



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

Question on Notice arising from 2 August 2024 public hearing

Question

1. From Senator Scarr regarding Mr Burrowes' services agreement

Senator SCARR: Could I ask that you provide a copy of that services agreement to this committee?

Mr Burrowes: I can take that on notice, yes.

Answer

The services arrangement which was the subject of Senator Scarr's request is subject to confidentiality arrangements which would preclude them being provided to the Committee on a voluntary basis. However, we refer to a summary of the services including during PwC's appearance on 2 August 2024 and in PwC's response dated 29 July 2024 to the Committee's questions on notice.



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2. From Senator Scarr regarding Mr Burrowes' term as CEO of PwC Australia

Senator SCARR: What is the term of the agreement? Is it so long as you're CEO of PwC Australia?

Mr Burrowes: I would have to check. I don't know but I think that's correct, yes.

Senator SCARR: So—subject to you verifying this—your understanding is it's concurrent with your period as CEO of PwC Australia.

Mr Burrowes: I think it goes to 2026, would be my belief.

Senator SCARR: As I understand your appointment, you anticipate being CEO for at least until 2026. Is that correct?

Answer

The term of the agreement between the PwC Network and Mr Burrowes is until 30 June 2026.

Under the Partnership Agreement, CEOs have a tenure for up to 4 years. Mr Burrowes has indicated that he intends to remain as CEO until at least 30 June 2026.



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3. From Senator Scarr regarding correspondence between PwC International and PwC Australia

Senator SCARR: Have you got the answers to questions on notice regarding your letter, dated 10 April 2024, to our previous secretary, Dr Jon Bell?

Mr Burrowes: Yes, I have that.

Senator SCARR: There are a number of documents which were requested by Senator O'Neill and which were due on 10 April 2024, including the contractual arrangements between PwC International and PwC Australia, and also concerning the supervised remediation correspondence. I'm formally requesting copies of those documents, Mr Burrowes—all the documents which were contained in Senator O'Neill's questions on notice.

Mr Burrowes: Okay. I'll take it on notice.

Answer

As set out in our response to the Questions on Notice dated 10 April 2024:

- The structure and governance arrangements for the PwC Network are available here: <https://www.pwc.com/gx/en/about/corporate-governance.html>. A copy is enclosed for the Committee's convenience.
- Each PwC member firm also agrees to abide by certain standards, more information is available here: <https://www.pwc.com/gx/en/transparency-report/transparency-report-2023.pdf>. A copy is enclosed for the Committee's convenience.
- PwC's internal arrangements are confidential and commercially sensitive. However, PwC Australia can confirm that it has been taking remedial actions under the supervision of the PwC Network. PwC Australia's Commitments to Change are available here: <https://www.pwc.com.au/about-us/commitments-to-change/pwc-australias-commitments-to-change.pdf>. A copy is enclosed for the Committee's convenience.



PwC Australia further notes that:

- Professional services firms that operate internationally including accounting firms and law firms are often structured as networks because of legal and regulatory requirements in many parts of the world which require local ownership by individual partners. Firms that operate in this way are typically legally separate entities but work closely together through a common brand and shared methodologies.
- As part of delivering on its Commitments to Change, PwC Australia has appointed Webb Henderson as its Independent Monitor to verify progress made on its Commitments to Change Action Plan. The Webb Henderson team will be supported by The Honourable Tom Bathurst AC KC, former Chief Justice of the Supreme Court of NSW. More information is available here: <https://www.pwc.com.au/media/2024/pwc-australia-announces-first-independent-governance-board-chair-and-board-member.html>. A copy is enclosed for the Committee's convenience.
- Finally, on 1 August 2024 PwC Australia released the latest review of the Tax businesses' governance and internal control review framework. This review was undertaken by Mr Bruce Quigley, a retired ATO Second Commissioner and a Member of the Panel of Expert Advisors at the International Monetary Fund. The Review (the second performed by Mr Quigley) found that the Tax business has the appropriate control framework to address the key elements of operational risk management and there is a robust quality management system in place. Further, PwC Australia has developed an effective control framework which is consistent with the principles and standards contained in the "Australian Tax advisory firm governance, Best practice principles" which were developed by the four largest tax advisory firms in conjunction with the ATO and published in 2022. More information is available here: <https://www.pwc.com.au/media/2024/pwc-australia-has-released-its-latest-quigley-review.html> , while a copy of the review may be found here: <https://www.pwc.com.au/about-us/commitments-to-change/public-documents/bruce-quigleys-final-report-july-2024.pdf> A copy is enclosed for the Committee's convenience.

Network governance and structure



Sound governance and transparency form the bedrock of leadership. At PwC, we are committed to serving as a force for integrity, good sense and wise solutions to the problems facing businesses and the capital markets today.

Transparency and good standards of corporate governance — both in our clients' businesses and in our own — are central to our ability to achieve those objectives. We aim to continue to achieve them from a position of strength as a leader in our profession.



Explore further

[How we are structured](#) >

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[Global Board](#) >

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Contact us

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[in](#) [Email](#)

How we are structured



What is 'PwC'?

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 develop and implement policies and initiatives to achieve a common and coordinated approach among individual firms where appropriate. Member firms of PwCIL can use the PwC name and the resources and methodologies of the PwC network are made available to them. 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 agree 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.



Global Board of PricewaterhouseCoopers International Limited (PwCIL)



The Board represents the interest of all members of the PwC Network. It has overall responsibility for the governance of PricewaterhouseCoopers International Limited and the PwC Network and for oversight of the Network Leadership Team.

Current members of the Global Board are:

Global Board Chair



[Lisa Sawicki](#)

Chair of the PwC Global Board, PwC
United States

[Email](#)

Global Board Members



Susumu Adachi

Deputy Chairman of PwC Japan Consulting; Financial Services Industry Leader and Global Japan Business Network Leader, PwC Japan

[Email](#)



Jane Allen

Global Legal Business Solutions Leader Americas, Partner, PwC United States

[Email](#)



Puneet Arora

Financial Services Tax Consulting Leader and a member of the PwC USA LLP Board of Partners, PwC United States

[Email](#)



David Bryan

Deals Partner, PwC Canada

[Email](#)



Chris Burns

Audit Partner and UK Supervisory Board Chair, PwC United Kingdom

[Email](#)



Paddy Carney

Assurance Partner, PwC Australia

[Email](#)



Jennifer Chang

Financial Services Tax Leader, Academy Leader and Chair of the Malaysia Vietnam Oversight Board, PwC Malaysia

[Email](#)



Don Christian

Lead Client Partner and Risk Management Partner, PwC United States

[Email](#)



Jean-Christophe Georghiou

Assurance Partner and Policy Leader, PwC France

[Email](#)



Brian Meighan

Tax Quality and Risk Management Leader, PwC United States

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Marie-Elisa Roussel-Alenda

Audit Partner, PwC Luxembourg

[Email](#)



Heiko Röhrig

Global Client Partner and Speaker of the PwC Germany Partners' Council, PwC Germany

[Email](#)



Duncan Skailles

European Private Equity and Financial Services Specialist Partner and UK Supervisory Board and Middle Eastern Board member, PwC United Kingdom

[Email](#)



Jaya Vaidhyanathan

Independent Director - External Director on the India Board, PwC India

[Email](#)



Karen Young

Chair of the PwC USA LLP Board of Partners and a Global Clients Partner, PwC United States

[Email](#)



Governance structures



Global Board

The Board represents the interest of all members of the PwC Network. It has overall responsibility for the governance of PricewaterhouseCoopers International Limited and the PwC Network and for oversight of the Network Leadership Team.

Network Leadership Team

This team sets the strategy and standards that the PwC network will follow.

Strategy Council

The Strategy Council, which is made up of the senior partners of some of the largest PwC firms, agrees on strategic direction and ensures alignment in the execution of strategy.

Our Leadership Team

This team, which reports to the Network Leadership Team, is responsible for key service line and functional areas across the PwC network.



Network leadership team



Network Leadership Team



Mohamed Kande

Global Chair,
PricewaterhouseCoopers
International Limited



Daniel Li

Asia Pacific and China Chair



Petra Justenhoven

Senior Partner and Chair, PwC
Europe



Marco Amitrano

Alliance Senior Partner, PwC UK
and Middle East



Paul Griggs

Senior Partner, PwC United States

Global Leadership Team



Marc Borggreven

Global Human Capital Leader



Wes Bricker

Global Assurance Leader



Michelle Gronning

Global Chief Transformation
Officer



Alison Hoover

Global Chief Administrative Officer
& Network Operations Leader



Hemione Hudson

Global Chief Risk & Regulatory
Officer



Christopher Kelkar

Global Strategy & Corporate
Development Leader



Damir Maras

Global Advisory Leader



James Shira

Global and US Chief Information
Officer



Brad Silver

Global Tax & Legal Services
Leader



Carol Stubbings
Global Chief Commercial Officer



Pierre-Alain Sur
Global Chief Network Officer /
Office of the Global Chair



Nicki Wakefield
Global Clients & Industries Leader



Diana Weiss
Global General Counsel

Strategy Council

The Strategy Council, which is made up of senior partners of the 21 largest PwC firms and regions, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy.

- **Mohamed Kande**, Chair
- Dion Shango, Africa Central and Southern Africa
- Kevin Burrowes, Australia
- Marco Castro, Brazil
- Nicolas Marcoux, Canada
- Adam Krasoń, Central and Eastern Europe
- **Daniel Li**, China
- Patrice Morot, France
- **Petra Justenhoven**, Germany
- Sanjeev Krishan, India
- Andrea Toselli, Italy
- Masa Kubota, Japan
- Hoonsoo Yoon, Korea
- Ana Paula Jimenez, Mexico
- Hani Ashkar, Middle East
- Agnes Koops, Netherlands
- Marcus Lam, Singapore
- Gonzalo Sánchez, Spain
- Sofia Goetmar-Blomstedt, Sweden
- Gustav Baldinger, Switzerland
- **Marco Amitrano**, United Kingdom
- **Paul Griggs**, United States

Contact us



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[in](#) [Email](#)

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Assurance Services sh.p.k.	Str. Ibrahim Rugova Sky Tower, 9/1 Floor, Tirana, 1000, Albania
PricewaterhouseCoopers Consulting sh.p.k.	Str. Ibrahim Rugova Sky Tower, 9th Floor, Office N 91, Tirana, 1000, Albania
PricewaterhouseCoopers Algerie	1 rue Amari Mhassi, Hydra Algiers, 16035, Algeria
PASA Audit Services Algerie SARL	1 rue Amari Mhassi, Hydra Algiers, 16035, Algeria
PricewaterhouseCoopers Serveis Professionals Andorra S.L.U.	Manuel Cerqueda i Escaler 4-6 Street, de Escaldes-Engordany, Andorra la Vella, AD 700, Andorra
PricewaterhouseCoopers (Angola) Limitada	Torre X, Rua Manuel Fernandes Caldeira, nº 5, 10º andar, Bairro dos Coqueiros, Luanda, Angola
PricewaterhouseCoopers Limitada	Torre X, Rua Manuel Fernandes Caldeira, nº 5, 10º andar, Bairro dos Coqueiros, Luanda, Angola
Harteneck Lopez y Cia.	Bouchard Av. 557 Piso:08, Ciudad Autonoma Buenos Aires, Argentina, 1106
Price Waterhouse & Co. Asesores de Empresas S.R.L	Bouchard Av. 557 Piso:08, Ciudad Autonoma Buenos Aires, Argentina, 1106
Price Waterhouse & Co. S.R.L.	Bouchard Av. 557 Piso:08, Ciudad Autonoma Buenos Aires, Argentina, 1106
PwC Legal S.R.L.	Bouchard Av. 557 Piso:11, Ciudad Autonoma Buenos Aires, Argentina, 1106
PwC Paraguay Servicios SRL	Calle, Av. Aviadores del Chaco #2581, Asunción del Paraguay, Paraguay, 001114
PwC Strategy& (Argentina) SRL	Bouchard Av. 557 Piso:8, Entre Las Calles: Tucuman y Lavalle, Ciudad Autonoma Buenos Aires, Argentina, 1106
PwC Servicios de Argentina SRL	Bouchard Av. 557 Piso:8, Ciudad Autonoma Buenos Aires, Argentina, 1106
PricewaterhouseCoopers Armenia LLC	# 2 Vazgen Sargsyan Str., 8th floor, Yerevan, 0010, Armenia
PricewaterhouseCoopers	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Actuarial Pty Limited	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Advisory Australia Pty Limited	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Australia Services Trust	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Business Advisory Services (US) Pty Ltd.	2 Riverside Quay, Southbank, Victoria, 3006, Australia
PricewaterhouseCoopers Compliance Services Pty Limited	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PwC Consulting Services Australia Pty Ltd	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Indigenous Consulting Pty Limited	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia

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PricewaterhouseCoopers Information Technology Services (Australia) Pty Ltd	Darling Park, 201 Sussex Street, Sydney, New South Wales, 2000, Australia
PricewaterhouseCoopers Securities Ltd	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Superannuation Pty Ltd.	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Tax & Legal Pty Limited	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
PricewaterhouseCoopers Tax Services Pty Limited	Tower One, International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, Australia, 2000
PricewaterhouseCoopers Cybersecurity (Services) Pty Ltd	Tower One, International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, Australia, 2000
PwC Strategy& (Australia) Pty Ltd.	Tower One International Towers Sydney, Level 17, 100 Barangaroo Avenue, Barangaroo, New South Wales, 2000, Australia
oehner & partner rechtsanwaelte gmbh	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC Advisory Services GmbH	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC Holdings Austria Wirtschaftsprüfung und Steuerberatung GmbH	Donau-City-Strasse 7, Vienna, Austria, 1220
PwC Österreich GmbH Wirtschaftsprüfungsgesellschaft	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC PricewaterhouseCoopers Wirtschaftsprüfung und Steuerberatung GmbH	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC Tax & Audit Services Wirtschaftsprüfung und Steuerberatung GmbH	Gadollaplatz 1/7. Stock, Graz, Styria, 8010, Austria
PwC Strategy& (Austria) GmbH	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC Transaction Services Wirtschaftsprüfung GmbH	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC Wirtschaftsprüfung GmbH	Donau-City-Strasse 7, Vienna, 1220, Austria
PwC Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH	Hafenstraße 2a, Linz, Upper Austria, Austria, 4020
PricewaterhouseCoopers Audit Azerbaijan LLC	The Landmark Office Plaza III, 12th floor, 90A Nizami Street, Baku, AZ1010, Azerbaijan
PricewaterhouseCoopers	#2 Bayside Executive Park, West Bay St. & Blake Road, P.O. Box N-3910, Nassau, Bahamas
PricewaterhouseCoopers (Bahamas) Limited	#2 Bayside Executive Park, West Bay St. & Blake Road, P.O. Box N-3910, Nassau, Bahamas
PricewaterhouseCoopers Advisory (Bahamas) Limited	#2 Bayside Executive Park, West Bay St. & Blake Road, P.O. Box N-3910, Nassau, Bahamas, 12123
PricewaterhouseCoopers Bangladesh Private Limited	11th Floor, Laila Towers, 8 Gulshan Avenue, Gulshan 1, Dhaka, 1212, Bangladesh
PricewaterhouseCoopers East Caribbean	The Financial Services Centre, Bishop's Court Hill, Bridgetown, St. Michael, 14004, Barbados

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PwC Advisory SRL	The Financial Services Centre, Bishop's Court Hill, Bridgetown, St. Michael, 14004, Barbados
PricewaterhouseCoopers EC Inc.	The Financial Services Centre, Bishop's Court Hill, Bridgetown, St. Michael, 14004, Barbados
PricewaterhouseCoopers Services Inc.	The Financial Services Centre, Bishop's Court Hill, Bridgetown, St. Michael, 14004, Barbados
PricewaterhouseCoopers SRL	The Financial Services Centre, Bishop's Court Hill, Bridgetown, St. Michael, 14004, Barbados
PwC Corporate Services Limited	The Financial Services Centre, Bishop's Court Hill, Bridgetown, St. Michael, 14004, Barbados
PricewaterhouseCoopers Bedrijfsrevisoren BV	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PricewaterhouseCoopers Business Advisory Services BV/SRL	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PricewaterhouseCoopers Business Services BV	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PricewaterhouseCoopers Enterprise Advisory BV/SRL	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PricewaterhouseCoopers EU Services EEIG	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PricewaterhouseCoopers Technology Consulting Belgium BV	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PwC Legal BV	Culliganlaan 5, Diegem, Flemish Brabant, Belgium, 1831
PricewaterhouseCoopers Actuarial Services Ltd.	Washington House, 16 Church Street, 4th Floor, Hamilton, HM 11, Bermuda
PricewaterhouseCoopers Advisory Limited	Washington House, 16 Church Street, 4th Floor, Hamilton, HM 11, Bermuda
PricewaterhouseCoopers Human Capital Consulting Ltd.	Washington House, 16 Church Street, 4th Floor, Hamilton, HM 11, Bermuda
PricewaterhouseCoopers Ltd.	Washington House, 16 Church Street, 4th Floor, Hamilton, HM 11, Bermuda
PricewaterhouseCoopers Tax Services Limited	Washington House, 16 Church Street, 4th Floor, Hamilton, HM 11, Bermuda
PricewaterhouseCoopers S.R.L.	Calle Dr. Viador Pinto, Edificio Omnia Dei, Barrio Equipetrol Norte, Santa Cruz de la Sierra, Santa Cruz, Bolivia
PricewaterhouseCoopers d.o.o. Sarajevo	Fra Andela Zvizdovica 1, Sarajevo, 71000, Bosnia and Herzegovina
PricewaterhouseCoopers Tax and Advisory d.o.o. Sarajevo	Fra Andjela Zvizdovica 1, Sarajevo, 71000, Bosnia and Herzegovina
PricewaterhouseCoopers Advisory Services (Proprietary) Limited	Plot 50371, Fairground Office Park, PO Box 294, Gaborone, Botswana, 294
PricewaterhouseCoopers (Botswana Firm)	Plot 50371, Fairground Office Park, Gaborone, Botswana, P.O. Box 1453
PricewaterhouseCoopers (Proprietary) Limited	Plot 50371, Fairground Office Park, Gaborone, Botswana, 294

