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PwC Singapore Transparency Report

For the financial year ended 30 June 2024



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We have prepared this Transparency Report, in respect of the financial year ended 30 June 2024, in accordance with the requirements of Article 13 of the EU Regulation No. 537/2014.

Message from leadership



Message from leadership



Marcus Lam
Executive Chairman
PwC Singapore

Choo Eng Beng
Assurance Leader
PwC Singapore



Welcome to our 2024 Transparency report

Today, companies are judged far beyond their financial outcomes. Aspects such as environmental, social, and governance (ESG) and cybersecurity have become foundational to any company's performance, staff loyalty, and overall enterprise value. This new paradigm means that while our PwC purpose is more relevant than ever before, being both an auditor and a PwC professional today has evolved into something different, and more.

Future auditors will need a broader skill set that extends beyond financial reporting to include areas like digital trust, cyber, data security, and ESG, among others. Our vision is to enable the future of audit to improve audit quality and inspire the next generation of auditors and businesses. We have developed significant capabilities in ESG, have been continuously upskilling our people to support our clients in their sustainability transformation and reporting journeys – helping to engender greater trust in the market and society. You can expect to see more from us in the ESG reporting and assurance front in the coming year.

Our continuous pursuit to provide high-quality services call for an investment into technology such as new audit tools, data analytics and artificial intelligence (AI). Good examples of this are our next generation audit tool and ChatPwC which enable our people to incorporate the latest technologies to do their work better and more effectively while keeping our data safe and secure. In a similar vein, our continued leverage of Acceleration and Delivery Centres have enabled our people to have more time to focus on delivering value-driven and strategic insights to our clients as well as the development of practical solutions that help us realise the future of audit.

FY24 also saw the introduction of our Evolved PwC Professional framework across the network. The new HR framework is a comprehensive approach to how we define and measure our performance and professional growth at PwC. Beyond delivering quality results, the new framework focuses on how we achieve them by placing an increased focus on the right behaviours and value creation, which in turn underpin how we, as a community of solvers, deliver on our purpose and strategy in our every interaction, every day.

As a firm, we strive to deliver work of the highest quality in accordance with the standards we set ourselves and our core values. During the year, we uncovered a deficiency in our personal independence process. Additional measures to evaluate independence compliance were undertaken, and we did not find any breach of external independence rules. We take our findings seriously and have established immediate actions to remediate and strengthen our personal independence processes.

Our purpose to building trust in society and solve important problems is the bedrock of our efforts, and by combining our commitment to quality, fostering a culture of excellence, and investing in our people and technology is how we continually strive to bring greater impact and sustained outcomes to our clients and community.

Year in review

Audit quality review - ACRA

Number of audit engagements reviewed

2024

- 1 Listed company
- 1 Regulated financial institution
- 1 Private company

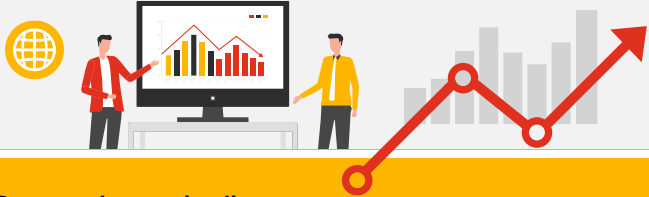
The report of the 2024 ACRA inspection has not been issued as of the date of this report.

2023 No ACRA engagement file review conducted in 2023 **N/A**

2022

- 2 Listed company
- 1 Regulated financial institution

3 Passes



Engagement compliance review (ECR)

Internal engagement review	2024	2023	2022
Total audit engagements reviewed	17	18	14
Engagements rated 'Compliant'	100%	100%	100%
% partners/directors reviewed	27%	27%	23%

Audit quality review - PCAOB

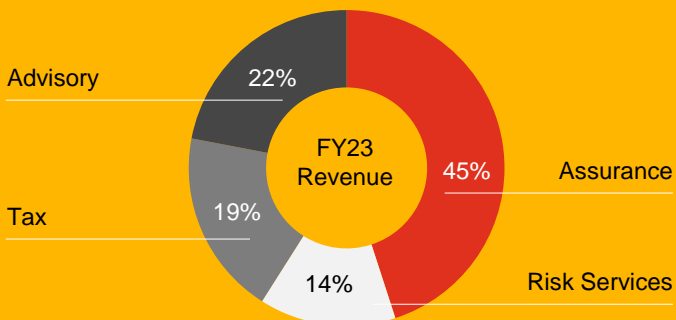
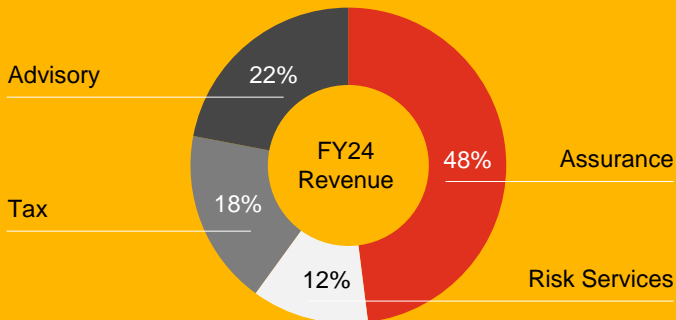
Number of audit engagements reviewed

3 2024: -1
[2020: 100% Pass]
[2017: 100% Pass]

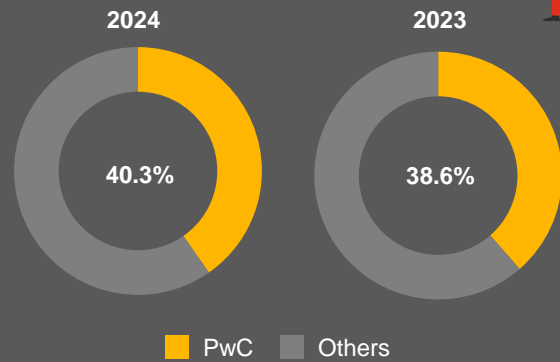
¹The report of the 2024 PCAOB inspection has not been issued as of the date of this report.



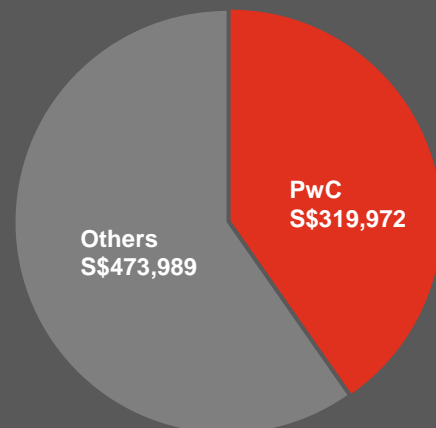
Revenue by service lines



Top 50 SGX market share

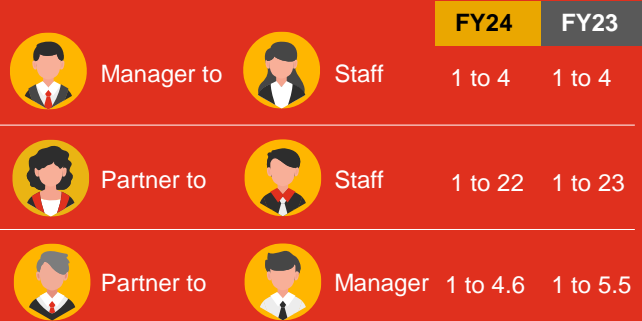


Sum of market capitalisation (S\$m)

