (UAE).

PwC Dubai is a member firm of PricewaterhouseCoopers International Limited and part of the PwC Middle East Network, which is the network of PwC firms in the Middle East region. At 30 June 2023, PwC Dubai had 2,165 employees with 148 partners. The PwC Middle East Network has more than 8,500 people in 12 countries across the region – Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, the Palestinian territories, Qatar, Saudi Arabia and the United Arab Emirates. In addition to PwC Dubai, PricewaterhouseCoopers also provides audit services in UAE through a legal entity, PricewaterhouseCoopers Limited, registered in the DIFC and through 4 registered branches in Abu Dhabi, Sharjah, Ras Al Khaimah and Abu Dhabi Global Markets.

PwC UAE Core Assurance Leadership Team



PwC Middle East Network Governance Structure

As of 30 June 2023, the governance structure was as follows:

Middle East Legal Board

The Middle East Legal Board oversees the PwC Middle East Network and delegates certain responsibilities to two key bodies, the Middle East Supervisory Board and the Middle East Leadership Team (MELT).

Middle East Supervisory Board

The Middle East Supervisory Board has a governance role to provide oversight on behalf of the partners of the PwC Middle East Network. The Supervisory Board is responsible for giving constructive and independent guidance and input to the Legal Board and the MELT on matters which are of concern or interest to the Partners.

Middle East Leadership Team

The MELT is responsible for the strategic direction of the PwC Middle East Network such as the determination of the strategy and business plan to achieve a common and coordinated approach.

The MELT is chaired by the Middle East Territory Senior Partner and comprises of ME leaders which includes amongst others the line of service leaders of Assurance, Consulting, Deals, Strategy & and Tax & Legal Services as well as various support functional leads.

The MELT approves standards and policies relating to business values and ethics, quality assurance, compliance and risk management consistent with those set out under the PwCIL Regulations to be promoted within PwC member firms and oversees the implementation of such standards and policies to ensure global risk management and compliance.

Middle East Regional and Country Governance

The Territory Senior Partner of Middle East (TSP) is also the Country Senior Partner of the UAE. The TSP chairs the MELT and the MELT is responsible for the strategic direction of the PwC Middle East Network which includes quality as a key pillar across all lines of service.

The Regional Assurance Leader, who is part of the MELT, is in turn accountable to the Territory Senior Partner and has the overall responsibility for audit quality on a region-wide basis. He is supported by an Assurance Leadership team which supports him in establishing and determining the effectiveness of the system of internal control, including those relating to the quality of the assurance services.

The UAE Assurance leader is part of the Assurance Leadership Team. He along with the UAE Core Assurance Leadership Team assume responsibility for audit quality in the UAE.



Public interest audit clients



Message from leadership



Our approach to quality



Culture and values



Our people



Our approach



Monitoring



PwC network



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Public interest audit clients

During the period covered by this Transparency Report, PwC Dubai prepared audit reports for public interest audit clients incorporated outside the EU/EEA which have transferable securities listed on an EU/EEA regulated market.

These entities are as follows with the ones listed at Oslo Stock Exchange denoted by an asterisk (*)

- Mashreqbank PSC
- Investment Corporation of Dubai
- Shelf Drilling Ltd. (*)
- Sharjah Islamic Bank PJSC
- Emirates.





Remuneration of partners



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Remuneration of partners

Each partner's remuneration in the PwC Middle East Network comprises three interrelated profit-dependent components

- **Role level** – Reflecting the Partner's sustained contribution and responsibilities.
- **Performance rating** – Reflecting how a Partner performed during the financial year.
- **Firm profitability** – Reflecting overall profitability of the firm.

Each Partner's performance income is determined annually by assessing achievements against an individually-tailored balanced scorecard of objectives, based on the Partner's role and responsibilities including Client, People, Firm and Quality.

Audit partners are not permitted to be, nor are they incentivised to be, evaluated or remunerated for the selling of non-audit services to their audit clients.

Quality failings identified either through regulatory reviews or internal quality reviews impact the performance assessment and therefore remuneration of audit engagement leaders through an accountability framework.

A Recognition and Accountability Framework (RAF) holds partners accountable for quality outcomes beyond compliance. RAF considers and addresses the following key elements:

- Quality outcomes,
- Behaviours,
- Interventions/recognition, and
- Consequences/reward.