Active client facing legal entity listing

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Loeser e Hadad Advogados	Av. Francisco Matarazzo, 1400, Milano Tower, 15 floor, Água Branca, São Paulo, CEP 05001-903, Brazil
PricewaterhouseCoopers Auditores Independentes Ltda.	Avenida Brigadeiro Faria Lima, 3732, 16º andar, part 1 a 6, Ed Adalmiro Dellape Baptista B32, Itaim Bibi, São Paulo, 04538-132, Brazil
PwC Services Brasil Ltda.	Av Cezira Giovanoni Moretti, 655, Bairro Santa Rosa, Piracicaba, São Paulo, Brazil, 13414-157
PricewaterhouseCoopers Contadores Publicos Ltda.	Avenida Brigadeiro Faria Lima, 3732, 17º andar, partes 1 e 2, Edifício Adalmiro Dellape Baptista B32, Itaim Bibi, São Paulo, 04538-132, Brazil
PricewaterhouseCoopers Serviços Corporativos & Recovery Ltda.	Avenida Marcos Penteado de Ulhôa Rodrigues, 939, conj 1202, 12º and, parte 8, Ed Jatobá, Castelo Branco Office Park, Tamboré, Barueri, São Paulo, Brazil, 06460-040
PricewaterhouseCoopers EAQ Ltda.	Av Marcos Penteado de Ulhôa Rodrigues, 939, conj 1202, 12º and, parte 7, Ed Jatobá, Castelo Branco Office Park, Tamboré, Barueri, São Paulo, Brazil, 06460-040
PricewaterhouseCoopers Serviços Profissionais Ltda.	Avenida Brigadeiro Faria Lima, 3732, 17º andar, parte 5, Edifício Adalmiro Dellape Baptista B32, Itaim Bibi, São Paulo, Brazil, 4538-132
PricewaterhouseCoopers Tecnologia da Informação Ltda.	Avenida Brigadeiro Faria Lima, 3732, 17º andar, partes 6 e 7, Edifício Adalmiro Dellape Baptista B32, Itaim Bibi, São Paulo, 04538-132, Brazil
PwC Strategy& do Brasil Consultoria Empresarial Ltda.	Avenida Brigadeiro Faria Lima, 3732, 17º andar, parte 8, Edifício Adalmiro Dellape Baptista, B32, Itaim Bibi, São Paulo, Brazil, 04538-132
PricewaterhouseCoopers (BVI) Limited	Level 2, 139 Main Street, Road Town, PO Box 4654, Tortola, VG 1110, British Virgin Islands
PricewaterhouseCoopers Services	Units 14 & 15, 10th Floor, PGGMB Building, Jalan Kianggeh, Bandar Seri Begawan, BS8111, Brunei
PricewaterhouseCoopers Audit OOD	9-11 Maria Louisa Blvd., 8th Floor, Sofia, 1000, Bulgaria
PricewaterhouseCoopers Bulgaria EOOD	9-11 Maria Louisa Blvd., 8th Floor, Sofia, 1000, Bulgaria
PwC Legal Bulgaria Partnership	9-11 Maria Louisa Blvd., Sofia, 1000, Bulgaria
PwC Cabo Verde Sociedade de Auditores Certificados, Lda.	Edifício BAI Center, Piso 2 Direito, Avenida Cidade de Lisboa, Cidade da Praia, Cape Verde
PricewaterhouseCoopers (Cambodia) Ltd.	Tonle Bassac, 58C Sihanouk Boulevard, Chamkarmon, Phnom Penh, Sangkat Tonle Bassac, 12210, Cambodia
PricewaterhouseCoopers Cameroun SARL	Immeuble PwC, Rue Christian Tobie Kouoh, Douala, BP 5689, Cameroon
PricewaterhouseCoopers Tax & Legal SARL	Immeuble PwC, Rue Christian Tobie Kouoh, Douala, BP 5689, Cameroon
PricewaterhouseCoopers Advisory Inc. / PricewaterhouseCoopers Conseils Inc.	PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2, Canada
PricewaterhouseCoopers Corporate Finance Inc.	PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2, Canada
PricewaterhouseCoopers Inc.	PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2, Canada

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers LLP	PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2, Canada
PricewaterhouseCoopers Real Estate Inc.	PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2, Canada
PricewaterhouseCoopers Services	PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario, M5J 0B2, Canada
PwC Business Services Canada P.C. Inc.	14 King Street, Suite 300, Saint John, New Brunswick, E2L 1G2, Canada
PwC Law LLP	PwC Tower, 18 York Street, Suite 2500, Toronto, Ontario, M5J 0B2, Canada
PwC Professional Services Canada LLP	14 King Street, Suite 300, Saint John, New Brunswick, E2L 1G2, Canada
PricewaterhouseCoopers	18 Forum Lane, Camana Bay, George Town, Grand Cayman, KY1-1104, Cayman Islands
PricewaterhouseCoopers Services (Cayman Islands) Limited	Circumference FS (Cayman) Ltd., 4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, Cayman Islands, KY1-1209
PwC Corporate Finance & Recovery (Cayman) Limited	18 Forum Lane, Camana Bay, George Town, Grand Cayman, KY1-1104, Cayman Islands
PricewaterhouseCoopers Tchad	Immeuble Star Nationale, Avenue du Général de Gaulle, N'Djaména, BP 1899, Chad
PricewaterhouseCoopers Professional Services Limited	37 Esplanade, St. Helier, Jersey, JE1 4XA, Channel Islands
PricewaterhouseCoopers Services (Guernsey) Limited	PO Box 321, 1st Floor, Royal Bank Place, 1 Gategny Esplanade, St Peter Port, Guernsey, GY1 4ND, Channel Islands
PwC Academy LLC	Emaar Square, Bldg 5, Dubai, United Arab Emirates, 11987
PricewaterhouseCoopers Palestinian Territories Limited	Level 8, Al Fattan Currency House, Tower 1, Dubai International Financial Centre, Dubai, PO Box: 11987, United Arab Emirates
Fundación de Beneficencia Pública PwC	Avenida Andres Bello No. 2711 Piso 1, Las Condes, Santiago, Chile, 7550611
PricewaterhouseCoopers Advisory and Tax Services Chile Ltda.	Avenida Andrés Bello 2711, 1st floor, Las Condes, Santiago, Chile, 7550611
PricewaterhouseCoopers Capacitacion y Desarrollo Profesional Limitada	Avenida Andrés Bello 2711 Piso 3, Santiago, Región Metropolitana, Chile, 7550611
PricewaterhouseCoopers Consultores Auditores y Compañía Limitada	Avenida Andrés Bello 2711, Las Condes, Santiago, Región Metropolitana, Chile, 7550611
PricewaterhouseCoopers Servicios Profesionales Ltda.	Avenida Andrés Bello 2711 Torre de la Costanera Pisos 2,3, 4 y 5, Las Condes, Santiago, Región Metropolitana, Chile, 7550611
PwC Strategy& Services (Chile) Limitada	Avenida Andrés Bello 2711 Torre de la Costanera Pisos 2,3, 4 y 5, Las Condes, Santiago, Región Metropolitana, Chile, 7550611
CFAS Secretarial Services Limited	21/F Edinburgh Tower, 15 Queen's Road Central, Hong Kong SAR
PricewaterhouseCoopers Advisory (Guizhou) Co., Ltd	Unit 02A, 18th Floor, Building No. 9, Central Business District, Guizhou Financial City, 55 Changling North Road, Guanshanhu District, Guiyang City, Guizhou Province, China

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Consulting (Xiongan) Co., Ltd	Unit 208, 2/F, Building 4,Xiongan Business Service Center, 11 Baita Road, Rongdong District, Rong Cheng, Xiongan, China, 071799
PricewaterhouseCoopers Advisory (Zhuhai) Co., Ltd.	Unit 2-8, 2/F, Building #9, Financial Industry Development Base, Hengqin District, Zhuhai City, Guangdong Province, China
PricewaterhouseCoopers Advisory Services (Guangdong) Co., Ltd	J001, Room 301, No. 6, Xingsha Road, Nansha Street, Nansha District, Guangzhou, China, 511458
PricewaterhouseCoopers Business Consulting (Shanghai) Co., Limited	Room 501, 5th Floor, DBS Bank Tower, 1318 Lu Jia Zui Ring Road, Shanghai, Pudong New Area, 200021, China
PricewaterhouseCoopers Business Consulting Services (Chengdu) Co., Ltd.	Unit 04, 26/F Tower 1, Raffles City Chengdu,No. 3, Section 4, South Renmin Road, Wuhou District, Chengdu City, Sichuan Province, 610041, China
PricewaterhouseCoopers Business Services (Chengdu) Co. Ltd.	13-21,8/F, E2, Tianfu Software Park, 1268 Tianfu Avenue Middle, Hi-tech Development Zone, Chengdu, Sichuan Province, 610041, China
PricewaterhouseCoopers Business Services (Shanghai) Co., Ltd.	5th Floor, DBS Bank Tower, 1318 Lu Jia Zui Ring Road, Pudong New Area, Shanghai, China, 200021
PricewaterhouseCoopers Business Training (Shanghai) Co., Limited	6/F DBS Bank Tower, 1318 Lu Jia Zui Ring Road, Pudong New Area, Shanghai, 200120, China
PricewaterhouseCoopers Certified Tax Agent (Shanghai) Company Limited	Room 903, 202 Hu Bin Road, Shanghai, Huangpu District, China, 200021
PricewaterhouseCoopers Consultants (Shenzhen) Limited	Unit 3601-01, Tower A, Kingkey 100 5016 Shennan Road East, Shenzhen, Luohu District, 518001, China
PricewaterhouseCoopers Consulting (Beijing) Co., Ltd.	Room 1104, 11 F, Building 3, Worldwide Overseas Chinese Businessman Center, Building 1, Yard 3, Beihuangmuchang North Street, Tongzhou District, Beijing, China
PricewaterhouseCoopers Digital Technology (Suzhou) Co., Ltd.	1/F, S1 Building, No.88 Dongchang Road, Suzhou Industrial Park, Pilot Free Trade Zone, Suzhou, Jiangsu, China
PricewaterhouseCoopers Valuation Services (Beijing) Co., Ltd.	Unit 1501, 15/F, Building 4, No.7 (Building 3 and 4) Dongsanhuanzhong Road, Chaoyang District, Beijing, China
PricewaterhouseCoopers Valuation Services (Shanghai) Co., Ltd.	Room 901, Link Square 2, 202 Hu Bin Road, Huangpu District, Shanghai, China, 200021
PricewaterhouseCoopers Digital Services (Shanghai) Co., Ltd.	Room 310, 3rd Floor, Building 4, No.222 Meiyue Road, Shanghai, China
PricewaterhouseCoopers Management Consulting (Shanghai) Limited	Room 902, 202 Hu Bin Road, Huangpu District, Shanghai, China, 200021
PwC Consulting Digital Services (Shanghai) Co., Ltd.	Unit 904, 9/F, 202 Hu Bin Road, Huangpu District, Shanghai, 200021, China
PricewaterhouseCoopers WMS (Shanghai) Co. Ltd	Room 503, 5/F, DBS Bank Tower, 1318 Lu Jia Zui Ring Road, Shanghai, Pilot Free Trade Zone, 200120, China
PricewaterhouseCoopers WMS Asia Pacific Limited	21st Floor, Edinburgh Tower, The Landmark, 15 Queen's Road, Central Hong Kong, Hong Kong SAR

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Zhong Tian LLP	Room 01, Unit 507, DBS Bank Tower, 1318 Lu Jia Zui Ring Road, Pudong New Area, Shanghai, 200021, China
PwC Advisory Services (Hainan) Company Ltd.	Room 404, International Offshore Building, Block E, Fuxing City, 32 Binhai Avenue, Longhua District, Haikou, Hainan Province, 570105, China
PwC Strategy& (Shanghai) Ltd.	Room 906-912, 202 Hu Bin Road, Huangpu District, Shanghai, China, 200021
Shenzhen Qianhai PricewaterhouseCoopers Business Consulting Services Co., Limited	No. 25V1, Hongyi Building, No. 1, Financial Street, Nanshan Avenue, Qianhai Shenzhen - Hong Kong Cooperation Zone, Shenzhen, Guangdong Province, China, 518052
Shenzhen Qianhai Digital Technology Services Co., Ltd.	Unit 13-25(01), 3/F-13, Building A, Shenzhen & Hongkong Innovation Centre, Shenzhen, China, 518052
PwC Innovation and Technology Training Development (Sanya) Co., Ltd.	B1-1, Block L9-1, Long Hai Feng Qing Xiao Zhen Qi Bu District, Haitang District, Sanya, Hainan Province, China
PricewaterhouseCoopers Asesores Gerenciales S.A.S.	Calle 100 No. 11A - 35, Piso 4, Bogotá, Cundinamarca, Colombia, 110111
PricewaterhouseCoopers S.A.S.	Calle 100 No. 11A - 35, Piso 4, Bogotá, Cundinamarca, Colombia, 110111
PricewaterhouseCoopers Servicios de Auditoría S.A.S	Calle 100 No. 11 A-35, Piso 4, Bogotá, Distrito Capital de Bogotá, Colombia, 110221
PricewaterhouseCoopers Servicios Legales y Tributarios S.A.S.	Calle 100 No. 11A - 35, Piso 3, Bogotá, Cundinamarca, Colombia, 110111
PwC Contadores y Auditores S.A.S.	Calle 100 No. 11A - 35, Piso 5, Bogotá, Cundinamarca, Colombia, 110111
PricewaterhouseCoopers RDC	Immeuble Midema, 13 Avenue Mongala, Kinshasa 1, BP 10195, Democratic Republic of Congo
PricewaterhouseCoopers Tax & Legal	Immeuble Midema, 13 Avenue Mongala, Kinshasa 1, BP 10195, Democratic Republic of Congo
PwC Advisory	Immeuble Midema, 13 Avenue Mongala, Kinshasa 1, BP 10195, Democratic Republic of Congo
PricewaterhouseCoopers Congo SA	88, Avenue du General de Gaulle, Pointe-Noire, BP1306, Republic of Congo
PricewaterhouseCoopers Tax & Legal SA	88, Avenue du General de Gaulle, Pointe Noire, BP 1306, Republic of Congo
PricewaterhouseCoopers Consultores, Sociedad de Responsabilidad Limitada	Los Yoses, San Pedro de Montes de Oca, Edificio PricewaterhouseCoopers, De la Cámara de Industrias de Costa Rica, 125 al oeste, San José, 25941000, Costa Rica
PricewaterhouseCoopers y Cia, S.C.	Los Yoses, San Pedro de Montes de Oca, Edificio PricewaterhouseCoopers, De la Cámara de Industrias de Costa Rica, 125 al oeste, San José, 25941000, Costa Rica
PwC Costa Rica Tax S.R.L.	Los Yoses, San Pedro de Montes de Oca, Edificio PricewaterhouseCoopers, De la Cámara de Industrias de Costa Rica, 125 al oeste, San José, 25941000, Costa Rica