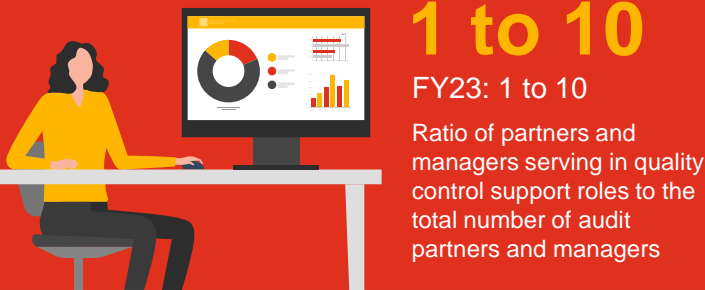


Year in review

Leveraged ratio of audit-related hours for audit team members



Quality control support



Years of audit experience

Average years of experience of audit team members

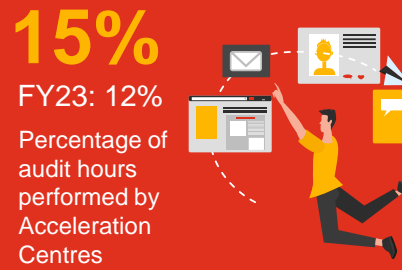
5 years
FY23: 5 years

Experience of our partners

Partners' average years of experience

24 years
FY23: 24 years

Use of Acceleration Centres

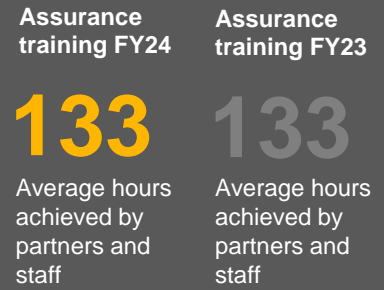


Digital upskilling

513 partners and staff trained on data analytics, visualisation and automation across the firm in the last year



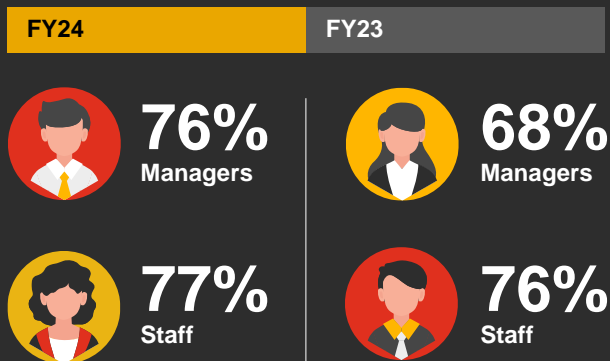
Our training investments



Mandatory auditing and accounting training hours



Average retention rate by assurance staff level



Singapore Chartered Accountant Qualification

Professional exam	FY24		FY23	
	Jun-24	Dec-23	Jun-23	Dec-22
Number of candidates per exam sitting	244	281	238	243
Passing rate	75%	73%	79%	82%
Number of top scorers	1	2	2	1

Partner and staff survey

81% of our Assurance staff and partners participated in our Global People Survey

90% of the respondents believe they are encouraged to deliver high quality audits



Our approach to quality



Our approach to quality



International Standard on Quality Management 1 (ISQM 1)

In December 2020, the International Auditing and Assurance Standards Board (IAASB), approved and released three new and revised standards that strengthen and modernise a firm's approach to quality management, including ISQM 1. This standard which became effective 15 December 2022 required all firms to have designed and implement the requirements of the standard and evaluate their System of Quality Management (SoQM) under the new standard by 15 December 2023.

ISQM 1 is an objectives-based approach that expects firms to have a SoQM that operates in a continuous and iterative manner taking into consideration the conditions, events, circumstances, actions and inactions that impact a firm. It enhances the firm's responsibilities around monitoring and remediation, emphasising the need for more proactive, real-time monitoring of the SoQM, a more effective, efficient, and timely root cause analysis process, and timely and effective remediation of deficiencies.

ISQM 1 states that the objective of the firm is to design, implement and operate an SoQM that provides the firm with reasonable assurance that:

- The firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and
- Engagement reports issued by the firm or engagement partners are appropriate in the circumstances

The standard goes on to say that the public interest is served by the consistent performance of quality engagements and that this is enabled by an effective system of quality management.



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 which integrates quality management into how each firm runs its business and manages risk.



The QMSE framework is designed to align with the objectives and requirements of ISQM 1 and provides a model for quality management in PwC firms that integrates quality management into business processes and the firm-wide risk management process. Under QMSE, our overall quality objective is supported by a series of underlying quality management objectives and each firm's SoQM should be designed and operated so that the overall quality objective, which includes meeting the objectives and requirements of ISQM 1, is achieved with reasonable assurance.



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

Our SoQM includes quality objectives identified from the following components of ISQM 1 as well as any additional objectives the PwC Network has identified in the QMSE framework:

- Governance and leadership
- Relevant ethical requirements
- Acceptance and continuance of client relationships and specific engagements
- Engagement performance
- Resources
- Information and communication

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 the 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 both set clear expectations of expected quality behaviours and outcomes and reinforce those expectations through consistent and transparent use in appraisals, remuneration, and career progression decisions.



A large yellow graphic containing several icons: a dashed blue arrow pointing right, a pie chart, a bar chart with an upward-pointing red arrow, a magnifying glass, and several interlocking gears. At the bottom, there are stylized human figures: a woman on the left holding a tablet and a man on the right holding a magnifying glass over a large bar chart.

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 establish, communicate and reinforce quality behaviours, culture and actions.



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 quality issues. This quality risk analysis is an essential part of our QMSE, and the AQIs, in addition to other performance measures, also provide a key tool in the ongoing monitoring and continuous improvement of our SoQM. Our set of AQIs includes the quality indicators prescribed by the Accounting and Corporate Regulatory Authority (ACRA) under its AQI Disclosure Framework.

The Risk and Quality function, together with the Assurance leadership team, monitors the firm's AQIs on a regular basis.

During the year, we have added three new categories of quality factors to our set of AQIs, which are: ethical requirements, SoQM effectiveness and technical resources. We currently monitor 11 quality factors in total. Existing quality factors include: independence, support, project management, direction and supervision, engagement performance, and availability, skills, and motivation of our people.



Our firm's system of quality management

Our SoQM must be designed, implemented and operating on an ongoing basis to achieve the quality objectives. This ongoing process includes monitoring, assessing, evaluating, reporting, and being responsive to changes in quality risks, driven by the firm's internal and external environment. This is our 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.

Our risk assessment process

The past several years have seen unprecedented challenges and our firm's SoQM has helped us navigate and respond to the impact that identified factors had on our ability to achieve the overall assurance quality objective - to deliver quality audit engagements. Our SoQM includes the performance of a risk assessment over the quality objectives identified in the QMSE framework. We consider how and the degree to which a condition, event, circumstance, action or inaction may adversely affect the achievement of the quality objectives which 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

A quality risk is one that has a reasonable possibility of occurring and individually, or in combination with other quality risks, could adversely affect the achievement of one or more quality objectives.



Our firm's system of quality management

Throughout this Transparency Report, we have provided insights into the policies and procedures we have designed, implemented and are operating to reduce the quality risks we have identified to an acceptable level and help us achieve reasonable assurance over the firm's SoQM.

As mentioned above, some of our policies and procedures are provided by the PwC Network which we have assessed and determined are appropriate for use as part of our SoQM and in the performance of engagements. The following sections of the report cover the following ISQM 1 quality objectives:

- Cultures and values – Governance and leadership, relevant ethical requirements, acceptance and continuance of client relationships and specific engagements
- Our people – Human resources
- Our approach – Intellectual and technological resources, engagement performance, information and communication

Our monitoring and remediation process

In the section, Monitoring, found on page 32, we have described the types of ongoing and periodic monitoring our firm has designed, implemented and are operating to provide relevant and reliable information about our firm's SoQM and to help us take appropriate actions over any identified deficiencies so we can remediate those deficiencies effectively and on a timely basis. To support the timely and effective remediation of identified deficiencies, our firm has designed, implemented and are operating a root cause analysis program that is described further on page 34.

The information gathered from our monitoring and remediation process along with other sources of information, such as external reviews, is used to help us evaluate our SoQM.



Statement on the firm's system of quality management

During the year, we completed our evaluation of the firm's system of quality management under ISQM 1.

On behalf of PwC Singapore, Marcus Lam, Executive Chairman has evaluated whether our firm's SoQM provides us reasonable assurance that:

- The firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and
- Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.