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The total gross revenue including audit services of PwC Dubai for the year ended 30 June 2023 is US\$ 241.80 million.

The PwC Dubai firm revenue mix – by practice area

Assurance	27%
Tax	21%
Consulting and deals	52%

A list of the EU/EEA Public Interest Entities (defined as those incorporated outside of the EU/EEA that have transferable securities listed on a EU/EEA regulated market) for which we carried out a statutory audit during the year ended 30 June 2023 can be found in section ‘**Public interest audit clients**’ of the transparency report. Revenue disclosures required are as follows

- Audit revenues earned by EU/EEA Public Interest Entities audit clients amounted to US\$ 5.91 million for the year ended 30 June 2023.
- Audit revenues earned by all other audit clients of the firm amounted to US\$ 54.16 million for the year ended 30 June 2023.
- Non-audit services revenues earned by EU/EEA Public Interest Entities audit clients amounted to US\$ 1.78 million for the year ended 30 June 2023.
- Non-audit services revenues earned by all other clients amounted to US\$ 179.95 million for the year ended 30 June 2023.





List of EU EEA Member firms



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EU EEA Member firms

The table below is a list of audit firms and statutory auditors within the network i.e. from EU or EEA Member States as of 30 June 2023.

Member State	Audit firm/statutory auditor
Austria	PwC Wirtschaftsprüfung GmbH, Wien
Austria	PwC Oberösterreich Wirtschaftsprüfung und Steuerberatung GmbH, Linz
Austria	PwC Steiermark Wirtschaftsprüfung und Steuerberatung GmbH, Graz
Austria	PwC Österreich GmbH, Wien
Belgium	PwC Bedrijfsrevisoren bv/Reviseurs d'entreprises srl
Bulgaria	PricewaterhouseCoopers Audit OOD
Croatia	PricewaterhouseCoopers d.o.o
Croatia	PricewaterhouseCoopers Savjetovanje d.o.o
Cyprus	PricewaterhouseCoopers Limited
Czech Republic	PricewaterhouseCoopers Audit, s.r.o.
Denmark	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Estonia	AS PricewaterhouseCoopers
Finland	PricewaterhouseCoopers Oy
France	PricewaterhouseCoopers Audit
France	PricewaterhouseCoopers Entreprises
France	PricewaterhouseCoopers France
France	M. Antoine Priollaud
Germany	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
Germany	Wibera WPG AG
Greece	PricewaterhouseCoopers Auditing Company SA
Hungary	PricewaterhouseCoopers Könyvvizsgáló Kft.
Iceland	PricewaterhouseCoopers ehf
Ireland	PricewaterhouseCoopers
Italy	PricewaterhouseCoopers Spa
Latvia	PricewaterhouseCoopers SIA
Liechtenstein	PricewaterhouseCoopers GmbH, Ruggell
Lithuania	PricewaterhouseCoopers UAB
Luxembourg	PricewaterhouseCoopers, Société coopérative
Malta	PricewaterhouseCoopers
Netherlands	PricewaterhouseCoopers Accountants N.V.
Norway	PricewaterhouseCoopers AS
Poland	PricewaterhouseCoopers Polska sp. z. o.o.
Poland	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
Poland	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością sp. k.
Portugal	PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda

EU EEA Member firms

Member State	Audit firm/statutory auditor
Romania	PricewaterhouseCoopers Audit S.R.L.
Slovakia (Slovak Republic)	PricewaterhouseCoopers Slovensko, s.r.o.
Slovenia	PricewaterhouseCoopers d.o.o.
Spain	PricewaterhouseCoopers Auditores, S.L.
Sweden	PricewaterhouseCoopers AB
Sweden	Öhrlings PricewaterhouseCoopers AB



We have prepared this Transparency Report, in respect of the financial year ended 30 June 2023, in accordance with the requirements of requirements of the EU Regulation No 537/2014.

PricewaterhouseCoopers (Dubai Branch) is referred to throughout this report as “the firm”, “PwC Dubai”, “we”, “our” and “us”.

© 2023 PwC. All rights reserved. In this document, “PwC” refers to the PwC Dubai member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