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PwC Professional Services Sociedad de Responsabilidad Limitada	Edificio PwC, Los Yoses, San Pedro de Montes de Oca, 125 metros al oeste de la Cámara de Industrias, San Jose, Costa Rica
PwC Advisory SAS	Immeuble Alpha 2000, 20th Floor- Rue Gourgas - Plateau, Abidjan, 01 BP 1361, Côte d'Ivoire
PricewaterhouseCoopers SA	Immeuble Alpha 2000, 20th Floor- Rue Gourgas - Plateau, Abidjan, 01 BP 1361, Côte d'Ivoire
PricewaterhouseCoopers Tax & Legal SA	Immeuble Alpha 2000, 20th Floor- Rue Gourgas - Plateau, Abidjan, 01 BP 1361, Côte d'Ivoire
PricewaterhouseCoopers d.o.o.	Vjekoslava Heinzela 70, Zagreb, Croatia, 10000
PricewaterhouseCoopers Savjetovanje d.o.o.	Vjekoslava Heinzela 70, Zagreb, Croatia, 10000
PricewaterhouseCoopers Associates Limited	PwC Central, 43 Demostheni Severi Avenue, Nicosia, CY-1080, Cyprus
PricewaterhouseCoopers Corporate Secretarial Services Limited	PwC Central, 4th floor, 269767, Nicosia, CY-1080, Cyprus
PricewaterhouseCoopers Fund Services Limited	PwC Central, 43 Demostheni Severi Avenue, Nicosia, CY-1080, Cyprus
PricewaterhouseCoopers Investment Services (Cyprus) Limited	PwC Central, 43 Demostheni Severi Avenue, Nicosia, CY-1080, Cyprus
PricewaterhouseCoopers Limited	PwC Central, 43 Demostheni Severi Avenue, Nicosia, CY-1080, Cyprus
PricewaterhouseCoopers Professional Training Limited	PwC Central, 43 Demostheni Severi Avenue, Nicosia, Cyprus, CY-1066
S. A. Evangelou & Co LLC	PwC Central, 4th floor, 43 Demostheni Severi Avenue, Nicosia, CY-1080, Cyprus
PricewaterhouseCoopers Audit, s.r.o.	Hvezdova, 1734/2c, Prague, 140 00, Czech Republic
Pricewaterhousecoopers Česká Republika s.r.o.	Hvezdova 1734/2c, Prague, 140 00, Czech Republic
PricewaterhouseCoopers Legal s.r.o., advokátní kancelář	Hvezdova 1734/2c, Prague, 140 00, Czech Republic
PricewaterhouseCoopers Services, s.r.o.	Hvezdova 1734/2c, Prague, 140 00, Czech Republic
PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab	Strandvejen 44, Hellerup, Gentofte, 2900, Denmark
PricewaterhouseCoopers República Dominicana, SRL	Avenida Lope de Vega No.29, Edificio Novo-Centro, Ensanche Naco, Santo Domingo, Dominican Republic
PricewaterhouseCoopers Del Ecuador Cia. Ltda.	Avenida 6 de Diciembre, Boussingault, 14th Floor; edificio T6, Quito, Pichincha, 170517, Ecuador
PwC Asesores Empresariales Cia. Ltda.	Avenida 6 de Diciembre, Boussingault, 13th Floor; edificio T6, Quito, Pichincha, 170517, Ecuador
(PWC LEGAL) PWCLEGAL CIA. LTDA.	Avenida 6 de diciembre y Boussingault, Edificio T6, Piso 13, Quito, Pichincha, 170135 Ecuador

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers EzzEldeen, Diab & Co	Plot No 211, Second Sector, City Center, New Cairo, 11835, Egypt
PricewaterhouseCoopers Financial Consultancy SAE	Plot No 211, Second Sector, City Center, New Cairo, 11835, Egypt
PricewaterhouseCoopers LLC	Plot No 211, Second Sector, City Center, New Cairo, 11835, Egypt
Strategy& (Egypt) LLC	Plot No 211, Second Sector, City Center, PO Box 8103, New Cairo, 11835, Egypt
PricewaterhouseCoopers de Responsabilidad Limitada de Capital Variable	Apartado Postal 695, San Salvador, El Salvador
PricewaterhouseCoopers AS	Tatari tn 1, Tallinn, 10116, Estonia
PricewaterhouseCoopers Advisors AS	Tatari tn 1, Tallinn, 10116, Estonia
PricewaterhouseCoopers (Swaziland Firm)	Karl Grant Street, Mbabane, Eswatini, 8100
PricewaterhouseCoopers Services (Proprietary) Limited	Karl Grant Street, Mbabane, Eswatini, 8100
PricewaterhouseCoopers Advisory Pte. Limited	Civic Tower, Level 8, 272 Victoria Parade, Suva, Fiji
PricewaterhouseCoopers	Civic Tower, Level 8, 272 Victoria Parade, Suva, Fiji
PricewaterhouseCoopers Oy	P.O. Box 1015, Helsinki, FIN-00101, Finland
PricewaterhouseCoopers Advisory	63 rue de Villiers, Neuilly sur Seine, 92200, France
PricewaterhouseCoopers Audit	63 rue de Villiers, Neuilly sur Seine, 92200, France
PricewaterhouseCoopers Corporate Finance	63 rue de Villiers, Neuilly sur Seine, 92200, France
PricewaterhouseCoopers Entreprises	63 rue de Villiers, Neuilly sur Seine, 92200, France
PricewaterhouseCoopers Formation SNC	63 rue de Villiers, Neuilly sur Seine, 92200, France
PricewaterhouseCoopers France SARL	63 rue de Villiers, 20 rue Raymond Aron, Neuilly sur Seine, 92200, France
PwC Consulting Services	Carthage Centre, rue du lac de Constance, Bloc A2, Les Berges du Lac, Tunis, Tunisia, 1053
PwC Société d'Avocats	61, rue de Villiers, Neuilly sur Seine, 92200, France
PwC Support Services SAS	63 rue de Villiers, Neuilly-sur-Seine, 92200, France
PwC Tax and Legal Solutions	61 Rue de Villiers, Neuilly-sur-Seine, France, 92200
PwC Legal Business Solutions	63 rue de Villiers, Neuilly-sur-Seine, 92200, France
Quantylix R&D	Immeuble Alizé, 5 rue Ibn Zohr., Zone d'activité Kheireddine, Le Kram, Tunisia, 2015
PwC Advisory Cameroun SAS	Immeuble CNPS, 9 & 10 Floor, 59, Rue Victoria, Bonanjo, BP 5689, Douala, Cameroon

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers SA	366 rue Alfred Marche, Libreville, BP 2164, Gabon
PricewaterhouseCoopers Tax & Legal SA	366 rue Alfred Marche, Libreville, BP 2164, Gabon
PricewaterhouseCoopers Georgia LLC	#12 Aleksidze Street, Tbilisi, Georgia
PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft	Friedrich-Ebert-Anlage 35-37, Frankfurt am Main, Hessen, D-60327, Germany
PricewaterhouseCoopers Legal Aktiengesellschaft Rechtsanwaltsgesellschaft	Friedrich-Ebert-Anlage 35-37, Frankfurt am Main, Hessen, D-60327, Germany
PwC Certification Services GmbH	Friedrich-Ebert-Anlage 35-37, Frankfurt am Main, Hessen, D-60327, Germany
PwC Cyber Security Services GmbH	Kapelle-Ufer 4, Berlin, 10117, Germany
PwC Solutions GmbH	Friedrich-Ebert-Anlage 35-37, Frankfurt am Main, Hessen, D-60327, Germany
PwC Strategy& (Germany) GmbH	Georg-Glock-Straße 22, Düsseldorf, North Rhine-Westphalia, Germany, 40474
Aba-cus Services Ghana Limited	PwC Tower, A4 Rangoon Lane, Cantonments City, Accra, PMB CT42 Cantonments, Ghana
PricewaterhouseCoopers	PwC Tower, A4 Rangoon Lane, Cantonments City, Accra, PMB CT42 Cantonments, Ghana
PricewaterhouseCoopers (Ghana) Limited	PwC Tower, A4 Rangoon Lane, Cantonments City, Accra, PMB CT42 Cantonments, Ghana
PricewaterhouseCoopers Limited	327 Main Street, Gibraltar, GX111AA, Gibraltar
PwC Business Services (Gibraltar) Limited	327 Main Street, Gibraltar, GX111AA, Gibraltar
PwC Corporate Services (Gibraltar) Limited	327 Main Street, Gibraltar, GX111AA, Gibraltar
Vizas - Katrinakis and Associates Law Firm	270 Kifissias Ave., Chalandri, Attica, Greece, 15232
PricewaterhouseCoopers Accounting S.A.	270 Kifissias Ave., Chalandri, Attica, Greece, 15232
PricewaterhouseCoopers Auditing Company S.A.	270 Kifissias Ave., Chalandri, Attica, Greece, 15232
PricewaterhouseCoopers Business Solutions S.A.	270 Kifissias Ave., Chalandri, Attica, Greece, 15232
PwC Advisory Services Limitada	Edificio Tívoli Plaza, 6a Calle 6-38 Zona 9, 4to Nivel, Guatemala City, Guatemala
PwC Guatemala y Compañía Limitada	Edificio Tívoli Plaza, 4to Nivel, 6a Calle 6-38, Zona 9, Guatemala City, 868, Guatemala
Fiduciaire de Guinée SARL	Immeuble FAWAZ n° 263, Route du Niger, Conakry, BP 478, Guinea
PricewaterhouseCoopers Conseil SARL	Immeuble FAWAZ n° 263, Route du Niger, Conakry, BP 478, Guinea
PricewaterhouseCoopers Honduras, S. de R.L.	Apartado Postal 20541-C, Comayaguela, Honduras, 11101
PwC Business Services S. de R.L.	Col. Orquídea Blanca, Entrada Principal, Ave. Circunvalación, 10 Calle, N.O., San Pedro Sula, Honduras
PricewaterhouseCoopers Advisory and Tax Guyana Inc.	Lot 62 Hadfield & Cross Streets, Werk-en-Rust, Georgetown, Guyana

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Assurance Guyana	Lot 62 Hadfield & Cross Streets, Werk-en-Rust, Georgetown, Guyana
PricewaterhouseCoopers	22nd Floor, Prince's Building, Central Hong Kong, Hong Kong SAR
PricewaterhouseCoopers Advisory Services Hong Kong Limited	22nd Floor, Prince's Building, Central Hong Kong, Hong Kong SAR
PricewaterhouseCoopers Asia Actuarial Services (Singapore) Pte. Ltd.	7 Straits View, Marina One East Tower, Level 12, Singapore, 018936
PricewaterhouseCoopers Advisory Services Limited	22/F Prince's Building, Central Hong Kong, Hong Kong SAR
PricewaterhouseCoopers Consulting Hong Kong Limited	22/F Prince's Building, Central Hong Kong, Hong Kong SAR
PricewaterhouseCoopers Corporate Finance Limited	21st Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central, GPO Box 690, Hong Kong SAR
PricewaterhouseCoopers Ltd.	22nd Floor, Prince's Building, Central, Hong Kong SAR
PwC Corporate Services Limited	21/F Edinburgh Tower, The Landmark, 15 Queen's Road, Central Hong Kong, Hong Kong SAR
PwC IT Products (HK) Limited	22nd Floor, Prince's Building, Central, Hong Kong SAR
PwC Reimagine Park (Hong Kong SAR) Limited	22nd Floor, Prince's Building, Central, Hong Kong SAR
Walklife (Hong Kong SAR) Limited	22nd Floor, Prince's Building, Central, Hong Kong SAR
PwC Strategy& Services (Hong Kong) Limited	22/F Prince's Building, Central Hong Kong, Hong Kong SAR
Digiqal (Hong Kong SAR) Limited	Suit 604-05, 6/F, FOYER, 625 King's Road, North Point, Hong Kong, Hong Kong SAR
Tiang & Partners	Unit 2010, 20/F, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong SAR
PricewaterhouseCoopers Könyvvizsgáló Kft	Bajcsy-Zsilinszky út 78, Budapest, 1055, Hungary
PricewaterhouseCoopers Magyarország Kft	Bajcsy-Zsilinszky út 78, Budapest, 1055, Hungary
Réti, Várszegi és Társai Ügyvédi Iroda	Bajcsy-Zsilinszky út 78, Budapest, 1055, Hungary
PricewaterhouseCoopers ehf	Skógarhlíð 12, Reykjavík, 105, Iceland
PricewaterhouseCoopers Legal ehf	Skógarhlíð 12, Reykjavík, 105, Iceland
Choksey Bhargava & Co LLP	1st & 2nd Floor, Lok Kalyan Samiti, 11A Vishnu Digambar Marg, New Delhi, Delhi, 110 002, Indi
Dalal & Shah Chartered Accountants LLP	17th Floor, Shapath-V, Opposite Karnavati Club, SG Highway, Ahmedabad, Gujarat, 380051, India
Lovelock & Lewes LLP	252 Veer Savarkar Marg, Shivaji Park Dadar (West), Mumbai, Maharashtra, 400028, India

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

Lovelock & Lewes Chartered Accountants LLP	56 & 57, Block DN, Ground Floor, A Wing, Sector V, Salt Lake, Kolkata, West Bengal, 700 091, India
Price Waterhouse & Co Bangalore LLP	Tower D, The Millenia, 1 & 2 Murphy Road, Ulsoor, Bangaluru, Karnataka, 560008, India
Price Waterhouse & Co Chartered Accountants LLP	56 & 57, Block DN, Ground Floor, A Wing, Sector V, Salt Lake, Kolkata, West Bengal, 700 091, India
Price Waterhouse & Co LLP	1st & 2nd Floor, Lok Kalyan Samiti, 11A Vishnu Digambar Marg, New Delhi, Delhi, 110 002, India,
Price Waterhouse & Co.	8th Floor, Door No. 129-140, Prestige Palladium Bayan, Greams Road, Chennai, Tamil Nadu, 600 006, India
Price Waterhouse Chartered Accountants LLP	1st & 2nd Floor, Lok Kalyan Samiti, 11A Vishnu Digambar Marg, New Delhi, Delhi, 110 002, India
Price Waterhouse LLP	56 & 57, Block DN, Ground Floor, A Wing, Sector V, Salt Lake, Kolkata, West Bengal, 700 091, India
Price Waterhouse, Bangalore	Tower D, The Millenia, 1 & 2 Murphy Road, Ulsoor, Bangalore, Karnataka, 560008, India
PricewaterhouseCoopers Digital Services Private Limited	Plot Y14, Block EP, Sector V, Salt Lake, Kolkata, West Bengal, 700091, India
PricewaterhouseCoopers AIMS Support Services India Private Limited	PwC House, Plot 18/A, Guru Nanak Road, Station Road, Bandra, Mumbai, 400050, India
PricewaterhouseCoopers India LLP	Building 8, 8th Floor, Tower - B DLF Cyber City, Gurgaon, Haryana, 122 002, India
PricewaterhouseCoopers Private Limited	Plot No Y 14, Block EP Sec V, Salt Lake Electronic Complex, Kolkata, West Bengal, 700 091, India
PricewaterhouseCoopers Professional Services LLP	Plot No. Y 14, Block EP, Sector V, Salt Lake, Kolkata, West Bengal, 700 091, India
PricewaterhouseCoopers Services LLP	1st & 2nd Floor, Lok Kalyan Samiti, 11A Vishnu Digambar Marg, New Delhi, Delhi, 110 002, India
PwC Business Consulting Services LLP	1st & 2nd Floor, Lok Kalyan Samiti, 11A Vishnu Digambar Marg, New Delhi, Delhi, 110 002, India
PwC Corporate Business Services LLP	1st & 2nd Floor, Lok Kalyan Samiti, 11A Vishnu Digambar Marg, New Delhi, Delhi, 110 002, India
KAP Rintis, Jumadi, Rianto & Rekan	World Trade Centre (WTC) 3, Fl. 34, 36-43, JI Jenderal Sudirman, Kav. 29-31, Jakarta, 12920, Indonesia
PT PricewaterhouseCoopers Consulting Indonesia	World Trade Centre (WTC) 3, Fl. 34, 36-43, JI Jenderal Sudirman, Kav. 29-31, Jakarta, 12920, Indonesia
PT PricewaterhouseCoopers Indonesia Advisory	World Trade Centre (WTC) 3, Lantai 34, 36-43, JI Jenderal Sudirman Kav. 29-31, Jakarta, 12920, Indonesia
PT Prima Wahana Caraka	World Trade Centre (WTC) 3, Fl. 34, 36-43, JI Jenderal Sudirman, Kav. 29-31, Jakarta, 12920, Indonesia
PwC Legal Indonesia	World Trade Centre (WTC) 3, Fl. 34, 36-43, JI Jenderal Sudirman, Kav. 29-31, Jakarta, 12920, Indonesia
PricewaterhouseCoopers for Management Consultancy Ltd	Empire Business Complex, Building C5, Section B, Fourth floor, Erbil, Kurdistan, Iraq