Based on all the relevant information of the firm's SoQM, as at 31 March 2024, we believe, except for matters related to a deficiency in our personal independence process that has a severe but not pervasive effect on the design, implementation and operation of the firm's SoQM, that our SoQM provides us with reasonable assurance that the quality objectives of ISQM 1 noted above have been achieved.

The deficiency relates to the completeness and accuracy of timely inputs of certain holdings and financial arrangements (primarily investment linked products) used to monitor compliance with personal independence. The timing and methods of categorising self-reported exceptions in certain scenarios also understated the exception rates identified in the personal independence monitoring detective control. In addition, the deficiency identified an insufficient complement of resources, including supervisory resources, to enable the monitoring function over personal independence to accurately and objectively perform the process and evaluation of compliance monitoring.

We have implemented additional measures to evaluate compliance with personal independence requirements including providing additional personal independence monitoring resources (including supervisory resources), performed a reconciliation of the last three years of monitoring findings, enhanced reporting structures, and implemented additional guidance, training and process improvements over personal independence policies and procedures for firm personnel, and the personal independence monitoring function.

While no external regulatory breaches were identified related to this deficiency, we take the breach of internal policies and the monitoring process seriously and have established a set of remediation procedures.

Cultures and values



Our culture and values



Definition and culture

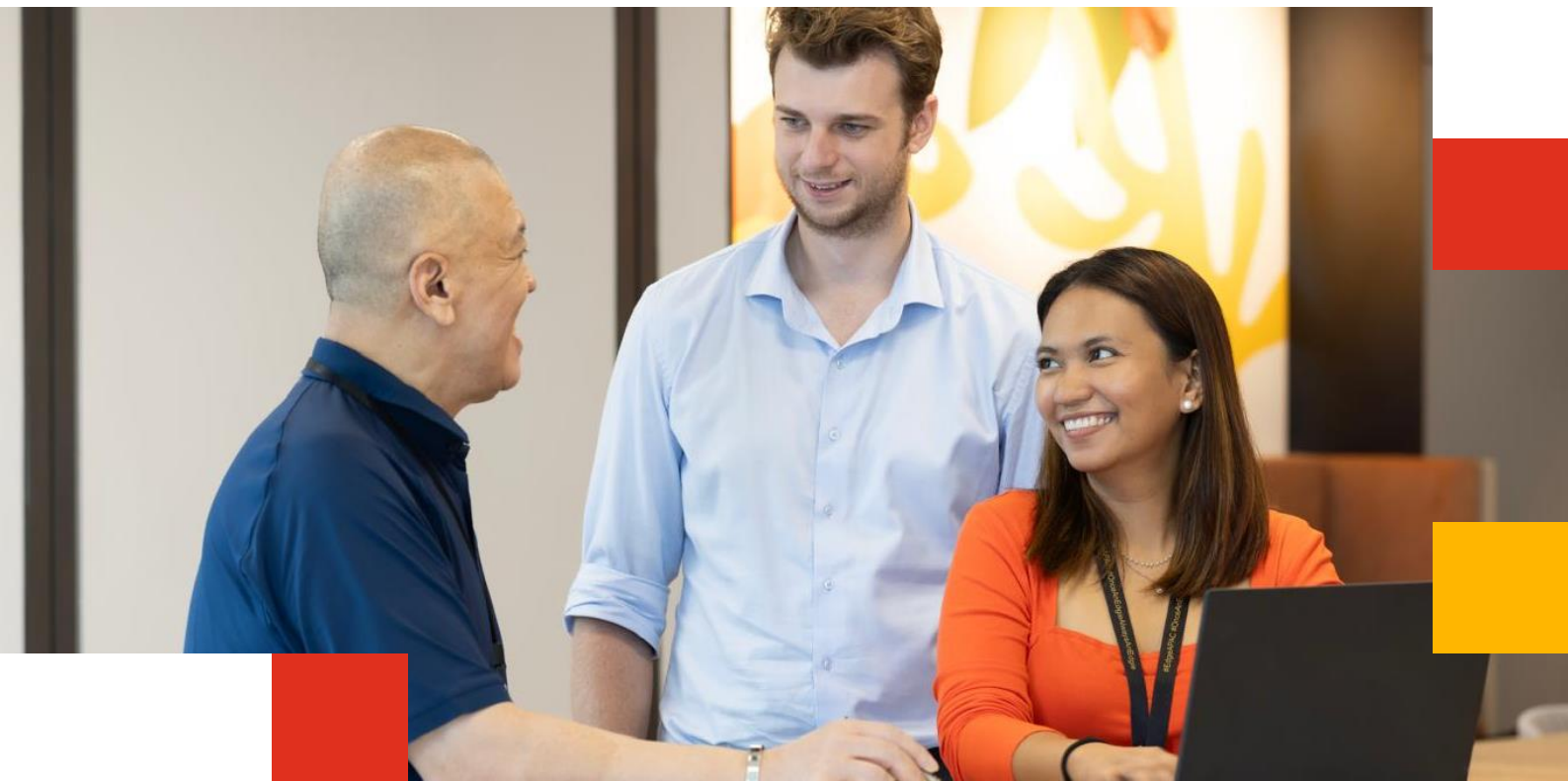
At PwC, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of more than 370,000 people. This 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 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 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 our 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 deliver 'trust in what matters'.

Trust in what matters

Today companies are judged on far more than financial outcomes. A company's performance in areas like ESG, cybersecurity, can affect its reputation, staff retention, access to capital, and ultimately enterprise value.

That's why we're evolving our assurance offering to provide confidence not just in companies' financial statements but in their broader impact.

We call this 'trust in what matters.' We apply rigorous standards to analyse companies' performance on issues such as climate and diversity. This helps companies demonstrate their progress, enabling these firms to build trust, enhance their corporate reputations, and grow enterprise value.

We encourage our clients to understand what matters to their stakeholders, and we deliver assured information about the company's performance on these measures. We believe that if it needs to be trusted, it needs to be assured. High-quality assurance heightens accountability and trust while giving companies a robust basis for tracking and working to improve their performance.

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



This 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 Executive Chairman 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. Leadership and engagement partners take the lead on these actions as they role model the expected behaviours in interactions with clients and teams. We measure 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.

Our relaunched code of conduct articulates the core values that define us and how we work—as people and as professionals, where it emphasises the importance of building trust in society and speaking up when we see something that is not right. True to our values of integrity and care, we understand the importance of extending a confidential and safe space for staff to raise questions and concerns even when it feels difficult, and to be respectfully heard.

We promote a culture where employees can express themselves and make valuable contributions by sharing their thoughts, questions and constructive perspectives. This will further be enhanced through the firm's Evolved PwC Professional (EPP) framework where it encompasses the behaviours that underpin how we deliver on our purpose, and strategy, and live our values in every interaction, every day.

In addition to our EPP framework, we embarked on a journey of committing to a speak up culture through a series of events - from understanding employee's level of comfort in speaking up, to learning about the various concepts of psychological safety and committing to create a safe and trusted environment for all employees within the firm. We then further reiterated the concepts of psychological safety as part of the two dimensions of PwC Professional, Trusted Leadership and Distinctive Outcomes, and the six core behaviours (Inspire, Empower, Evolve, Champion, Build and Deliver) - where it describe how we should behave to bring our purpose, strategy and values to life and unlock the full potential of PwC, creating a better tomorrow for ourselves, clients and society.



Act with integrity



Make a difference



Care



Work together



Reimagine the possible



Basis for partner remuneration

Delivering high-quality work is at the heart of what we do at PwC, and the firm remains committed to delivering high quality work on the foundation of a culture of upheld values of integrity, ethics, independence and professional competence.

Quality objectives are embedded in the partner personal plans and the partner review process. Assurance partners are not permitted and are neither compensated or otherwise rewarded for the selling of non-audit services to their audit clients. Partners are evaluated on their annual individual performance in the areas of: clients, people, quality and firm. The annual performance evaluation results, including quality rating, impacts the partner's overall remuneration for each financial year.