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin, 1, Ireland
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin, 1, Ireland
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin, 1, Ireland
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin, 1, Ireland
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin 1, Ireland, D01 X9R7
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin 1, Ireland, D01 X9R7
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin 1, Leinster, Ireland, D01 X9R7
PricewaterhouseCoopers	One Spencer Dock, North Wall Quay, Dublin 1, Leinster, Ireland, D01 X9R7
PricewaterhouseCoopers (Northern Ireland) LLP	Merchant Square, 20-22 Wellington Place, Belfast, United Kingdom, BT1 6GE
PwC Financial Consulting Designated Activity Company	One Spencer Dock, North Wall Quay, Dublin, Ireland, D01
PwC Tax Services Limited	Fourth Floor, Grand Mill Quay, Barrow Street, Dublin 4, Ireland, D04 E4P2
PricewaterhouseCoopers LLC	Sixty Circular Road, Douglas, Braddan, IM1 1SA, Isle of Man
Kesselman & Kesselman	Azrieli Town, Derech Menachem Begin 146, P. O. Box 50005, Tel-Aviv 6150001, Tel Aviv, Israel, 6492103
PricewaterhouseCoopers Advisory Ltd.	Derech Menachem Begin 146, Tel-Aviv, Israel, 6492103
PwC Israel Corporate Services Ltd	Derech Menachem Begin 146, Tel-Aviv, Israel, 6492103
PricewaterhouseCoopers Shaam Center Ltd	25 Hamered Street, P.O. Box 50005, Tel-Aviv 6150001, Tel Aviv, 6812508, Israel
PwC Digital Technology Services Ltd.	Derech Menachem Begin 146, Tel-Aviv, Israel, 6492103
Saadi & Co - CPA	EaShufat Street 5, East Jerusalem, PO Box 51084, East Jerusalem, Israel
PricewaterhouseCoopers Acceleration Center Italy Srl	Viale Cembrano 2, Genova, 16148, Italy
PricewaterhouseCoopers Advisory SpA	Piazza Tre Torri 2, Milan, 20145, Italy
PricewaterhouseCoopers Business Services S.r.l.	Piazza Tre Torri 2, Milan, 20145, Italy
PricewaterhouseCoopers Services Srl	Piazza Tre Torri 2, Milan, 20145, Italy
PricewaterhouseCoopers SpA	Piazza Tre Torri 2, Milan, 20145, Italy
PwC Tax and Legal Studio Professionale Associato	Piazza Tre Torri 2, Milan, 20145, Italy
Studio Tributario Amministrativo Internazionale	Piazza Tre Torri 2, Milan, 20145, Italy
TLS Associazione Professionale di Avvocati e Commercialisti	Piazza Tre Torri 2, Milan, 20145, Italy

Active client facing legal entity listing

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PricewaterhouseCoopers	Scotiabank Centre, Duke Street, Kingston, Jamaica
PricewaterhouseCoopers Tax and Advisory Services Limited	7th Floor, Scotiabank Centre, Duke Street, Kingston, Jamaica
PwC Corporate Services (Jamaica) Limited	Scotiabank Centre, Duke Street, Kingston, Jamaica
PricewaterhouseCoopers Japan LLC	1-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PricewaterhouseCoopers Kyoto	Kyoto Mitsui Bldg 7F, Shijo Tori, Karasuma Higashi Iru, Shimogyo-Ku, Kyoto-Shi, Kyoto, 600-8008, Japan
PricewaterhouseCoopers Sustainability LLC	1-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Advisory LLC	1-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Business Assurance LLC	1-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Business Solutions LLC	1-2-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Consulting LLC	1-2-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Labor and Social Security Attorney Corporation	1-2-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Legal Japan	1-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Outsourcing Services LLC	1-2-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Research Institute (Japan) LLC	1-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Risk Advisory LLC	1-2-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
PwC Tax Japan	1-2-1 Otemachi, Chiyoda-ku, Tokyo, Japan, 100-0004
PricewaterhouseCoopers Jordan	Third Circle, Jabal Amman, 14 Hazza' Al-Majali Street, Amman, Jordan
Yazan Barghouti Legal Services LLC	Third Circle, Jabal Amman, 14 Hazza' Al-Majali Street, Amman, Jordan, P.O. Box 5175, Amman 11183, Jordan
PricewaterhouseCoopers LLP	34 Al-Farabi Avenue, Building A, 4th Floor, Almaty, A25D5F6, Kazakhstan
PricewaterhouseCoopers Tax & Advisory LLP	34 Al-Farabi Avenue, Building A, 4th Floor, Almaty, A25D5F6, Kazakhstan
PricewaterhouseCoopers LLP	Plot No 1870/X/126 PwC Tower, Waiyaki Way / Chimoro Road, PO Box 43963 Westlands, Nairobi, 00100, Kenya
PricewaterhouseCoopers Associates Limited	Plot No 1870/X/126 PwC Tower, Waiyaki Way / Chimoro Road, PO Box 43963 Westlands, Nairobi, 00100, Kenya
PricewaterhouseCoopers Limited	Plot No 1870/X/126 PwC Tower, Waiyaki Way / Chimoro Road, P.O. Box 43963 Westlands, Nairobi, 00100, Kenya

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Kosovo sh.p.k.	No. 5, Ap. 10, Str. Mujo Ulqinaku, Qyteza Pejton, Prishtina, 10000, Kosovo
PricewaterhouseCoopers Advisory Services Co. WLL	Arraya Tower II, 23-24th Floor, Al-Shuhada Street, Sharq, Safat, Kuwait, 1753
PricewaterhouseCoopers, Al Shatti & Co.	Arraya Tower II, 23-24th Floor, Al-Shuhada Street, Sharq, Safat, Kuwait, 1753
PricewaterhouseCoopers Advisory Bishkek Limited Liability Company	Toktogula str.125/1,Tower B, Business center Avangard, 4th floor, 404 office, Bishkek, Kyrgyzstan, 720001
PricewaterhouseCoopers Bishkek LLP	Toktogula str.125/1,Tower B, Business center Avangard, 4th floor, 404 office, Bishkek, Kyrgyzstan, 720001
PricewaterhouseCoopers (Lao) Sole Company Limited	33 Lane Xang Avenue, Unit 1-3, 4th Floor ANZ Vientiane Commercial Building, Ban Hatsady, Chanthaboury, Vientiane, Laos PDR
PricewaterhouseCoopers SIA	Marijas street 2A, Riga, Latvia, LV 1050
ZAB PricewaterhouseCoopers Legal SIA	Marijas street 2A, Riga, Latvia, LV 1050
PricewaterhouseCoopers	Levels 1-4, Saba House Bldg, Block B & C, Said Freiha Street, Hazmieh, Beirut, 11-3155, Lebanon
PricewaterhouseCoopers (Offshore) S.A.L	3rd Floor Saba House Building, Block B&C, Said Freiha Street, Hazmieh, Beirut, 11-3155, Lebanon
PricewaterhouseCoopers (Liberia) LLC	9th Street, Payne Avenue, Sinkor, Monrovia, Montserrado, Liberia
PricewaterhouseCoopers Advisory Liberia LLC	9th Street, Payne Avenue, Sinkor, Monrovia, Montserrado, Liberia
Al Motahedoon Company Chartered Accountants and Registered Auditors LLC	Aldool Street, Ben Ashoor, Tripoli, 81577, Libya
Advokatų kontora PricewaterhouseCoopers Legal Bukauskas ir partneriai	J. Jasinskio str. 16B, Vilnius, LT-03183, Lithuania
PricewaterhouseCoopers UAB	J. Jasinskio str. 16 B, Vilnius, LT-03163, Lithuania
PricewaterhouseCoopers Academy sarl	2 rue Gerhard Mercator, Luxembourg, L-2182
PricewaterhouseCoopers Société coopérative	2 rue Gerhard Mercator, Luxembourg, L-2182
PwC Legal	2 rue Gerhard Mercator, Luxembourg, L-2182
PwC Regulated Solutions	2 rue Gerhard Mercator, Luxembourg, L-2182
PricewaterhouseCoopers	14/F, Unit G J K and A, Finance and IT Center of Macao, Avenida Doutor Mário Soares No. 320, Macau, SAR
PricewaterhouseCoopers (Macau) Limited	14/F, Unit G J K and A, Finance and IT Center of Macao, Avenida Doutor Mário Soares No. 320, Macau, SAR
PricewaterhouseCoopers Conseil SA	Rue Rajakoba Augustin - Ankadivato, Antananarivo, 101, Madagascar

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers SARL	Rue Rajakoba Augustin - Ankadivato, Antananarivo, 101, Madagascar
PricewaterhouseCoopers Tax & Legal SARL	Rue Rajakoba Augustin - Ankadivato, Antananarivo, 101, Madagascar
PricewaterhouseCoopers Advisory Services Limited	Top Floor, Hannover House, Cnr. Independence Drive and Hannover Street, Blantyre, 1147, Malawi
PricewaterhouseCoopers Malawi Partnership	First House, Corner Glyn Jones Road and Chilembwe Avenue, Blantyre, Malawi
PricewaterhouseCoopers Advisory Services Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers Advisory Services Sdn Bhd	No. 1, 4th Floor, Wisma Setia, Jalan Pemancha, Bandar Seri Begawan, Brunei, BS8811
PricewaterhouseCoopers Capital Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers eTax.com Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers PLT	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers Risk Services Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers Services Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Kuala Lumpur, Wilayah Persekutuan, Malaysia, 50470
PricewaterhouseCoopers Taxation Services Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers WMS (Malaysia) Sdn Bhd	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PwC Consulting Associates (M) Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PwC Consulting Services (M) Sdn. Bhd.	Level 11, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, Wilayah Persekutuan Kuala Lumpur, 50470, Malaysia
PricewaterhouseCoopers Actuarial Services (Malaysia) Sdn. Bhd.	Level 11, Menara TH 1 Sentral Jalan Rakyat, Kuala Lumpur Sentral, 50470, Wilayah Persekutuan, Kuala Lumpur, Malaysia
PwC Corporate Business Restructuring Services PLT.	Level 11, Menara TH 1 Sentral Jalan Rakyat Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia, Kuala Lumpur, Malaysia, 50470
Abacus Holdings Limited	93 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
Medina Management Services Limited	93 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PricewaterhouseCoopers	78 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PwC Academy Limited	93 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PwC Advisory Services Malta Limited	78 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PwC Consulting Services Malta Limited	78 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PwC Corporate Services Malta Limited	78 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PwC Digital Services Malta Limited	78, Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PwC Tax Services Malta Limited	78 Mill Street, Zone 5, Central Business District, Qormi, Malta, CBD 5090
PricewaterhouseCoopers	PwC Centre, Avenue de Telfair, Moka, Telfair 80829, Mauritius
PricewaterhouseCoopers Advisory Ltd.	PwC Centre, Avenue de Telfair, Moka, Telfair 80829, Mauritius
PricewaterhouseCoopers Associates Africa Ltd	c/o Abax Corporate Services Ltd, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius
PricewaterhouseCoopers Ltd	PwC Centre, Avenue de Telfair, Moka, Telfair 80829, Mauritius
PricewaterhouseCoopers Outsourcing Ltd	PwC Centre, Avenue de Telfair, Moka, Telfair 80829, Mauritius
PwC Legal (Mauritius) Ltd	PwC Centre, Avenue de Telfair, Moka, Telfair 80829, Mauritius
PricewaterhouseCoopers, S.C.	Mariano Escobedo 573, Colonia Rincón del Bosque, México, CP 11580, Mexico
I.C.S. PricewaterhouseCoopers Advisory S.R.L.	Infinity Tower, 8th floor, 171/2 Stefan cel Mare si Sfant Blvd, Chisinau, MD-2004, Moldova
I.C.S. PricewaterhouseCoopers Audit S.R.L.	Infinity Tower, 8th floor, 171/2 Stefan cel Mare si Sfant Blvd, Chisinau, MD-2004, Moldova
I.C.S. PricewaterhouseCoopers Legal S.R.L.	Infinity Tower, 8th floor, 171/2 Stefan cel Mare si Sfant Blvd, Chisinau, MD-2004, Moldova
PricewaterhouseCoopers Monaco	Immeuble Aigue Marine B, 24, avenue de Fontvieille, 98000, Monaco
PwC Advisory Monaco	24 Avenue de Fontvieille, Immeuble Aigue Marine, 98000 Monaco
PricewaterhouseCoopers Advisory LLC	Sukhbaatar district, 8th khoroo, Peace Avenue; Center Tower 1101, Ulaanbaatar, Mongolia
PricewaterhouseCoopers Audit LLC	Sukhbaatar Square, SBD-8, Central Tower Office Building, Level 6, Suite 601, Ulaanbaatar, 14200, Mongolia
PricewaterhouseCoopers Tax TMZ LLC	Sukhbaatar, 8th khoroo, Sukhbaatar Square-2, Center Tower, Level 6, Ulaanbaatar, Mongolia
PricewaterhouseCoopers d.o.o. Podgorica	98 Dzordza Vasingtona Bulevar, Podgorica, 81000, Montenegro
PwC Advisory	Lot 57, Tour CFC, étage 19, Quartier Casa Anfa, Hay Hassani, Casablanca, Anfa, Morocco, 20330
PwC Business Services, SARL	Arrondissement Hay Hassani, Lot 57, Casa Anfa, Casablanca, Anfa, 20330, Morocco

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PwC Maroc	Lot 57, Tour CFC, étage 19, Quartier Casa Anfa, Hay Hassani, Casablanca, Anfa, Morocco, 20330
Essak & Associados Advogados - Sociedade Unipessoal Limitada	Avenida Vladimir Lenine, no. 174, 4º andar, Edifício Millennium Park, Maputo, Mozambique
PricewaterhouseCoopers - Sociedade de Auditores E Contabilistas Certificados, Limitada	Avenida Vladimir Lenine, no. 174, 4º andar, Edifício Millennium Park, Maputo, Mozambique
PwC Tax Moçambique, Sociedade Unipessoal, Limitada	Avenida Vladimir Lenine, 174, 4º andar, Edifício Millennium Park, Maputo, Mozambique, 796
PricewaterhouseCoopers Myanmar Company Limited	Unit 02,04,06, Level 11, Myanmar Centre Tower 1, Kabar Age Pagoda Road, Bahan Township, Yangon, 0000, Myanmar
PwC Consulting Myanmar Company Limited	Unit #15-06 to #15-10, Level 15, Junction City Tower, Corner of Bogyoke Aung San Road and 27th Street, Pabedan Township, Yangon, NA, Myanmar
PricewaterhouseCoopers (Namibian Firm)	Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Namibia
PricewaterhouseCoopers Tax and Advisory Services (Pty) Limited	Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Namibia
PricewaterhouseCoopers Academy Netherlands VOF	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers Accountants N.V.	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers Advisory N.V.	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers Belastingadviseurs N.V.	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers Central Asia and Caucasus B.V.	Loire 196, Gebouw A, 2e etage, 's-Gravenhage, Netherlands, 2491 AM
PricewaterhouseCoopers Certification BV	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers Compliance Services B.V.	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V.	Thomas R, Malthusstraat 5, Amsterdam, 1066 JR, Netherlands
PricewaterhouseCoopers	Level 26, PwC Tower, 15 Customs Street West, Auckland, 1010, New Zealand
PricewaterhouseCoopers Consulting (New Zealand) LP	Level 26, PwC Tower, 15 Customs Street West, Auckland, 1010, New Zealand
PwC Advisory Services	Level 26, PwC Tower, 15 Customs Street West, Auckland, 1010, New Zealand
PwC Legal	Level 26, PwC Tower, 15 Customs Street West, Auckland, 1010, New Zealand
PricewaterhouseCoopers y Compañía Limitada	Edificio Cobirsa II, tercer Piso, Km 6.5, Km 61/2 Carretera a Masaya Managua, 2697, Nicaragua
EKO Nominees Limited	Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers	Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria
PricewaterhouseCoopers Limited	Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria
Papazoski and Mishev Law Firm	16,8 Septemvri Blvd., Hyperium Business Center, 2nd Fl., Skopje, North Macedonia, 1000
PricewaterhouseCoopers dooel Skopje	16,8 Septemvri Blvd., Hyperium Business Center, 2nd Fl., Skopje, North Macedonia, 1000
PricewaterhouseCoopers Revizija DOO, Skopje	16,8 Septemvri Blvd., Hyperium Business Center, 2nd Fl., Skopje, North Macedonia, 1000
Advokatfirmaet PricewaterhouseCoopers AS	Dronning Eufemiasgate 71, Oslo, N-0191, Norway
PricewaterhouseCoopers AS	Dronning Eufemiasgate 71, Oslo, N-0191, Norway
PwC Tax Services AS	Dronning Eufemiasgate 71, Oslo, N-0191, Norway
PricewaterhouseCoopers LLC	Salam Square - South, 4th floor, suites 402-404, Madinat Al Sultan Qaboos - Ruwi - P.C. 112, P.O. Box 3075, Muscat, Oman
PwC Academy LLC	Madinat Al Sultan Qaboos, Bousher, PO Box 3075 - Ruwi - PC, Postal Code 112, Muscat, Oman
A.F. Ferguson & Co.	State Life Building 1-c, Off:11 Chundrigar Road, Karachi, Sindh, 74000, Pakistan
PricewaterhouseCoopers Corporate Legal Services	Plaza PwC, Piso 7, Calle 58E y Avenida Ricardo Arango, Urbanización Obarrio - Panamá, 0819-05710
PricewaterhouseCoopers Panama, S.R.L.	Avenida Ricardo Arango y Calle 58 E Plaza PwC Piso 7, Panama, Panama, 0819-05710
PricewaterhouseCoopers Servicios, Sociedad de Responsabilidad Limitada	Plaza PwC, floor 7, 58E Street and Ricardo Arango, Ave., Obarrio, Panama City, Panama
PricewaterhouseCoopers Consulting, Sociedad de Responsabilidad Limitada	Plaza PwC, Piso 7, Calle 58E y Avenida Ricardo Arango, Urbanización Obarrio, Panama, Apartado 6-4493, Panamá R.P.
PricewaterhouseCoopers	Level 6, PwC Haus, Harbour City, Konedobu, Port Moresby, NCD, 121, Papua New Guinea
PricewaterhouseCoopers Paraguay SRL	Avenida Santa Teresa 1827 c/ Aviadores del Chaco, Torre 2, Paseo La Galería, Asunción, Paraguay, 001409
PricewaterhouseCoopers S.R.L.	Avenida Santa Teresa 1827 c/ Aviadores del Chaco, Torre 2, Paseo La Galería, Asunción, Paraguay, 001409
Gaveglio, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada	Av. Santo Toribio Nro. 143 Urb. El Rosario, San Isidro, Lima, Peru, 10573
PricewaterhouseCoopers Sociedad Civil de Responsabilidad Limitada	Av. Santo Toribio Nro. 143 Int. P8 Urb. El Rosario, San Isidro, Lima, Peru, 15073
Cabrera & Company	28th Floor, Philamlife Tower, 8767 Paseo de Roxas, Makati City, Metro Manila, 1226, Philippines
Isla Lipana & Co.	29/F AIA Tower, 8767 Paseo de Roxas, 1226 Makati City Metro Manila, Philippines, 1780

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Business Services Philippines Co. Ltd.	4th Floor JMT Corporate Condo, ADB Ave. Ortigas Center, Makati, Metro Manila, 1600, Philippines
PricewaterhouseCoopers Consulting Services Philippines Co. Ltd	25/F Philamlife Tower, 8767 Paseo de Roxas, Makati City, 1226, Philippines
PricewaterhouseCoopers Polska Sp. z o.o.	ul. Polna 11, Warsaw, 00-633, Poland
PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp.k.	ul. Polna 11, Warsaw, 00-633, Poland
PwC Advisory Sp. z o.o.	ul. Polna 11, Warsaw, 00-633, Poland
PwC Advisory spółka z ograniczoną odpowiedzialnością Sp. k.	ul. Polna 11, Warsaw, 00-633, Poland
PwC Business Services Sp. z o.o.	ul. Polna 11, Warsaw, 00-633, Poland
PwC IT Services sp. z o.o.	ul. Polna 11, Warsaw, 00-633, Poland
PwC Legal Żelaźnicki spółka komandytowa	ul. Polna 11, Warsaw, 00-633, Poland
PwC Tax Services Poland Sp. z o.o.	ul. Polna 11, Warsaw, 00-633, Poland
PwC Services Portugal, Lda.	Porto Office Park, Avenida de Sidónio Pais, 153, Piso zero esquerdo, Porto, Portugal, 4100-467
PRICEWATERHOUSECOOPERS LEGAL - SOCIEDADE DE ADVOGADOS, SP, RL	Palácio Sottomayor, Rua Sousa Martins, no. 2 Esq., Lisbon, 1069-316, Portugal
PricewaterhouseCoopers & Associados-Sociedade de Revisores Oficiais de Contas, Lda.	Palácio Sottomayor, Rua Sousa Martins, 1, 3º, Lisbon, 1050-217, Portugal
PricewaterhouseCoopers /AG - Assessoria de Gestao, Lda.	Rua Sousa Martins, 1 - 5º, Lisbon, 1050-217, Portugal
PricewaterhouseCoopers /MFAS - Management Finance & Accounting Services, Lda.	Rua Sousa Martins, 1 - 1º Esq., Lisbon, 1050-217, Portugal
PricewaterhouseCoopers Consulting (Services) Lda.	Edifício BAI Center, Piso 2 Direito, Avenida Cidade de Lisboa, , Cidade da Praia, Cape Verde
PricewaterhouseCoopers Tax Services TLS, Lda	Palácio Sottomayor, Rua Sousa Martins, 1, 4º, Lisbon, 1050-217, Portugal
PwC Advisory and Tax Services, Lda.	Torre X, Rua Manuel Fernandes Caldeira, nº 5, 10º andar, nº 5, 10º andar, Bairro dos Coqueiros, Luanda, Angola
PwC Business Services Moçambique, Sociedade Unipessoal, Limitada	Bairro Central, Avenida Vladimir Lenine, nº 174, 4º floor Edifício Millennium Park, Maputo, 796, Mozambique
PricewaterhouseCoopers Qatar LLC	40th & 41st Floor, Tornado Tower, West Bay, Doha, 6689, Qatar
Strategy& (QFC) LLC	40th Floor, Tornado Tower, West Bay, Doha, Qatar
PwC Legal Middle East LLC	41st Floor, Tornado Tower, West Bay, Doha, Qatar

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

Societate Civila Profesionala "D & B - David Si Baias" Societate Civila De Avocati	Poligrafiei 1A Bl:Ana Tower Et:21/1, sect 1, Bucuresti, 013704, Romania
PricewaterhouseCoopers Audit S.R.L.	Ana Tower, 1A Poligrafiei Blvd, District 1, Bucharest, 013704, Romania
PricewaterhouseCoopers Business Recovery Services SPRL	Ana Tower, 1A Poligrafiei Blvd, District 1, Bucharest, 013704, Romania
PricewaterhouseCoopers Compliance Services S.R.L.	Ana Tower, 1A Poligrafiei Blvd, District 1, Bucharest, 013704, Romania
PricewaterhouseCoopers Management Consultants S.R.L.	Ana Tower, Etaj 24/4, Municipiul Bucuresti, Sector 1, B-Dul Poligrafiei 1A, Bucharest, Romania, 013704
PricewaterhouseCoopers Servicii S.R.L.	Ana Tower, 1A Poligrafiei Blvd, District 1, Bucharest, 013704, Romania
PricewaterhouseCoopers Tax Services S.R.L.	Ana Tower, 1A Poligrafiei Blvd, District 1, Bucharest, 013704, Romania
PricewaterhouseCoopers Rwanda Limited	P.O. Box 1495, Blue Star House, Kigali, Rwanda
PricewaterhouseCoopers - Public Accountants	Kingdom Tower, 21st Floor, 11482, Riyadh, 8282, Saudi Arabia
PricewaterhouseCoopers Advisory Limited	21 Kingdom Tower, PO Box 13934, Riyadh 11414, Saudi Arabia
PwC Business Services	Kingdom Tower - 21st Floor, King Fahd Highway, P.O. Box 13934, Riyadh 11414, Kingdom of Saudi Arabia
Strategy& Saudi Arabia	Prince Faisal Bin Fahad Street, Khobar, Saudi Arabia
PricewaterhouseCoopers Senegal	47, Avenue Hassan II, Dakar, BP 6454, Senegal
PricewaterhouseCoopers Tax & Legal SA	47, Avenue Hassan II, Dakar, BP 6454, Senegal
PwC Advisory Senegal	47, Avenue Hassan II, Dakar, BP 6454, Senegal
PricewaterhouseCoopers Consulting d.o.o. Beograd	Omladinskih brigada 88a, Belgrade, 11070, Serbia
PricewaterhouseCoopers d.o.o. Beograd	Omladinskih brigada 88a, Belgrade, 11070, Serbia
Eng and Co. LLC	7 Straits View, Marina One, East Tower, #11-01, 018936, Singapore
PricewaterhouseCoopers Advisory Services Pte Ltd.	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Business Advisory Services Pte Ltd.	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers CM Services Pte Ltd.	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Consulting (Myanmar) Pte. Ltd.	7 Straits View, #12-00, Marina One, East Tower, 018936, Singapore
PricewaterhouseCoopers Consulting (Singapore) Pte Ltd	7 Straits View, #12-00, Marina One, East Tower, 018936, Singapore

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Corporate Finance Pte Ltd	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Global Capital Markets Group (Singapore) Pte Ltd	7 Straits View, #12-00, Marina One East Tower, 018936, Singapore
PricewaterhouseCoopers IAS Pte Ltd	7 Straits View, #12-00, Marina One East Tower, 018936, Singapore
PricewaterhouseCoopers LLP	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Management Services Pte Ltd	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Myanmar Pte. Ltd.	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Professional Services Pte. Ltd.	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Risk Services Pte. Ltd.	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Services LLP	7 Straits View, Marina One East Tower, Level 12, 018936, Singapore
PricewaterhouseCoopers Singapore Pte. Ltd.	7 Straits View, Marina One, East Tower, 018936, Singapore
PricewaterhouseCoopers WMS Holdings Pte Ltd.	7 Straits View, #12-00, Marina One, East Tower, 018936, Singapore
PricewaterhouseCoopers WMS Pte. Ltd.	7 Straits View, Marina One, East Tower, #12-00, 018936, Singapore
PwC Business Advisory Services (US) Pte. Ltd.	7 Straits View, #12-00, Marina One East Tower, 018936, Singapore
PwC Digital Services Pte. Ltd.	7 Straits View, Marina One, East Tower, Level 12, 018936 Singapore
PricewaterhouseCoopers Advisory s.r.o.	Bratislava Twin City Business Centre, blok A, Karadžičova 2, Bratislava, 815 32, Slovak Republic
PricewaterhouseCoopers Legal s.r.o.	Karadzicova 2, Bratislava, 815 32, Slovak Republic
PricewaterhouseCoopers Slovensko, s.r.o.	Karadzicova 2, Bratislava, 815 32, Slovak Republic
PricewaterhouseCoopers Tax, k.s.	Bratislava Twin City Business Centre, blok A, Karadžičova 2, Bratislava, 815 32, Slovak Republic
PricewaterhouseCoopers d.o.o.	Cesta v Klece 15, Ljubljana, SI-1000, Slovenia
PricewaterhouseCoopers Svetovanje d.o.o.	Cesta v Klece 15, Ljubljana, SI-1000, Slovenia
PricewaterhouseCoopers Advisory Services (Proprietary) Limited	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa
PricewaterhouseCoopers Assurance Services (Proprietary) Limited	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa
PricewaterhouseCoopers Corporate Finance (Proprietary) Limited	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa
PricewaterhouseCoopers Incorporated	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa
PricewaterhouseCoopers Services Proprietary Limited	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Services South Africa Proprietary Limited	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa
PricewaterhouseCoopers Tax Services (Proprietary) Limited	4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, South Africa
PwC Service Delivery Centre South Africa (Pty) Ltd	4 Lisbon Lane, Waterfall City, Jukskei View, Midrand, Gauteng, South Africa, 2090
PricewaterhouseCoopers Consulting	LS Yongsan Tower, 191, Hangangno 2-ga, Seoul, Yongsan-gu, 140-702, South Korea
PwC Customs Services Corporation	LS Yongsan Tower, 22nd Floor, 92 Hangang-daero, Yongsan-gu, Seoul, 04386, South Korea
Samil PricewaterhouseCoopers	Amore Pacific Building, 100 Hangang-daero, Yongsan-gu, Seoul, 04386, South Korea
Samil Tax Corporation	LS Yongsan Tower, 92 Hangang-daero 2-ga, Seoul, 04386, South Korea
PricewaterhouseCoopers Asesores de Negocios, S.L.	Paseo de la Castellana 259B, Torre PwC, Madrid, 28046, Spain
PricewaterhouseCoopers Auditores, S.L.	Paseo de la Castellana 259B, Torre PwC, Madrid, 28046, Spain
PricewaterhouseCoopers, S.L.	Plaza de Euskadi 5, Torre Iberdrola, Plantas 10 -11, Bilbao, 48009, Spain
PricewaterhouseCoopers Tax & Legal, S.L.	Paseo de la Castellana 259B, Torre PwC, Madrid, Spain, 28046
PricewaterhouseCoopers Digital Technology Services, S.L.U.	Via Interior, Dársena Pesquera 24 nave 4, Santa Cruz de Tenerife, Canary Islands, 38120, Spain
Öhrlings PricewaterhouseCoopers AB	Torsgatan 21, Stockholm, 113 97, Sweden
PricewaterhouseCoopers AB	Torsgatan 21, Stockholm, 113 97, Sweden
PricewaterhouseCoopers AG	Birchstrasse 160, Zürich, 8050, Switzerland
PricewaterhouseCoopers GmbH	Industriering 40, Ruggell, 9491, Liechtenstein
PwC Services GmbH	Birchstrasse 160, Zürich, 8050, Switzerland
PwC Strategyand (Switzerland) GmbH	Birchstrasse 160, Zürich, 8050, Switzerland
PwC Business Advisory Services Taiwan Ltd.	26F, No. 333, Sec. 1, Keelung Rd., Taipei, Xinyi Dist., 110, Taiwan
PricewaterhouseCoopers Business Consulting Services Taiwan Ltd.	27F, 333 Keelung Road, Section 1, Taipei, 11012, Taiwan
PricewaterhouseCoopers Business Services Taiwan Ltd.	26F, 333 Keelung Rd., Sec.1, Taipei, Taiwan, 11012
PricewaterhouseCoopers Consulting Services Taiwan Co., Ltd.	International Trade Building, 27F, 333 Keelung Road, Section 1, Taipei, 110, Taiwan
PricewaterhouseCoopers Financial Advisory Services Company, Ltd.	International Trade Building, 26F, 333 Keelung Road, Section 1, Taipei, 110, Taiwan

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Financial Advisory Taiwan Ltd.	26F, 333 Keelung Road, Section 1, Taipei, 11012, Taiwan
PricewaterhouseCoopers Legal	2508 Room, International Trade Building, 25F, 333 Keelung Road, Section 1, Taipei, 11012, Taiwan
PricewaterhouseCoopers Management Consulting Company, Ltd.	International Trade Building, 27F, 333 Keelung Road, Section 1, Taipei, 110, Taiwan
PricewaterhouseCoopers Professional Services Taiwan Ltd.	27F, 333 Keelung Road, Section 1, Taipei, 11012, Taiwan
PricewaterhouseCoopers Risk Consulting Taiwan Ltd.	27F, 333 Keelung Rd., Sec.1, Taipei, Taiwan, 11012
PricewaterhouseCoopers Sustainability Services Company Ltd.	27F, 333 Keelung Rd., Sec.1, Taipei, 11012, Taiwan
PricewaterhouseCoopers Tax Consulting Company, Ltd.	International Trade Building, 23F, 333 Keelung Road, Section 1, Taipei, 110, Taiwan
PricewaterhouseCoopers, Taiwan	International Trade Building, 27F, 333 Keelung Road, Section 1, Taipei, 110, Taiwan
PricewaterhouseCoopers	Pemba House, 369 Toure Drive, Oysterbay, PO Box 45, Dar-es-Salaam, Tanzania
PricewaterhouseCoopers Limited	Pemba House, 369 Tour Drive, Oysterbay, PO Box 45, Dar-es-Salaam, Tanzania
PricewaterhouseCoopers ABAS Limited	Bangkok City Tower, 15th Floor, 179/74-80 South Sathorn Road, Bangkok, 10120, Thailand
PricewaterhouseCoopers Actuarial Services (Thailand) Limited	179/74-80 Bangkok City Tower, 15th Floor, South Sathorn Road, Thungmahamek Sub-district, Sathorn District, Bangkok, Thailand
PricewaterhouseCoopers Consulting (Thailand) Limited	15th Floor Bangkok City Tower, 179 South Sathorn Road, Bangkok, 10120, Thailand
PricewaterhouseCoopers FAS Limited	Bangkok City Tower, 15th Floor, 179/74-80 South Sathorn Road, Bangkok, 10120, Thailand
PricewaterhouseCoopers Legal & Tax Consultants Limited	Bangkok City Tower, 15th Floor, 179/74-80 South Sathorn Road, Bangkok, 10120, Thailand
PricewaterhouseCoopers WMS Bangkok Limited	179/74-80 Bangkok City Tower, 15th Floor, South Sathorn Road, Tungmahamek Sub-district, Bangkok, Sathorn District, Thailand
PricewaterhouseCoopers Advisory Services Limited	The Price Waterhouse Building, 11-13 Victoria Avenue, Port of Spain, Trinidad & Tobago
PricewaterhouseCoopers Limited	The Price Waterhouse Building, 11-13 Victoria Avenue, Port of Spain, Trinidad & Tobago
PwC Legal	The Price Waterhouse Building, 11-13 Victoria Avenue, Port of Spain, Trinidad & Tobago
PricewaterhouseCoopers	The Price Waterhouse Building, 11-13 Victoria Ave., Port of Spain, Trinidad & Tobago
CAF Fiscal	Passage du Lac Van, Les Berges du Lac, Tunis, 1053, Tunisia
Conseil Audit Formation International SARL	Passage du Lac Van, Les Berges du Lac, Tunis, 1053, Tunisia