The total remuneration of each individual partner is based on three interrelated components – responsibility income, performance income and equity income. The final remuneration of individual partners is determined and approved by the Singapore Leadership Team and presented to the Singapore Governance Board for endorsement. The Singapore Governance Board has oversight of and approves the process for determining the evaluation and remuneration of the partners.

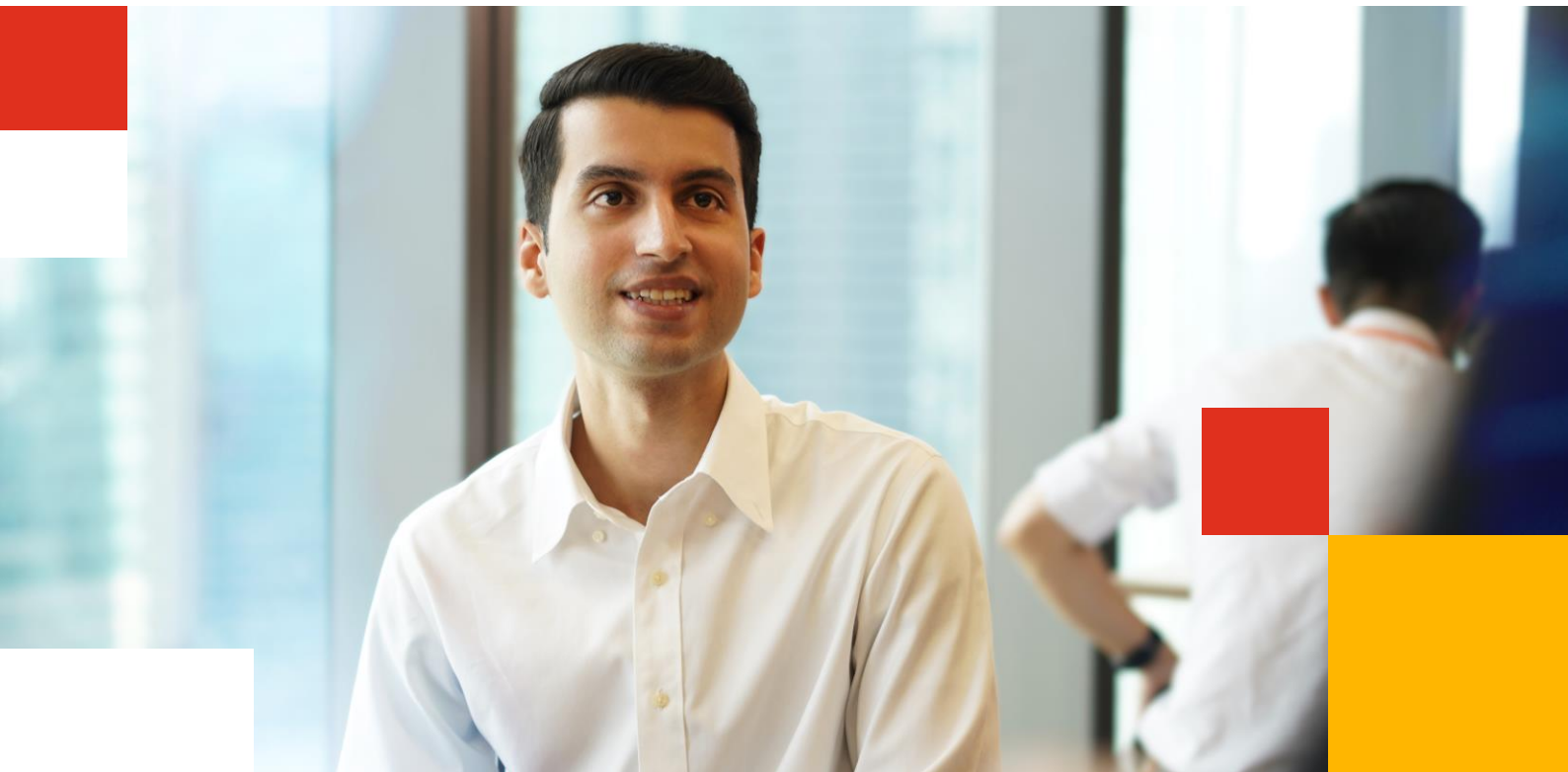
There is transparency and disclosure to the partners – selected information of the outcome of the annual partner review process is shared at the annual year-end partner forum.



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. Our RAF has been designed to both set clear expectations of expected quality behaviours and outcomes and reinforce those expectations by holding partners, including other Engagement Leaders accountable for quality behaviours and quality outcomes. 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 behaviour and sufficient to incentivise the right behaviours to achieve the quality objectives



Ethics, independence and objectivity



Ethics

At PwC, we adhere to the fundamental principles of ethics set out in the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants (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, anti-trust/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 comply with the standards developed by the PwC Network and leadership in PwC Singapore monitors compliance with these obligations.



In addition to the PwC Values (Act with integrity, Make a difference, Care, Work together, Reimagine the possible) and PwC Purpose, PwC Singapore has adopted PwC's Global Code of Conduct, Network Standards 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, PwC Singapore provides an overview of the PwC Global Code of Conduct and the expected behaviours for all partners and staff, who should follow these expectations throughout their professional careers at our firm. As part of the values and expectations in the Code, they also 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 is 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 its 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 fear of retaliation.

The PwC Code of Conduct and the ethics helpline are available on-line for all internal and external stakeholders at <https://www.pwc.com/ethics>.

PwC Singapore 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 which 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 and 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 Global Independence 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 Global Independence Policy in the associated paragraph. PwC Singapore has a designated partner (known as the 'Partner Responsible for Independence' or 'PRI') with appropriate seniority and standing, who is responsible for implementation of the PwC Global Independence Policy including managing the related independence processes and providing support to the business. The partner is supported by a team of independence specialists. With effect from 1 July 2024, the PRI reports directly to the Executive Chairman.

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 to those clients



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 Singapore supplements the PwC Global Independence Policy as required by applicable local and foreign regulations where they are more restrictive than the network's policy.

Independence-related systems and tools

As a member of the PwC network, PwC Singapore 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 entities) 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 system;
- 'Independence Checkpoint' which facilitates the pre-clearance of publicly traded securities by all partners, practice managers and other relevant staff 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;



Independence-related systems and tools, continued

- Joint Business Relationships (JBR) which is a global system used to clear joint (close) business relationships from an independence perspective. JBR 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;
- My Compliance Dashboard (MCD) which is a global compliance system that facilitates annual compliance confirmations, engagement independence confirmations and reporting; 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 or relevant independence regulations.

PwC Singapore also has a Singapore-specific rotation tracking mechanism which monitors compliance with Singapore audit rotation policies for the Singapore firm's engagement leaders and audit quality control reviewers. These audit rotation policies place limits on the number of consecutive years that partners in certain roles may provide audit services to a client, followed by a 'cooling off' period during which these partners are restricted in the roles they can perform.

Independence training and confirmations

PwC Singapore provides all partners, practice managers and other relevant staff with annual or 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 and, as relevant, provision of services. Partners and staff receive computer-based training on PwC Singapore's independence policy and related topics. Additionally, face-to-face training is delivered to members of the practice on an as-needed basis by PwC Singapore's independence specialists and risk and quality teams.

All partners, practice managers and other relevant 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 annual confirmations are supplemented by periodic and ad-hoc engagement level confirmations where required.

Independence monitoring and disciplinary policy

PwC Singapore is responsible for monitoring the effectiveness of its system of quality management in managing compliance with independence requirements. In addition to the confirmations described above, as part of this monitoring, we perform:

- Compliance testing of independence controls and processes;
- Personal independence compliance testing of a random selection of partners, practice managers and other relevant staff as a means of monitoring compliance with independence policies; and
- An annual assessment of our firm's adherence with the PwC network's standard relating to independence.

The results of PwC Singapore's monitoring and testing are reported to the firm's management on a regular basis.