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

Conseil Audit Formation SARL	Passage du Lac Van, Les Berges du Lac, Tunis, 1053, Tunisia
Les Commissaires aux Comptes Associés MTBF SARL	Passage du Lac Van, Les Berges du Lac, Tunis, 1053, Tunisia
Gago Türkmen Avukatlık Ortaklığı	Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No:8 İç Kapı No:201 Beyoğlu, Istanbul, Turkey
PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Musavirlik A.S.	Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No:8 İç Kapı No:301 Beyoğlu, Istanbul, Turkey
PwC Danışmanlık Hizmetleri AS	Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No:8 İç Kapı No:301 Beyoğlu, Istanbul, Turkey
PwC Serbest Muhasebeci Mali Müşavirlik Limited Şirketi	Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No:8 İç Kapı No:201 Beyoğlu, Istanbul, Turkey
PwC Yeminli Mali Müşavirlik A.S.	Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No:8 İç Kapı No:301 Beyoğlu, Istanbul, Turkey
PwC Yönetim Danışmanlığı AS	Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No:8 İç Kapı No:201 Beyoğlu, Istanbul, Turkey
PricewaterhouseCoopers Certified Public Accountants	Communications House, 1 Colville Street, Kampala, 882, Uganda
PricewaterhouseCoopers Limited	Communications House, 1 Colville Street, Kampala, 8053, Uganda
Attorneys Association "PricewaterhouseCoopers Legal"	Eurasia Business Centre, 10th Floor, 75 Zhylyanska Street, Kyiv, 01032, Ukraine
Limited Liability Company PricewaterhouseCoopers IT Services	Zhylyanska, 75, Kyiv, Ukraine, 01032
LLC PricewaterhouseCoopers	75 Zhylyanska Street, Floor 9-10, Kyiv, 01032, Ukraine
AF PricewaterhouseCoopers (Audit) LLC	75 Zhylyanska Street, Floor 9-10, Kyiv, 01032, Ukraine
LLC PricewaterhouseCoopers Advisory	75 Zhylyanska Street, Kyiv, 01032, Ukraine
PricewaterhouseCoopers Assurance LLC	75 Zhylyanska Street, Kyiv, 01032, Ukraine
PricewaterhouseCoopers Limited	Level 8, Al Fattan Currency House, Tower 1, Dubai, International Financial Centre, 11987, United Arab Emirates
PwC Digital Services DMCC	Unit No: 3302, SABA 1, Plot No: JLT-PH1-E3A, Dubai, United Arab Emirates
PwC Legal Middle East LLP	Al Fattan Currency House, Tower 1, Office 801, Level 8, Dubai, United Arab Emirates, PO Box: 11987
PricewaterhouseCoopers Limited Partnership	Level 8, Al Fattan Currency House, Tower 1, Dubai International Financial Centre, Dubai, United Arab Emirates, PO Box: 11987
Strategy& (M.E.) Ltd.	Al Fattan Currency House, Tower 1, 8F, Dubai International Financial Centre P.O. Box 43754, Dubai, United Arab Emirates, 506782
PricewaterhouseCoopers Bahrain Limited	Level 8, Al Fattan Currency House, Tower 1, Dubai International Financial Centre, 11987, Dubai, United Arab Emirates

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers (UK) Advisory Services (FI) Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers (UK) Advisory Services (IE) Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers (UK) Advisory Services (KU) Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Advisory Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Assurance UK Limited	Atria One, 144 Morrison Street, Edinburgh, Scotland, EH3 8EX, United Kingdom
PricewaterhouseCoopers CI LLP	1 Embankment Place, London, WC2N 6DX, United Kingdom
PricewaterhouseCoopers Business Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Consulting Services UK Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Academy for Training LLC	Kingdom Tower, 20st Floor PO Box 8282, Riyadh, 11482, Kingdom of Saudi Arabia, Riyadh, Saudi Arabia, PO Box 8282
PricewaterhouseCoopers LLP	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Overseas Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Change Management Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Business Consulting Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Business Advisory Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Customs Intermediary Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Digital Services (UK) Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Digital Technology Services Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Performance Solutions Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PwC Strategy& (UK) Ltd.	1 Embankment Place, London, WC2N 6RH, United Kingdom
Sunbury Secretaries Limited	1 Embankment Place, London, WC2N 6RH, United Kingdom
PricewaterhouseCoopers Advisory Canada (US) LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PricewaterhouseCoopers Advisory Services LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803

Active client facing legal entity listing

Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers Business Services LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PricewaterhouseCoopers Corporate Finance LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PricewaterhouseCoopers LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PricewaterhouseCoopers LLP	304 Ponce de León, Suite 800, San Juan, United States, Puerto Rico, 00918
PricewaterhouseCoopers Mobility Technology Services LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801, United States of America
PricewaterhouseCoopers PRTM Management Consultants, LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PricewaterhouseCoopers US - Hong Kong LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PricewaterhouseCoopers US (FR) S.A.S.	191-195, Avenue Charles de Gaulle, Neuilly-sur-Siene, France, 92200
PricewaterhouseCoopers WMS (US) LLC	c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware, United States, 19808
PwC Canada (US) LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC Mexico Product Sales, S. de R.L. de C.V.	Mariano Escobedo 573, Colonia Rincón del Bosque, Mexico City, Mexico, C.P., 11580
PwC Product Sales LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC Services LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Business Advisory LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Business Advisory Private Ltd	7 Straits View, #12-00 Marina One East Tower, 018936, Singapore
PwC US Consulting LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Tax LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Business Advisory (CA) LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Business Advisory (IN) LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Business Advisory (JP) LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Tax (CA) LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Tax (IN) LLP	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803
PwC US Tax (JP) LLC	c/o United Agent Group Inc., 1521 Concord Pike, Suite 201, Wilmington, United States:Delaware, 19803

Active client facing legal entity listing

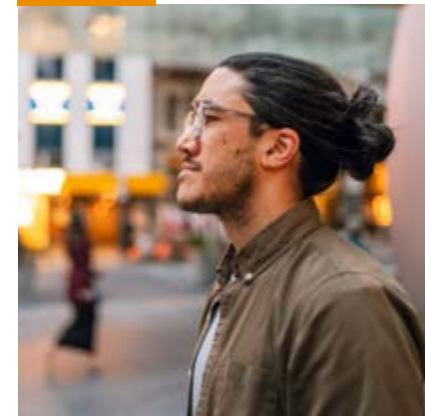
Listed below are active client facing entities within the PwC network

PricewaterhouseCoopers	Cerrito 461, Piso 1, Montevideo, CP 11.000, Uruguay
PricewaterhouseCoopers Business Services Ltda	Cerrito 461, Piso 1, Montevideo, CP 11.000 Uruguay
PricewaterhouseCoopers Ltda.	Cerrito 461, Piso 1, Montevideo, CP 11.000, Uruguay
PricewaterhouseCoopers Professional Services Ltda.	Ruta 8 Km. 17.500, Edificio M1 - Local D, Mercosur Plaza 1, Oficina H e I, Zonamérica, Montevideo, Uruguay, 91600
PricewaterhouseCoopers Software Ltda.	Cerrito 461, Piso 1, Montevideo, CP 11.000, Uruguay
Audit organization "PricewaterhouseCoopers" LLC	88 A, Mustakillik Ave. Mirzo-Ulugbek district, Tashkent, Uzbekistan, 100000
PricewaterhouseCoopers Business Advisory Services LLC	88 A, Mustakillik Ave. Mirzo-Ulugbek district, Tashkent, Uzbekistan, 100000
PwC Consulting LLC	88 A, Mustakillik Ave. Mirzo-Ulugbek district, Tashkent, Uzbekistan, 100000
Pacheco, Apostólico y Asociados (PricewaterhouseCoopers)	Edificio Del Río, Avenida Principal de Chuao, Apartado 1789, Caracas, Venezuela, 1060
PwC Services, S.R.L.	Avenida Principal de Chuao, Edificio Del Río; P.O. Box 1789, Caracas, 1010 A, Venezuela
PricewaterhouseCoopers Consulting (Vietnam) Limited.	Suite 801 – 804A, 8th Floor, Saigon Tower Building, 29 Le Duan, Ben Nghe Ward, Ho Chi Minh City, District 1, Vietnam
PwC (Vietnam) Limited	29 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
PwC Legal (Vietnam) Co., Ltd	Room no. 305, Saigon Tower, 3rd Floor, 29 Le Duan Street, District 1, Ho Chi Minh City, Vietnam
PwC Tax and Advisory (Vietnam) Company Limited	No. 29 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
PwC Viet Nam Cybersecurity Services Company Limited	8th Floor, 29 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, 70000, Vietnam
PricewaterhouseCoopers	Stand 2374 Thabo Mbeki Road, Lusaka, Zambia
PricewaterhouseCoopers Limited	Stand 2374 Thabo Mbeki Road, Lusaka, Zambia
PricewaterhouseCoopers Advisory Services (Private) Limited	Arundel Office Park, Norfolk Road, Mount Pleasant, Harare, 453, Zimbabwe
PricewaterhouseCoopers Zimbabwe Partnership	Arundel Office Park, Norfolk Road, Mount Pleasant, Harare, 453, Zimbabwe



Global Transparency Report 2023

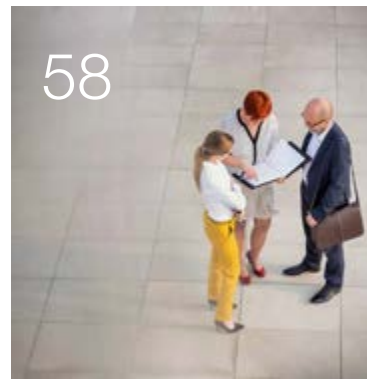
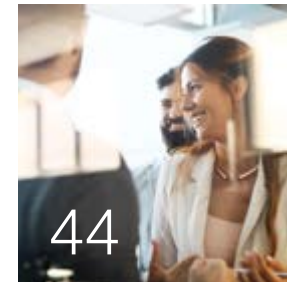
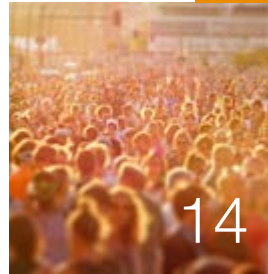
Reporting on our impact



pwc.com/transparencyreport

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Welcome

Welcome to our 2023 Global Transparency Report.

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 151 countries, with more than 364,000 people who strive to deliver high impact work in assurance, advisory and tax and legal services.

We are committed to fostering a strong culture of quality and integrity that is core to our purpose.

Two years ago, we unveiled our landmark network strategy, The New Equation, which responds to fundamental changes in the world, including technological disruption, climate change and fractured politics.

The New Equation focuses on two interconnected needs that our clients face today and will continue to face in the future. The first is to build trust, which has never been more important, nor more difficult. The second is to deliver sustained outcomes in an environment where competition, the risk of disruption and societal expectations are greater than ever.

Our ability to help our clients build trust and deliver sustained outcomes is grounded in our efforts to continually strive to improve the quality of our work, the standards that we apply across our network, and the values, ethics and codes of conduct that guide our behaviour.



In this Transparency Report you will find details of:

- Our financial performance - the revenues we have earned over the last 12 months, the investments that we continue to make in building the PwC of tomorrow and some of the taxes that we pay
- Our commitment to quality - including the results of our internal, audit quality inspections
- How we identify and manage the risks that we face across the world
- Our approach to governance and details of the standards that we expect all of our member firms to follow and rigorously apply

In addition, we continue to report on our progress against the 55 [World Economic Forum \(WEF\) Stakeholder Capitalism Metrics](#). PwC worked with the WEF on the Stakeholder Capitalism Metrics and we believe that reporting against as many of these metrics as possible is a key element of our commitment to transparency. These metrics give our stakeholders a detailed understanding of PwC's impact on the planet, our people, the economy and society.

As a network, we strive to deliver work of the highest quality and to live and act in accordance with the standards we set ourselves and the values that are at the heart of PwC. However, we don't always succeed.

This year, it became apparent that significant breaches of confidentiality had occurred in PwC Australia. While these breaches occurred a number of years ago, the former leadership of PwC Australia had not taken appropriate responsibility for or action to investigate or remediate them since that time. These behaviours violated our standards and codes of conduct and are completely unacceptable. Under new leadership, PwC Australia has taken a number of [steps](#) to address its governance, culture and accountability in response to these issues.

I encourage you to read this Transparency Report and come back to us with your [comments](#). While this is no time for complacency, we are proud of the progress we have made in being more open and transparent about our work, our achievements and the things we need to do better.

Bob Moritz

Global Chair of PwC



Measuring and reporting **our financial impact**

Revenues up by 9.9% in local currency to

US\$53.1 billion

In FY23 we invested

US\$3.7 billion

We estimate our 21 largest firms paid US\$2.2 billion of employment taxes in

FY23

We completed 17 acquisitions and five strategic investments in

FY23

Our performance

Revenue

For the 12 months ending 30 June 2023, PwC firms around the world recorded gross revenues of US\$53.1 billion, increasing by 9.9% in local currency and 5.6% in US dollars over the FY22 gross revenues of US\$50.3 billion.

References to growth rates in the following text refer to growth in local currency terms unless otherwise stated.

Growth from continuing operations, excluding Russia which left the PwC network on 4 July 2022, and our global mobility and immigration business which was sold on 29 April 2022, increased by 11.8%, reflecting the quality of the work delivered by our 364,232 professionals around the world and the power of the PwC brand.

While some countries continue to battle high inflation and economic growth remains sluggish in a number of key economies, revenue growth was steady throughout the year across the PwC network.

- Europe, Middle East and Africa (EMEA) revenues were up by 10.2%. Consolidated revenues from the UK and Middle East rose by 16% (18% for continuing operations), while in Germany they increased by 13.1%. Across Africa, revenues grew more slowly, up 4.1%, with a strong performance from South Africa, coupled with more challenging market conditions elsewhere across the continent
- Excluding revenues from Russia from the prior year, Central and Eastern Europe (CEE) saw growth of 15.2% as the economic impact of the war in Ukraine lessened across most of the region
- Asia Pacific revenues were up 7.2%, with a very strong performance from India which was the fastest growing large firm in the PwC network with a revenue increase of 24%. Australia grew by 10.7%
- Across the Americas revenues were up by 10.7%, with the US growing by 11.2%, Canada by 4.5% (10.9% for Continuing Operations). In Brazil, which for the second year posted the strongest revenue growth across South and Central America, revenues were up by 14.3%

“FY23 was another year of strong growth with revenues across the world growing by 9.9%, driven by our continued focus on delivering the services our clients need today and to secure the future of their businesses tomorrow.”



Dana McIlwain

Chief Administrative Officer and Global Operations Leader,
PwC US



Audit remains the cornerstone of our brand and a key driver for growth

Aggregated revenues of PwC firms by geographic region (US\$ millions)

	FY23 at FY23 exchange rates	FY22 at FY22 exchange rates	% change	% change at constant exchange rates
Americas	23,535	21,336	10.3	10.7
Asia Pacific	10,011	9,862	1.5	7.2
EMEA	19,548	19,096	2.4	10.2
Gross revenues	53,094	50,294	5.6	9.9

The percentage changes at constant exchange rates reflect local currency growth without the impact of US dollar exchange rates.

Each of our lines of business – Assurance, Advisory, and Tax and Legal Services – saw revenues grow in FY23.

Assurance

Revenues from our assurance operations grew by 8.9% to US\$18.7 billion (FY22: US\$18.0 billion). Audit remains the cornerstone of our brand and the key driver for growth in our Assurance business. In an increasingly volatile world, the market continues to value an independent, objective view over reported financial information and the trust it builds in the capital markets. Our audit business has continued to grow over the last year as we manage complex market dynamics, such as auditor rotation, regulation and increasing competition. We also see increasing demand for assurance over a range of nonfinancial information, such as cyber and ESG disclosure, as companies seek to build trust with their stakeholders in new areas and expect to see this trend continue in future years.

Over the past year, we also saw substantial growth in our risk services. Geopolitical conflict and an inflationary environment have caused significant uncertainty. We have guided organisations to navigate this uncertainty, helping them bring confidence and delivering better business outcomes in areas such as regulatory response and remediation.

We also saw strong demand for our risk modelling and actuarial offerings as organisations increasingly seek assurance in broader areas.

Advisory

Revenues from our advisory operations grew by 13% to US\$22.6 billion (FY22: US\$20.7 billion).

Much of the growth in our Advisory business has been driven by our clients' focus on the need to digitally transform their business models. We've strengthened our relationships with our key technology Alliance partners to go to market and deliver sustained outcomes, which has driven a 40% increase in revenues from alliances. We've also met the demand of our clients to deliver across the entire value chain - from strategy and implementation to run and operate - driving significant growth in our Managed Services business.

While challenging economic conditions continued to result in generally slow deal activity in a number of key markets around the world, our work to advise on and support our clients' mergers, acquisitions and disposals remained relatively strong throughout the year. In addition, our work to support corporate reorganisations or distressed enterprises also expanded.

Tax and Legal Services

Revenues from our Tax, Legal and Workforce businesses grew strongly in FY23, up by 12.5% to US\$11.8 billion, compared with growth of 8.7% in the previous year. These growth numbers exclude revenues from our global mobility and immigration business which was sold on 29 April 2022. The sale of this business has allowed us to increase investment in both our core Tax, Legal and Workforce operations and in new business areas and capabilities (such as alliances and AI) which has helped drive our strongest growth for ten years.

Businesses are undergoing significant transformative changes, leading to a strong demand for Workforce services as clients seek support boosting workforce productivity and employee experiences in the face of new technology and disruption. Also driven by transformation has been the growth in our Legal Business Solutions operations in response to increasing demand for Managed Legal Services and Legal Tech Advisory & Implementation.

Demand for Connected Tax Compliance services continued to grow strongly as clients across the world grappled with added regulatory complexity and increasing compliance responsibilities. In addition, we are helping clients deal with increased tax and legal sustainability requirements, including the payment of so-called "green" taxes and compliance with environmental regulation.





US\$3.7bn

was invested across the PwC network in FY23

Aggregated revenues of PwC firms by line of service (US\$ millions)

	FY23 at FY23 exchange rates	FY22 at FY22 exchange rates	% change	% change at constant exchange rates
Assurance	18,728	18,009	4.0	8.9
Advisory	22,599	20,708	9.1	13.0
Tax and Legal Services	11,767	11,577	1.6 (7.8*)	5.8 (12.5*)
Gross revenues	53,094	50,294	5.6	9.9
Expenses and disbursements on client assignments	(2,395)	(1,980)	21.0	26.6
Net revenues	50,699	48,314	4.9	9.2

The percentage changes at constant exchange rates reflect local currency growth without the impact of US dollar exchange rates.

FY23 revenues are the aggregated revenues of all PwC firms. They are expressed in US dollars at average FY23 exchange rates. FY22 aggregated revenues are shown at average FY22 exchange rates. Gross revenues are inclusive of expenses billed to clients. FY22 figures have been restated to reflect current business structures in operation in FY23. Interterritory revenues are not included in the aggregated figures.

*The growth rates for Tax and Legal services includes revenues from our Global Mobility and Immigration business, which was sold on 29th April 2022 in the prior year comparison. Excluding revenues from the sold business, revenues at constant exchange rates grew by 12.5% instead of 5.8% and at variable exchange rates by 7.8% instead of 1.6%.

Investments

Across the PwC network, we invested US\$3.7 billion during FY23, following investments of more than US\$3.1 billion in FY22.

In addition to investments in attracting experienced teams and people to PwC firms around the world, PwC firms completed 17 acquisitions (FY22: 17) and five strategic investments (FY22: 7) around the world in FY23, expanding our professional capabilities in a number of key areas particularly in the areas of technology consulting and cloud.

Investments are made by individual partnerships, or groups of partnerships collaborating together. These investments cover technology development, hiring of new partners and staff, the training of employees and acquisitions.

Unlike companies, partnerships can generally only make investments from their current year’s income or from bank borrowings secured against future income. This means, most investments are charged to the income statement in the period in which they occurred as an expense. The treatment of acquisitions is dependent upon the individual partnership and acquisition. It varies from holding the asset in the balance sheet to charging the costs of the acquisition to the income statement over a period ranging from one to ten years.

Net income

With economic growth remaining challenging in a number of markets, and inflation continuing to be high with consequent pressure on salaries and recruitment, overall costs across the network increased. So despite a very healthy increase in revenues, net income growth rose by only 3.1% in FY23 compared with 8.8% in FY22.

Percentage change in net income

	FY23	FY22
Americas	2.7%	9.1%
Asia Pacific	2.0%	7.2%
EMEA	4.4%	9.2%
TOTAL	3.1%	8.8%





Taxation

Income taxes

In partnerships, individual equity partners are obliged to pay taxes on the income produced in the partnership at the marginal rates relevant to their total incomes. Total incomes consist of their PwC distributions plus any other sources of income, such as investments. In most cases, the partnership doesn't collect this information and it's therefore not possible to accurately estimate taxes paid on the earnings of each partnership. However, each member firm has strict requirements prohibiting its partners from entering into aggressive tax planning. As a result of this specific characteristic of partnerships, whereby individual equity partners are responsible for tax payments, partnerships in many jurisdictions are not obliged to pay corporate taxes.

Some of our partnerships have attempted to calculate the effective rate of tax that their partners are paying on the income they earn and have disclosed this information in their own markets.

Other taxes

Not all of this information is gathered from member firms in the course of regular reporting. Further work during FY23 has identified improvements and a better approach to gathering this information and we expect this to improve in future years. This means some of the numbers are not strictly comparable year-over-year.

Each partnership pays a range of taxes, including employment taxes. We estimate that the total employment taxes, including social security contributions, paid by our largest 21 firms across the network in FY23 is US\$2.2 billion (FY22: US\$1.7 billion).

In the normal course of business, our firms also collect various taxes on behalf of local authorities. For our largest territories, in FY23, these included US\$3.5 billion (FY22 US\$3.0 billion) of sales tax and US\$5.0 billion (FY22 US\$4.3 billion) of employment taxes, including social security contributions, deducted from salaries. Sales tax collected is the gross amount collected on the sales of services and is not the same as the net sales tax paid over to authorities.

Our member firms pay a range of other taxes, such as property taxes US\$49.1 million (FY22 US\$48.8 million) and various other taxes, including unrecoverable sales taxes, totalling US\$253.5 million (FY22 US\$282.6 million).

Payments from governments

Our 21 largest firms generate approximately 90% of our revenues. With the exception of reliefs that are enacted with general applicability, none of these firms received any significant or material support payments from governments in FY23.

Balance sheet

Each partnership has its own assets and liabilities on the balance sheet. These balance sheets are supported by capital contributed by individual partners. Equity partners may be required to contribute extra capital if their responsibilities change or if a partnership requires additional capital to support anticipated organic and inorganic growth in the future.

Assets are predominantly related to working capital (debtors and cash), technology and the fixed assets associated with our offices.

Adequate banking facilities are maintained by each partnership, both to manage working capital and to provide protection against eventualities that may be reasonably expected to occur.

Outlook

Our economists predict that global economic growth will slow for the remainder of 2023 and into 2024 as monetary policy tightening continues to weigh on economic growth. We project that global real GDP will increase by around 2.6% for the full year 2023 and remain at around the same growth level throughout 2024. So while growth will be slow for the foreseeable future, fears of a recession have for now receded.

While economic growth remains challenging in some markets, our focus on helping our stakeholders plan for the future is as relevant as ever and PwC's performance in the first three months of FY24 is still buoyant.



Data methodology

As detailed in the [Governance](#) section of this Transparency Report, each member firm of the PwC network is owned and controlled by its own local partners, and is separate from other firms in the PwC network. We therefore cannot present consolidated financial information as envisaged by Generally Accepted Accounting Standards (GAAS). Accordingly, the information that is presented in this chapter is aggregated from each member firm.

The gross revenue figures show the recorded revenues earned on client projects. This involves a degree of estimation, considering for instance that individual projects are at varying stages of completion. Gross revenues also include disbursements incurred exclusively on behalf of clients.

Expenses are recognised as incurred, with accruals made for unpaid amounts at the end of the year. These expenses include, for example, property, administrative and employment expenses. Expenses do not include any payments to partners.

Revenue less expenses is a measure not included in Generally Accepted Accounting Principles (GAAP). We call it 'net income'. This isn't the same as 'net profit before tax', which corporations sometimes report, because in some situations partnership agreements specify that certain expenses should be paid by the individual partners and not the member firm. An example is unfunded payments to retired partners. Such amounts are not included in expenses and are therefore excluded from net income. However, we believe this non-GAAP measure is useful in assessing the performance of the network consistently over time.



Putting quality at the heart of everything we do

“Delivering high-quality work is at the heart of what we do at PwC and it is rightly what our stakeholders expect of us. It is the quality of our work that instils loyalty in our clients and pride in our employees.

At PwC, quality is about much more than complying with standards, policies and regulations. It’s about being recognised by stakeholders for delivering sustained outcomes and long term value.

Maintaining high quality requires the right culture, which requires the right leadership that sets the tone from the top, and a comprehensive and proactive system of quality management. It also means that when we don’t meet our quality standards, we need to learn from the experience, hold ourselves accountable, and work to get better.”



Dana McIlwain

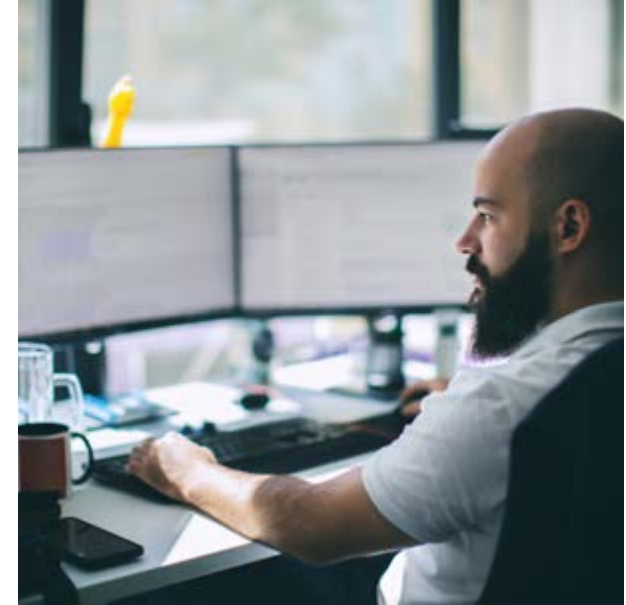
Chief Administrative Officer and Global Operations Leader, PwC US

Quality is the foundation of our success

A quality outcome is what we strive for in every assignment we undertake, wherever we are in the world. Delivering high quality outcomes requires that we have the right:



The quality of our work across the full range of our services has remained a core focus for us, both in terms of how best to monitor and deliver quality. We expect local leadership to endorse our focus on quality through setting the right tone from the top, proactively monitoring quality, learning from any mistakes, communicating expectations to our people and holding themselves and our people accountable where necessary.



“The global tax landscape has changed dramatically. Enhanced public scrutiny, issues around trust and transparency as well as greater regulatory complexity have significantly increased the challenges for our clients and for us. We are committed to providing objective, high quality tax advice and delivering sustained outcomes.”



Carol Stubbings

Global Markets and Global Tax and
Legal Services Leader, PwC UK

Tax and legal services

We deliver high quality advice that is consistent with our purpose and professional standards

PwC’s community of solvers in Tax and Legal Services provides a holistic view for clients by addressing complex issues, using our people’s deep technical expertise. Our tax and legal professionals provide quality services while being empowered to think differently, reimagine solutions, and bring different capabilities together to deliver sustained outcomes to our clients.

We continue to invest for the future of our clients, our people and our network, including focused investments in the following areas:

- Global Connected Tax Compliance services using data, insights and technology to help our clients optimise their tax function resources, processes and outcomes
- Generative AI with game changing partnerships such as Harvey AI in our Legal Business Solutions practice, which is also being expanded to Tax, Workforce and beyond
- New alliances to enable us to offer broader solutions to our clients, including our global strategic collaboration with Microsoft and Icertis
- Technology platforms and tools that are adaptable to meet our clients’ needs, such as our worldwide tax platform, Sightline, that meets needs locally and globally, whether our clients need reporting across multiple engagements and geographies or need to focus on a specific issue

High quality is paramount to what we do as a business and every plan, action and service we deliver needs to be held to this standard. This is a non-negotiable on how we do business and conduct ourselves as tax and legal advisors. To be true to our promise to deliver high quality outcomes, we link quality to each of our Global Tax and Legal Services strategic priorities and core areas so that it provides a foundation for all our strategic efforts. We enforce a culture of accountability where everyone is expected to behave ethically and professionally by putting quality first.

Our approach to quality is grounded in [our purpose and values](#), as well as the application of our recently updated [Global Tax Code of Conduct](#), which requires that:

- Tax advice is given based on an assessment of the client's specific facts and circumstances
- Tax advice that results in positions taken in a client's tax return will be supported by a credible basis in tax law
- All effective tax advice, in any tax authority, requires disclosure of all relevant facts
- As trusted business advisors, when giving tax advice, we help clients understand the broader context, including economic, commercial and/or reputational risks, as appropriate in the circumstances
- PwC firms advise clients of appropriate options available to them under the law having regard to all of the principles contained in the Global Tax Code of Conduct

As part of our efforts to enhance quality, Tax Policy Panels in our member firms, composed of senior partners and subject matter experts, aim to make sure our tax work adheres to our [Global Tax Code of Conduct](#). The panels are more than just technical reviews; they contribute to more holistic, high-quality advice that takes in the broader business and societal context.

As of 30 June 2023, Tax Policy Panels have been established in 43 territories (FY22: 42), including in all of our 21 largest territories and we continue to expand the number of territories.

Advisory services

Helping clients build sustained outcomes

Our PwC Advisory team strives to identify new sources of value for clients. Through our deep expertise, extensive experience, and strategic thinking, we help clients solve important problems and deliver sustained outcomes. Our global community of solvers, backed by our rigorous focus on quality, allows us to address market complexity and business challenges with a world-class portfolio of asset-based solutions, leading technology enabled through deep Alliance partnerships and industry expertise that deliver the measurable results and sustained outcomes our clients demand.



“Seldom, if ever, in our increasingly complex world can a significant problem be solved by looking at it through just one lens. One of PwC’s greatest strengths is that we deploy multi-skilled and multidisciplinary teams who look at problems in the round. Helping address problems in this way, with so many distinct and informed voices at the table, instils confidence and builds trust among stakeholders. It also makes the experience still more stimulating and enriching for our people as they are learning all the time from each other.”



Mohamed Kande
Global Advisory Leader, PwC US.

PwC’s Advisory professionals address stakeholder expectations by following a comprehensive approach to enhance quality through three lenses:

- **The quality of our people.** We continuously upskill and invest in our people - including developing our people’s capabilities to deploy the latest tools, technology and methodologies - so we can provide more value for our clients
- **The quality of delivery.** We proactively identify, manage and mitigate risks associated with complex transformations. In addition, we use leading methodologies and automation to enable consistency, repeatability and quality to deliver excellence for our clients
- **The quality of client experience.** Our people provide differentiated client experiences by harnessing data, technology, industry expertise and technical know-how

To reinforce and enable our commitment to quality, PwC firms implement programmes designed to understand, monitor and promote quality across our projects. This includes ongoing reviews of our most significant projects to continuously evaluate and facilitate quality, and to make sure we are delivering value to our clients.

Assurance services

PwC’s Assurance practice continues to strive to meet evolving expectations of quality and value. Assured information helps to build trust in capital markets and in companies’ performance on key issues like sustainability. To build trust effectively, however, assurance must be high quality. That’s why we continue on our path of continuous improvement in the quality of our assurance services, grounded in maintaining our independence and objectivity, adhering to the ethical requirements of our profession and performing our work in accordance with all applicable professional standards. Along that path, we are also reimagining our role in building trust in the information that matters most to our clients and their stakeholders.

Focusing on audit quality

Delivering quality audits is core to our purpose. We take any instance of a sub-standard audit seriously and we work hard to quickly understand and remediate the impacts of the issue, analyse the root cause, learn lessons

and take the opportunity to enhance the quality of future audits. Our member firms reflect the importance of quality - both quality outcomes and quality behaviours - in the evaluation, recognition and accountability of the relevant partners and leadership teams. Audit quality is the most important factor in performance evaluation and career progression decisions for both our partners and staff.

We welcome the increased public focus on audit quality, and the dialogue about how auditors, preparers, investors and other stakeholders can work collaboratively to increase the level of confidence in financial and nonfinancial reporting. We've actively contributed to this dialogue with audit committees, boards, regulators and standard-setters worldwide, both directly as PwC, and also collaboratively as a profession through organisations like the Global Public Policy Committee and the Center for Audit Quality in the US. PwC continues to publish our overall network internal inspection results for audit engagements. We're eager to continue engaging with others to share, listen and learn – while continuing to invest in enhancing the quality of every audit we undertake.

To help our member firms deliver quality audits consistently, we use a quality management framework based on clear objectives around audit quality and we provide support to help firms meet these objectives. Our member firms deliver high-quality audit services through access to the necessary capabilities in terms of both people and technology. That's why our quality objectives focus on having the right capabilities – both at a member firm level and across our network – and on using these capabilities to meet our own standards and applicable professional requirements. These capabilities are best developed and used within a culture of quality in which leaders set the right tone and are role models for our values, starting by acting with integrity. We continuously enhance our guidance and update our tools to support our engagement teams in addressing new and emerging risks and requirements as part of our audits.