PwC Singapore 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. 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 PwC Singapore's 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

PwC Singapore has a process in place to identify acceptable clients based on the PwC network's proprietary decision support systems for audit client acceptance and continuation (called Acceptance). It 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, including client due diligence;
- 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, including client due diligence;
- 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



Our people



Our people



People strategy

At PwC Singapore, we believe that work should be beyond tasks and to-do lists. PwC and Me, our people value proposition, defines our shared aspirations and expectations and enables us as a community of solvers to deliver on The New Equation: to build trust and deliver sustained outcomes, and to bring about a fulfilling human experience for our people.

Our aim is to foster a positive culture where people love coming to work, enhance productivity, and increase retention. We introduced a series of annual flagship events, including Recognition Day - a day dedicated to celebrating outstanding individuals and honouring their achievements - and Care in Action, where dedicated Fridays were extended for employees to volunteer in our communities. These programs are designed to forge meaningful connections, create memorable experiences, and provide fulfilling work for our team.

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.

The PwC Professional

The PwC Professional is the set of behaviours we expect of all our people, at all levels, to demonstrate with each other and with our clients and other stakeholders. When we focus on the behaviours that guide our interactions, we create opportunities to build trust and empower our teams to deliver distinctive outcomes. This is how we build trust in society and solve important problems.

With trusted leadership as a cornerstone of this framework, we are committed to fostering a culture of trust and psychological safety. This environment ensures everyone feels included and secure in their ability to learn, contribute, and challenge the status quo. We strive for excellence by delivering the highest quality work and outcomes while upholding our values and acting with integrity. This includes always speaking up for what's right. We aim to empower everyone to openly share and receive feedback, questions, and ideas. Through transparent and honest conversations, we will deepen trust and grow both as individuals and as a firm.





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.

Leveraged ratio of audit-related hours for audit team members

		FY24	FY23		
	Manager to		Staff	1 to 4	1 to 4
	Partner to		Staff	1 to 22	1 to 23
	Partner to		Manager	1 to 4.6	1 to 5.5



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.



Inclusion and diversity



At PwC, we're an organisation that fosters a culture of belonging and equity where our diverse workforce can thrive and feel like they belong. We do this by delivering on our Inclusion First strategy, which is centred on action, accountability and advocacy, in each of our member firms, across the PwC network.

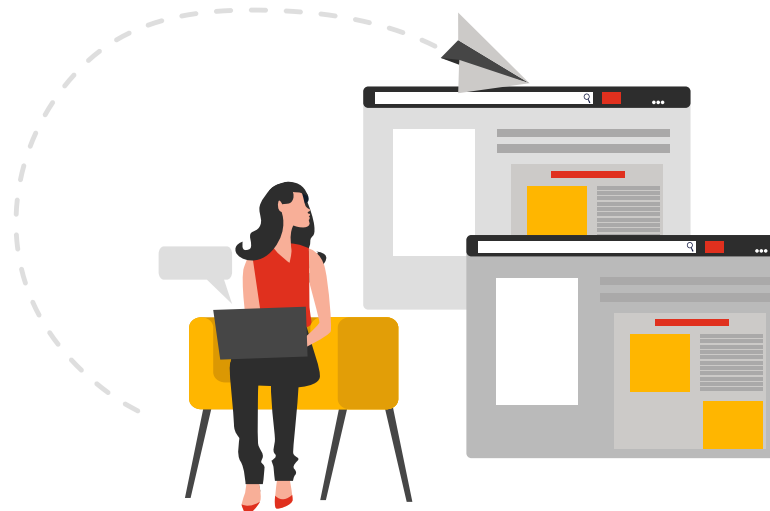
We embrace and leverage differences by helping our people actively develop the skills to work and lead inclusively. Our focus on gender equity and disability inclusion enables us to drive an equitable environment for everyone in the firm. Underpinning this is ensuring our systems and behaviours are inclusive.



Recruitment



PwC Singapore aims 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 behaviour-based questions built from The PwC Professional framework, assessment of academic records, and background checks. Across the firm in FY24, we recruited 693 new people, including 346 university graduates.





Career progression



PwC Singapore uses The PwC Professional, our 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.



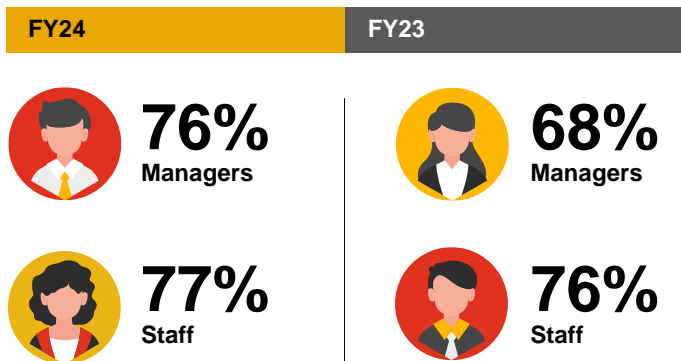
Retention



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 makes 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.

We proactively review our people strategy to ensure continuous engagement through meaningful recognition. To build a greater sense of belonging within our community, we have introduced a signature series of events starting in FY24. This approach underscores our commitment to retaining our talent by fostering an inclusive and rewarding environment.

Average retention rate by assurance staff level



Global People Survey



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

With a firmwide completion rate of 78%, our overall People Engagement Index is at 67%, with 64% of our employees agreeing that they enjoy working at PwC and 62% agreeing that they feel belong to the firm.

The sentiments of our people reflected positively on our people strategy and priorities for the year:

- 85% of employees agree that the people they work for trust them to work remotely without compromising the quality of their work.
- 76% of employees agree that they can talk to their team/relationship leader about their well-being and any support they need.
- 73% of employees agree that the leaders they work with actively build a diverse and inclusive work environment.



Our training investments

Assurance training FY24

133

Average hours achieved by partners and staff

Assurance training FY23

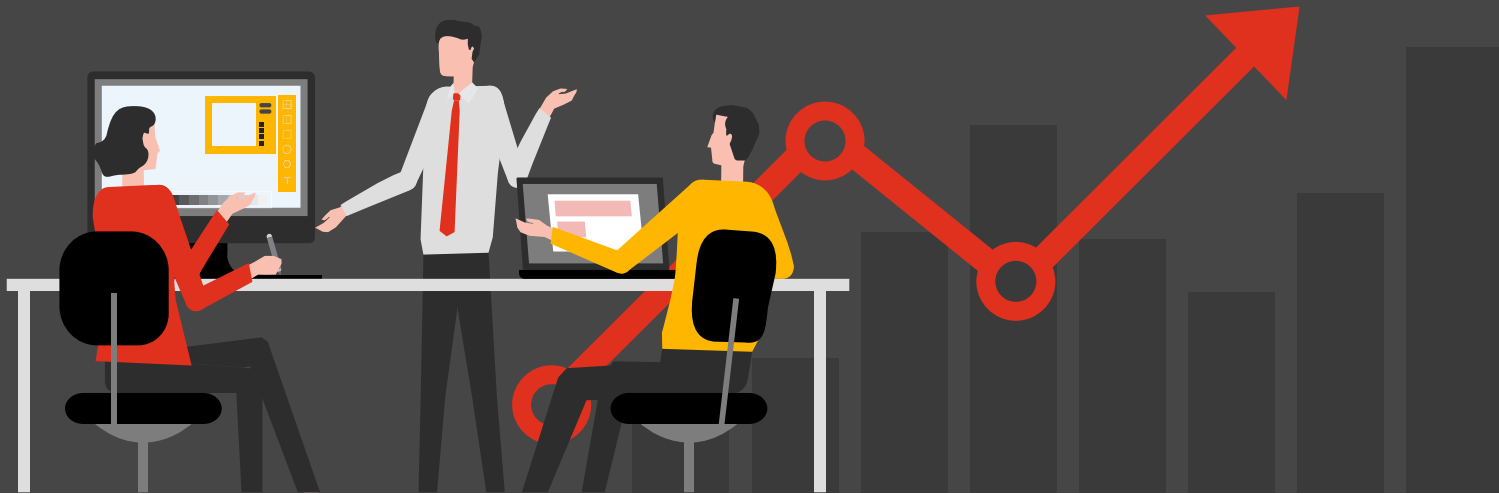
133

Average hours achieved by partners and staff

Mandatory training attendance

100%

Of partners and staff have completed all mandatory training in FY24



Learning and education



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 covering technical, digital and soft skills, 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 firms, are committed to delivering quality assurance services around the world. To maximise consistency in the network, the formal curricula, developed at the Network level, provide access to training materials covering the PwC audit approach and tools, 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, virtual classroom, and on-the-job support. The curricula support our primary training objective of 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 curricula allows us to select, based on local needs, when we will deliver the training. Our Learning & Development team works closely with the Risk and Quality team and Subject Matter Experts across the Firm to address any additional local needs – both technical and non-technical training. Such training includes Accounting Standards Update Workshops, Digital upskilling and Leadership programmes.

Our approach



Our approach

As a member of the PwC network, PwC Singapore 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. Relevant policies and guidance are applied to ensure that each engagement is also compliant with the Singapore Standards on Auditing.



Tools and technologies to support our audit

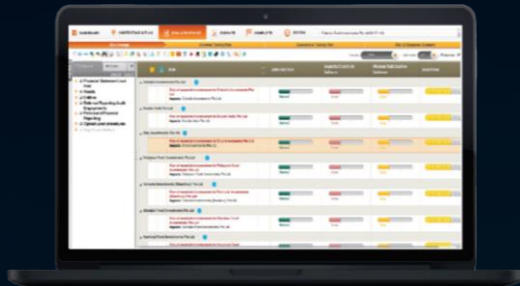


Our technology

01



Aura



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.

02



Connect



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.

03



Halo



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.

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 entity data for multiple applications during the audit.

04



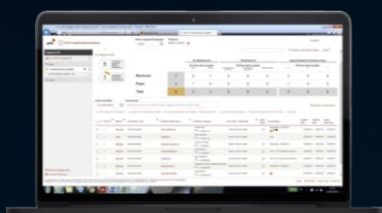
Count, which facilitates the end-to-end process for observing inventory counts, allows our engagement teams to create and manage count procedures, counters to record results directly onto their mobile device or tablet and engagement teams to export final results into Aura.

08



Easy Extract leverages on advanced technology capabilities to extract key data fields from standard-format reports or documents intelligently. Easy Extract enhances the efficiency and quality by streamlining and standardising document review process, which delivers an automated and better experience for our people.

05



PwC Confirmations, our global, secure, web-based confirmation platform providing a guided experience to preparing, sending, monitoring and receiving electronic and paper responses for our auditors and third-party confirmers as well as a dashboard view to assist in status updates. The Confirmer portal allows confirmers to easily navigate and provide responses.

09



PwC's Data Transformer (DT) is a cloud-based audit tool, built to simplify and automate audit processes. DT extracts data from various source documents, aggregates the data in a consistent format in the data hub, and transforms it into valuable information through a designed framework and tailored workflows. Testing results are generated with just a few clicks. With the information in the data hub, DT is able to deliver benchmarking, compliance monitoring and management reporting functions.

06

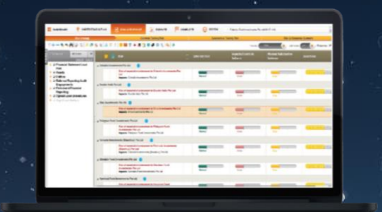


FS Review Suite is based on cutting-edge machine learning and automation technology to streamline testing over the mathematical accuracy, checking of prior year comparatives and internal consistency of financial statement documents.

Our next generation audit

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 (NGA), 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, including Generative AI, 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.

07



Assisted Disclosure Checking allows users to match disclosure requirements (checklist) to disclosures within the entity's financial statements, including the primary statements and the related footnotes.

There have been significant investments across the PwC network into Generative AI as we seek to reimagine how we further enable our people by leveraging the power of AI. We are focused on promoting a culture of responsible usage of AI while supporting ongoing interest and quickly evolving potential use cases for AI including Generative AI. ChatPwC is PwC's internal Generative AI tool to help us be more productive and innovative.



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 reviewer in meeting their direction, supervision and review responsibilities as part of the normal course of the audit.



Confidentiality and information security

Data privacy

Data protection and confidentiality are of significant importance to our clients and our people. The PwC network and each of the individual PwC firms are strongly committed to protecting the privacy and confidentiality of the personal data and confidential data of our clients, our employees and other individuals. As part of this commitment to privacy, our firm regularly reviews our data protection practices to comply with applicable data privacy laws, industry standards and good practices.

The PwC Network has implemented the Network Data Policy (NDP) which establishes a common set of principles including corresponding policy requirements as we create, collect, use, share, store and delete data. The NDP provides PwC firms with the expectations for (i) managing data responsibly and (ii) developing appropriate resources to comply with the objectives of the NDP. In addition, to meet the rapid change in the market demands and regulatory forces related to the use of personal data, the PwC Network has also implemented a Network Data Protection Program (NDPP) aiming to deliver a common, consistent data protection framework across the Network.

PwC Singapore has implemented the NDPP and NDP and the principles and requirements of the NDPP and NDP form the basis of the firm's data protection and confidentiality policy.

Our data protection and confidentiality policy governs the collection, use, retention and disclosure of personal data and confidential data by the firm and explains how we collect and handle personal data of individuals in compliance with the requirements of the Personal Data Protection Act 2012 of Singapore (PDPA).

Information security

Information security is a high priority for the PwC Network. Our firm is accountable to our people, clients, suppliers, and other stakeholders to protect information that is entrusted to us. Failure to protect information could potentially harm the individuals whose information our firm holds, lead our firm to suffer regulatory sanctions or other financial losses, and impact the PwC reputation and brand. As such, our firm complies with the Information Security Policy which outlines the minimum security requirements for all PwC Firms.

The PwC Information Security Policy (ISP) is aligned with ISO/IEC 27001, and other reputable frameworks (COBIT, NIST) as benchmarks for security effectiveness across the network of member firms. The PwC ISP directly supports the firm's strategic direction of cyber readiness to proactively safeguard our assets and client information. The PwC ISP is reviewed, at a minimum, on an annual basis.

PwC firm compliance with the ISP is measured through quarterly data-driven assessments 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.

The firm's R&Q Leader oversees information security which is managed by Network Information Security team. The Cyber Committee and Risk Council help to provide oversight, policy and strategic direction on information risk and cyber security matters. The Cyber Committee is chaired by the firm's R&Q Leader, and the members comprise representatives from R&Q, Office of General Counsel, Network Information Security, Information Technology and Data Protection Office. The Cyber Committee meets monthly to discuss cyber risk and cyber projects for effective management of cyber risk.

The firm also provides information security training upon recruitment, annual update training for all partners and staff thereafter, and training to various departments on an ad-hoc basis throughout the year.



Supporting engagement performance



Risk and Quality (R&Q) function

The firm's R&Q function comprises highly experienced partners and specialists to assist engagement teams with complex issues in the areas of accounting, auditing, independence, risk management, network information security, and laws and regulations.



Evolving delivery model

Our delivery model includes diverse talent pools in our Acceleration Centres who perform assurance services and leverage automation and specifically designed tools to support quality and efficiency, freeing up time for the onshore team members to focus on client-facing, and more complex or judgemental matters.



Quality Review Partners (QRP)

Certain audit engagements are assigned a QRP as part of the firm's system of quality management. The QRP has sufficient stature, technical knowledge, appropriate experience and expertise, time and authority to make an objective evaluation of the engagement team's significant judgements and the conclusions reached in the engagement.



Direction, coaching and supervision

Engagement leaders and senior engagement team members are responsible and accountable for providing quality coaching throughout the audit, supervising the work completed by junior members of the team and maintaining audit quality.



Differences of opinion

Protocols exist to resolve situations where a difference in opinion arises between the engagement leader and the QRP. These include the use of technical or consultation panels consisting of partners independent of the engagement.



Consultation culture

We have formal protocols on mandatory consultation in the pursuit of quality. For example, a consultation panel is required to review any assurance client matter identified as being of technical significance, heightened public interest or risk to the firm.

Quality control support

1 to 10

FY23: 1 to 10

Ratio of partners and managers serving in quality control support roles to the total number of audit partners and managers



Monitoring



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 leadership of PwC Singapore. This includes the design and operation of an effective 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, 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.

The objectives of the cold file review programme (review of completed engagements) are:

- to assess if the engagements selected for review were performed in compliance with PwC Audit Guide and Network Risk Management Policies
- to evaluate the performance of partners, directors and managers on selected engagements
- to evaluate the performance of partner and director candidates

This local programme is administered by the Quality Assurance team.

Aim to prevent: Real-Time Assurance

We have developed a Real-Time 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.

Our reviewers comprise of experienced practice and R&Q professionals, supported by our experienced directors and partners. Reviews are carried out as jobs progress. Thematic observations are communicated to the practice via R&Q communication channels and training modules where appropriate.



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 Compliance Reviews - ECR), 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. ECRs are performed under a network-wide inspection programme based on professional standards and PwC audit methodology

ECRs are risk-focused reviews of completed engagements covering, on a periodic basis, individuals in our firm who are authorised to sign audit, non-audit assurance or related services reports. 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 engagements 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. ECR reviewers may be 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.

Quality assurance review

PwC Singapore is a public accounting firm registered with the Singapore regulator, ACRA.

As part of its independent oversight, ACRA inspects audits performed by accounting firms via their Practice Monitoring Programme (PMP) and assess quality controls of accounting firms via their Quality Control (QC) Standards Review, on an annual basis.

The last inspection by ACRA was conducted from 18 June 2024 to 26 July 2024. The ACRA inspection report has not yet been issued as of the date of this Transparency report.

Other than the above, the United States Public Company Accounting Oversight Board (PCAOB) performs joint inspection with ACRA. The last joint inspection was conducted from 18 June 2024 to 28 June 2024. The PCAOB inspection report has not yet been issued as of the date of this Transparency report.

Audit quality review - ACRA

Number of audit engagements reviewed

2024	1	Listed company	The report of the 2024 ACRA inspection has not been issued as of the date of this report.
	1	Regulated financial institution	
	1	Private company	
2023	No ACRA engagement file review conducted in 2023		N/A
2022	2	Listed company	3 Passes
	1	Regulated financial institution	

Engagement compliance review (ECR)


Internal engagement review	2024	2023	2022
Listed entities	7	5	6
Non-listed entities	10	13	8
Total audit engagements reviewed	17	18	14
Engagements rated 'Compliant'	100%	100%	100%
% partners/directors reviewed	27%	27%	23%

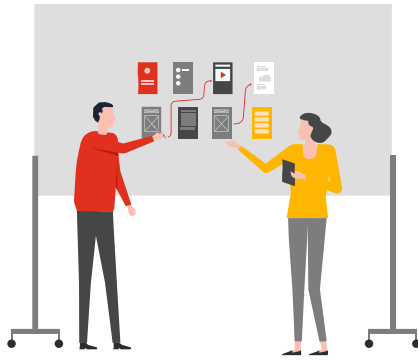
Audit quality review - PCAOB

Number of audit engagements reviewed

3 2024: -¹
[2020: 100% Pass]
[2017: 100% Pass]

¹The report of the 2024 PCAOB inspection has not been issued as of the date of this report.





Additionally, the PwC network undertakes periodic reviews to evaluate certain elements of PwC firms' systems of quality management. The network also looks at the PwC firm 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.

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

Assurance engagement leaders 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.

For individual audits, an objective team of root cause specialists 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, training, and culture and behaviour 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 engagement-level findings is compared and contrasted to identify whether certain factors appear to correlate to audit quality. Examples of this data include hours incurred on the audit, the number of years of experience of the key engagement team members, the number of years the key engagement team members have been on the engagement, distribution by industries/business units, client competence and whether the engagement was subject to another review previously (Real Time Assurance review, cold file review, Engagement Compliance Review or regulators' inspection).

Our goal is to understand how quality audits may differ from those with engagement-level findings, and to evaluate how these learnings may be used 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 practice. We believe these analyses contribute significantly to the continuing effectiveness of our quality management.

We perform the following to identify potential factors contributing to our firm's audit quality from all sources of quality findings, including those without concentration of findings identified:

- interviews with relevant business process owners or the assurance engagement teams (separate interviews with Engagement Leader, Engagement Manager and team members respectively or conduct focus group, if needed)
- utilise root cause analysis (RCA) tools to identify potential causal factors
- evaluate the severity and pervasiveness of the potential causal factors
- identify appropriate remedial actions for quality findings
- devise a complete and robust quality improvement plan for timely remediation of quality findings or deficiencies
- perform a 'step back' analysis via aggregated RCA to identify any new or additional potential causal factors and to assess effectiveness of the remediation plans

Learn: Root cause analysis

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 are to understand what our findings tell us about our SoQM and to identify how our firm can provide an effective environment for our engagement teams to deliver a quality audit.

In addition to the above, we also look at quality findings from all sources including as follows:

- ongoing monitoring and network inspection of SoQM;
 - assurance engagements, both with and without deficiencies identified through both internal and external inspections;
 - Global People Survey; and
 - financial statement restatements and accounting errors
- with the objective to help identify possible distinctions and learning opportunities.



PwC Network



PwC network



PricewaterhouseCoopers International Limited

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms form the PwC network. 'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

In many parts of the world, accounting firms are required by law to be locally owned and independent. Although regulatory attitudes on this issue are changing, PwC member firms do not and cannot currently operate as a corporate multinational. The PwC network is not a global partnership, a single firm, or a multinational corporation.

For these reasons, the PwC network consists of firms which are separate legal entities. The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. 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 facilitate coordination between member firms in the PwC network. Focusing on key areas such as strategy, brand, and risk and quality, the Network Leadership Team and Board of PwCIL coordinates the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual PwC firms where appropriate. Member firms of PwCIL can use the PwC name and the resources and methodologies of the PwC network. In addition, member firms may request the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

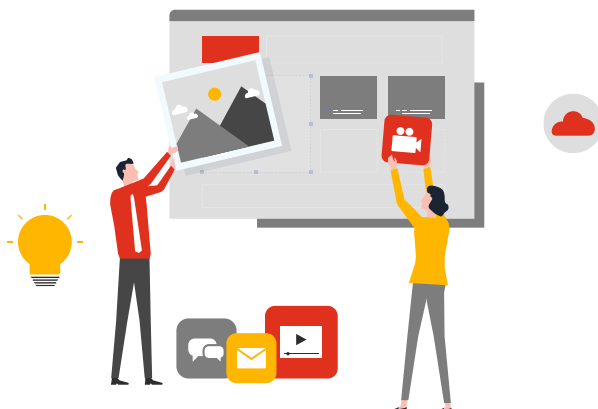
The PwC network is not one international partnership and PwC member firms are not otherwise legal partners with each other. Many of the member firms have legally registered names which contain 'PricewaterhouseCoopers', however there is no ownership by PwCIL. A member firm cannot act as agent of PwCIL or any other member firm, cannot obligate PwCIL or any other member firm, and is liable only for its own acts or omissions and not those of PwCIL or any other member firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions.



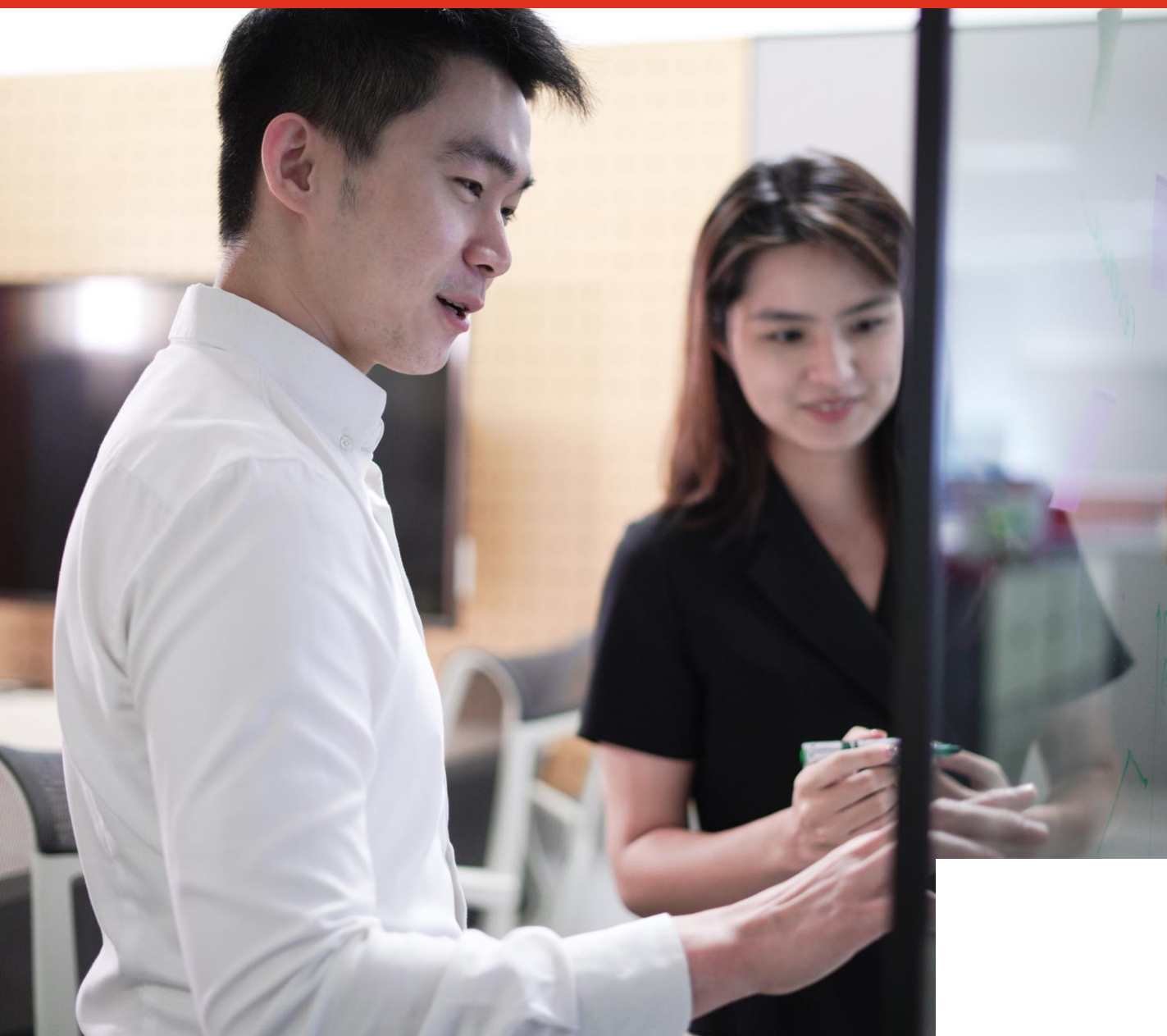
The governance bodies of PwCIL are:

- **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 elected partners from PwC firms around the world and one or more external independent directors. Please refer to the following [page on the PwC Global website](#) for a list of the current members of the Global Board.
- **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 PwC firms to coordinate activities across all areas of our business.

The Executive Chairman of PwC Singapore is a member of the Strategy Council and maintains our relationships with the Network Leadership Team.



Legal and governance structure





Legal and governance structure



Legal structure and ownership

PricewaterhouseCoopers LLP, Singapore is a limited liability partnership and is wholly owned by its members, who are commonly referred to as partners. PwC Singapore is a member of the PricewaterhouseCoopers network of firms.



Governance structure

PwC Singapore has a management team referred to as the Leadership Team (LT). Members of the LT are appointed by the Singapore Executive Chairman and are responsible for the management of the firm's operations and partnership matters. The LT is led by the Executive Chairman who is responsible for leading and managing the firm, including the setting and implementation of the overall firm's strategy. The LT members meet monthly, with additional meetings called when required.

The Extended Leadership Team (ELT) serves as a sounding board to the LT. The ELT meets up with the LT on a quarterly basis and provides important advice to the LT on management and operational matters. Members of the ELT are appointed by the Executive Chairman.

The Singapore Governance Board (SGB) represents the partners with respect to governance and oversight of the management and operations of PwC Singapore. The SGB is also responsible to the partners on internal partnership matters (including partnership admissions and withdrawals), acts as a sounding board for early discussions of strategic matters affecting partners, provides feedback and advice to the management on issues of concern to the partners, and advises the management on policies which may affect the rights, responsibilities, benefits and obligations of partners. The SGB comprises up to three partners who are elected by the firm's partners for a four-year term.





Risk Council

The Risk Council is chaired by the Executive Chairman and comprises the firm's R&Q Leader, Line of Service Leaders, Human Capital Leader, Markets Leader and Compliance Leader. The Risk Council acts on behalf of the LT in ensuring:

- the establishment and maintenance of effective systems of managing risk and opportunity throughout the business
- the establishment and maintenance of a strong compliance culture, including the obligations relating to Ethics and Business Conduct
- the coordination of information security management across the firm

The Risk Council serves to emphasise the LT's dedication and focus on risk and quality, providing a formal framework and platform to discuss firmwide risks and to satisfy itself that such risks are identified, managed and are acceptable. The Risk Council meets three times a year.



Audit Advisory Board

PwC Singapore established an independent Audit Advisory Board on 1 January 2022 to provide guidance and challenge related to transparency and audit quality at the firm.

This independent Audit Advisory Board currently consists of two independent members who advise the firm on a range of matters including PwC's audit systems and processes, learning and development programmes; the firm's investment in methodology, technology and risk management in the context of overall investments, and how the firm is responding to structural changes in the profession, amongst others.

This approach is aligned with our global strategy, The New Equation, which focuses on two interconnected needs - to build trust and deliver sustained outcomes that benefit the wider ecosystem.



EU/EEA audit client and related financial information

During the period covered by this Transparency Report, we do not have any Public Interest Entity (PIE) audit client listed in the EU/EEA. Accordingly, there is no audit revenue or non-audit services revenue earned from an EU/EEA PIE audit client for the year ended 30 June 2024.

List of EU/EEA audit firms within the PwC Network

Total turnover achieved by statutory auditors and audit firms from 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 are approximately 3 billion Euros. This represents the turnover from each entity's most recent financial year converted to Euros at the exchange rate prevailing as of 30 June 2024.

Austria	PwC Wirtschaftsprüfung GmbH, Wien
	PwC Wirtschaftsprüfungs- und Steuerberatungsgesellschaft GmbH, Linz
	PwC Tax & Audit Services Wirtschaftsprüfung und Steuerberatung GmbH, Graz
	PwC Österreich GmbH, Wien
Belgium	PwC Bedrijfsrevisoren bv/Reviseurs d'entreprises srl
Bulgaria	PricewaterhouseCoopers Audit OOD
	PricewaterhouseCoopers d.o.o
Croatia	PricewaterhouseCoopers Savjetovanje d.o.o
	PricewaterhouseCoopers Limited
Cyprus	PricewaterhouseCoopers Limited
Czech Republic	PricewaterhouseCoopers Audit, s.r.o.
Denmark	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Estonia	AS PricewaterhouseCoopers
Finland	PricewaterhouseCoopers Oy
France	PricewaterhouseCoopers Audit
	PricewaterhouseCoopers France
	M. Antoine Priollaud
Germany	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
	Wibera Wirtschaftsberatung Aktiengesellschaft Wirtschaftsprüfungsgesellschaft
Greece	PricewaterhouseCoopers Auditing Company SA
Hungary	PricewaterhouseCoopers Könyvvizsgáló Kft.

List of EU/EEA audit firms within the PwC Network

Iceland	PricewaterhouseCoopers ehf
	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.
	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością sp. k.
Portugal	PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda
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
	Öhrlings PricewaterhouseCoopers AB





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