Framework that enables quality

Our audit quality is built on having the right culture and the right people, supported by effective methodologies, processes, and technology. We have a number of dedicated functions within the PwC network that develop practical tools, guidance and systems to support audit quality. PwC's assurance quality management framework – Quality Management for Service Excellence (QMSE) – directs each member firm to consider specific risks to quality and respond appropriately in line with its individual circumstances. Our approach

“At PwC, we believe passionately in leading by example. The commitment our leadership has to the highest-quality standards – underpinned by independence, ethics and professionalism – informs the way our people conduct themselves every day.”



James Chalmers

Global Assurance Leader, PwC UK.



integrates quality management into how each firm runs its business and manages risk rather than viewing quality and risk management as a separate activity.

The QMSE framework introduces an overall quality objective that is supported by a series of underlying quality management objectives. 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 applies to all firms performing audits or reviews of financial statements, or other assurance or related service engagements.

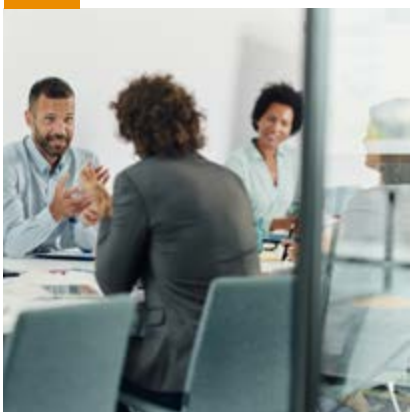
The PwC network's Assurance QMSE framework was designed to enable our firms to meet the requirements of ISQM 1.

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.

We have been on a multi-year journey to prepare for and embed both the intent and specific requirements of ISQM 1 into our approach to quality. To help us achieve this, we have invested and continue to invest significant resources in the 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 each of our firms, and a programme of continuous innovation and investment.

Our 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 across our network to create a comprehensive, holistic and interconnected quality management framework that each member firm tailors to reflect its individual circumstances. Each firm is responsible for utilising the resources provided by the network as part of our efforts to deliver quality.



The Quality Management Process

The achievement of our quality objectives is supported by a quality management process (QMP) established by each firm and its Assurance leadership, business process owners, and partners and staff. This QMP 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 SoQM 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

Values, judgements, objectivity and professional scepticism

Performing quality audits requires more than just the right tools and processes. The auditor's role is to reach a professional judgement based on reasonable assurance about whether the financial statements prepared by the entity's management are, as a whole, free of material misstatement and present a fair picture of the entity's financial performance and position. To carry out this assessment effectively, PwC auditors apply professional scepticism, objectivity, specialist skills and judgement. PwC's values guide our auditors in making their assessments, behaving ethically and building a strong culture in order to deliver trust.

We continue to learn from past experiences while fostering the behaviours that drive quality. We explore how auditors can professionally challenge each other and engage with clients even more effectively, how to create an environment that enables this challenge and dialogue, and how audit teams can use feedback to facilitate continuous learning. PwC firms apply global ethics and independence principles and guidelines that limit the non-assurance services they can provide to audit clients. In effect, these prohibit auditors from acting in a management capacity or as an advocate for an audit client and/or auditing the results of other services provided. These guidelines are reinforced by regulatory restrictions on which services the firms can provide to





audit clients. These restrictions vary by country but may include a complete ban on providing some services and caps on the revenue that can be generated from others as a proportion of audit fees. In addition to these restrictions, some member firms have further limited the services they provide to certain clients in response to local circumstances. PwC partners and staff are also subject to personal independence restrictions and requirements as described [here](#).

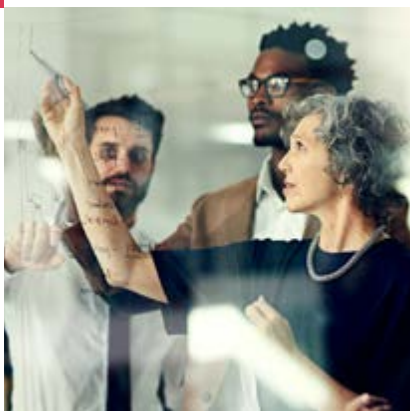
Quality starts and ends with people

Top-quality talent is at the heart of our business. We aim to recruit, train, develop and retain the best, brightest and values-driven people who share our strong sense of responsibility for delivering high-quality services. We truly believe our people help us differentiate on quality and are our most important asset. And to prepare staff and partners for the delivery of quality assurance services, our people have access to a comprehensive curriculum of formal and informal learning and technical courses. PwC's audit curriculum is available to our member firms in a modular format, allowing them to accelerate the delivery of different portions of the curriculum, if appropriate. Furthermore, our firms can develop additional training that augments the curriculum to meet local needs. We also develop and support our people through coaching, on-the-job training, and development learned through diverse experiences and by providing access to expertise through our multidisciplinary model.

The materials cover a variety of learning objectives that follow consistent principles:

- Focus on practical application
- Simulate on-the-job experiences
- Make use of technology in the physical or virtual classroom

Where appropriate and necessary, our audit teams are encouraged to draw on expertise from parts of the network outside the Assurance practice using our multidisciplinary model approach. For instance, audit – especially in today's data-rich world – requires analysis and judgement of vast amounts of increasingly diverse information. This means that it is helpful to have access to experts with a deep understanding of technologies, like data analytics, as well as capabilities around the valuation of physical assets and complex financial instruments, actuarial calculations, treasury operations, tax compliance, and many other areas. Being able



to bring these skills to bear on audit work helps strengthen audit quality and builds trust in the information contained in audited financial statements.

Investing in the future

As part of our commitment to quality we are investing US\$1 billion in a multi-year effort to usher in a new era of auditing, leveraging technology to transform our audit ecosystem and setting a new benchmark for next generation audits.

It is a measure of our success in relation to this that PwC was awarded the 2023 [‘Digital Innovation of the Year Award’](#) at the 12th annual International Accounting Forum & Awards in London for our global suite of AI services in development in support of our auditors.

A culture of innovation across the PwC network of firms continues to drive the creation of tech-enabled solutions addressing both local and global needs, including the technologies underlying this suite of AI services for PwC’s next generation audit.

PwC’s proprietary predictive analytics solution employs cloud-based machine learning and advanced statistical models that will provide PwC auditors with the ability to predict client revenue to support audit procedures. This technology will enable full population analysis of transactions that make up a financial statement line item balance, and includes built-in data reliability and model validation checks, which will help PwC teams further enhance their understanding of clients’ businesses, while delivering a more tailored audit.

Looking forward, leveraging a first-of-its-kind relationship with Microsoft, PwC is building on the strengths of existing tools to transform the audit experience. Our next generation global audit will be fully integrated, fuelled by data, and leverage advanced technologies to enhance quality and value, and reduce unnecessary burden by streamlining data acquisition, standardising processes, and focusing auditors’ work on areas of higher risk.

All our programmes, tools and technologies are built on a human-focused design, focusing on stakeholders’ needs while reimagining ways for our people to work.

“At PwC we are moving quickly to develop and deploy machine learning and natural language processing capabilities across our global audit ecosystem. Our AI-enabled, data-driven services - including generative AI and anomaly detection - will help to solve age-old challenges, which in the past may have burdened internal teams and clients’ organisations, as they support the audit process. This generational leap forward will augment the capabilities of our professionals and free them up to do more of what they do best.”



Mark Flavell

Global Next Generation Audit Technology Leader, PwC US



We are also building on our experience with our current tools including, for example:

- Aura - our current internal cloud-based enterprise resource planning system for audits, used by 120,000 people across the PwC network
- Connect Suite - our suite of collaboration tools with more than 215,000 internal and 1.2 million external users across 150,000 Connect sites, is helping us to collaborate and exchange information efficiently and securely with our clients and audit teams across the network
- PwC Confirmations - our global, secure, web-based confirmation platform that facilitates streamlined and efficient processing of audit confirmations. This includes preparing, sending, monitoring and receiving electronic and paper responses for our auditors and third-party confirmers
- PwC Extract - our data extraction tool which enables teams to gather and manage client data. It allows teams to connect to client systems, acquire data in a secure way and store it safely
- Halo for Journals - our data analytics tool which provides deeper insights into clients' businesses through built-in visualisations. It empowers engagement teams to spend less time performing manual processes and more time understanding transactions. Halo for Journals enhances quality by helping to identify unusual items and potential risks. We're currently using Halo with nearly 19,500 audit clients (FY22: more than 18,000).



Results of our network internal inspections for audit engagements

	2023	2022	2021	2020	2019
Total audit engagement reviews	1,756	1,706	1,618	1,661	1,768
Compliant (%)	85.6%	85.3%	83.3%	82.2%	76.5%
Compliant with Improvement Required (%)	10.2%	11.1%	13.2%	14.0%	18.4%
Total Compliant (%)	95.8%	96.4%	96.5%	96.2%	94.9%
Non-Compliant	73	61	56	63	91
Non-Compliant (%)	4.2%	3.6%	3.5%	3.8%	5.1%

Our internal inspections

Engagement Quality Reviews (EQRs) are carried out by member firms and include reviews of completed engagements. These periodic reviews are designed to determine whether an engagement was performed in compliance with PwC Audit guidance, applicable professional standards and other applicable engagement-related policies and procedures. EQRs are led by experienced independent Assurance partners supported by independent teams of directors, senior managers and specialists. Review teams are resourced to reflect the specialist knowledge or experience needed to objectively assess the selected engagements and are independent from those who are either subject to the review or are potentially affected by the results. Many member firms seek support from outside their member firm to maintain the objectivity of the review team, but this does not create or imply transfer of responsibility for the EQR outside of the member firm. Review teams receive training to support them in fulfilling their responsibilities. They use a range of checklists and tools developed at the network level when conducting their reviews. Additionally, the PwC network undertakes periodic reviews to evaluate certain elements of member firms' SoQMs. We also look at the member firm leadership's own assessment of the effectiveness of their SoQM and their determination of whether the overall quality objective has been achieved.





Between 2019 and 2023, we reviewed a total of 8,509 audits conducted by our member firms worldwide. The results are set out in the table above. Some 46% of those audits were of ‘public interest entities’ (PIEs) (essentially listed and other significant companies, as defined by the International Ethics Standards Board for Accountants (IESBA) Code of Ethics). Of these PIE audits inspected, 123 were classified as non-compliant over the past five years. In cases where an audit is deemed to be non-compliant, we consider what, if any, impact this may have on the entity’s financial statements.

For the 2023 inspection cycle, of the 1,756 audit reviews completed through our internal inspection process, 73 (4.2%) were rated as non-compliant. Of those, five have been assessed as requiring a restatement of the audited organisation’s financial statements and/or for the auditor’s report to be withdrawn or reissued. We continue to invest in enhancing audit quality as described above, and we remain fully committed to a culture of continuous improvement.

Monitoring by audit regulators

In addition to our internal inspections programme, our member firms are subject to monitoring and inspection by external regulators. In all, 58 of these regulators are members of the International Forum of Independent Audit Regulators (IFIAR).

In an industry-wide effort to improve audit quality, the six biggest global auditors and regulators on IFIAR’s Global Audit Quality Working Group agreed on a target to decrease the proportion of audits of listed PIEs identified with findings from inspections by 24 regulators on an aggregated basis by 25% over a four-year period from 2019 to 2023. IFIAR’s 2023 Survey will include their conclusion on whether the collective target has been met after the end of this four-year period and our results will be incorporated in the collective results. We continue to monitor our progress and work hard to achieve this target and will report back on the results of the IFIAR findings in our next Global Transparency Report.



How we identify and manage key risks and engage with our stakeholders

“Over the last 12 months, the PwC network faced both familiar and emerging risks in the business environment, including with respect to quality, independence, objectivity and compliance, and the continuing war in Ukraine, fractures in the global economy, political instability, headwinds in the capital markets and how to address climate change. In this report, you will read about how we identify and manage the risks we face and how we work together to deliver legal and regulatory compliance across our network.”



Coenraad Richardson
Global Chief Risk Officer, PwC UK

Identifying, managing and mitigating risk is an essential part of running any business. At PwC, we work with many organisations to help them deal with the growing **risks** they face in our increasingly complex and challenging world. We also invest significant time and resources into anticipating and managing risks to our own business.

At PwC, the **Global Board** of PricewaterhouseCoopers International Limited (PwCIL) provides oversight, review and approval of our network's enterprise risk management (ERM) approach and focus. The Risk Committee of the Board is responsible for monitoring key risks and responses, setting expectations for quality assurance, setting the network's overall risk management framework, and overseeing compliance with network standards and policies (and the compliance monitoring process), as well as considering legal and regulatory requirements.

The **Network Leadership Team** provides strategic direction, including in the area of ERM.

The Chief Risk Officer (CRO) is responsible for network risk management, including ERM.

Members of the **Global Leadership Team** work through and consider some of the most significant risks and set the guidelines for the compliance and monitoring associated with them.

The PwC network and its member firms take a systematic approach to ERM. The risks with the highest potential impact for the PwC network are reviewed on an annual basis. These Key Network Risks (KNRs) and their related significant mitigation plans are reviewed by the Global Board.

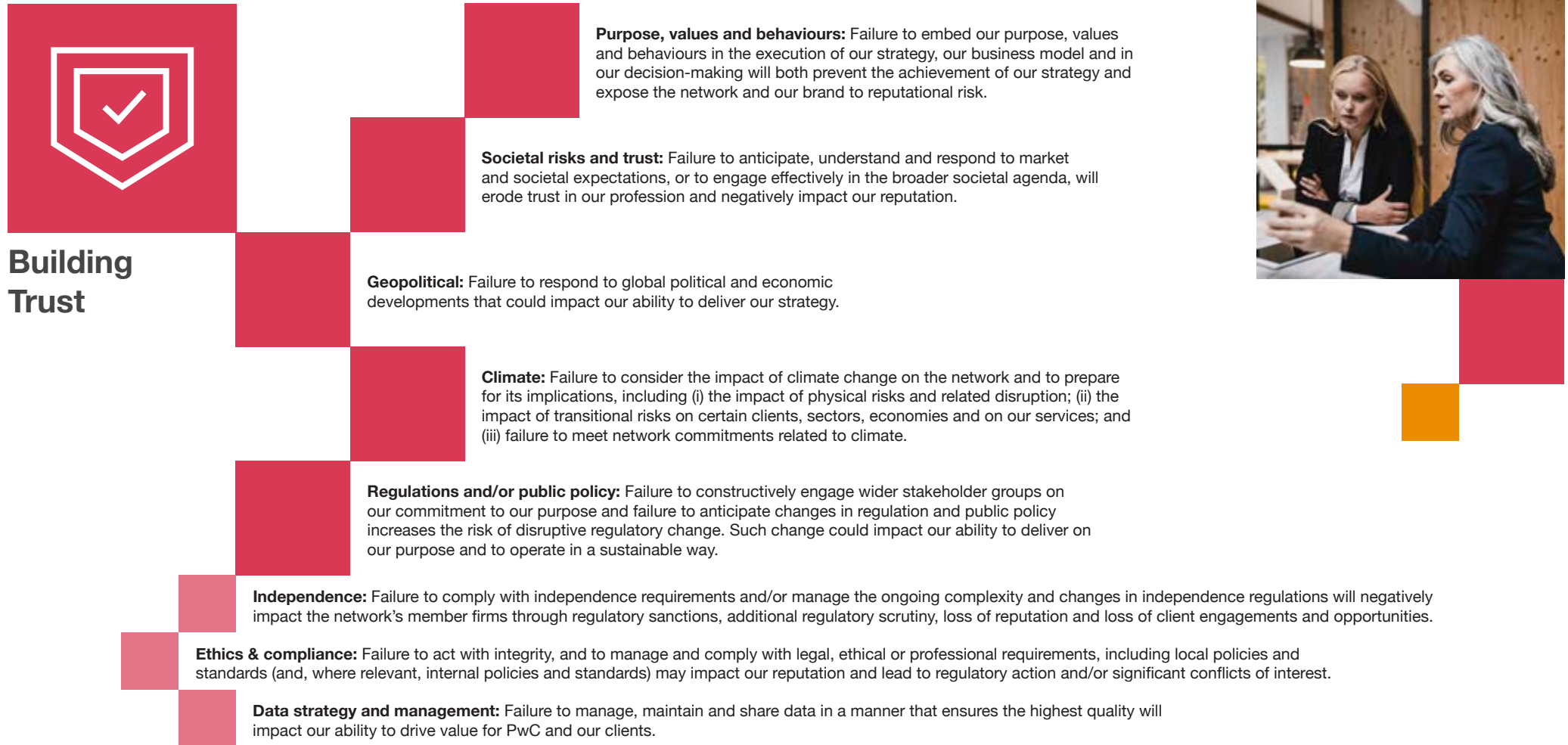
KNRs are risks which have the potential to either undermine the achievement of the network strategy and business objectives, or fundamentally damage the network and compromise its future.

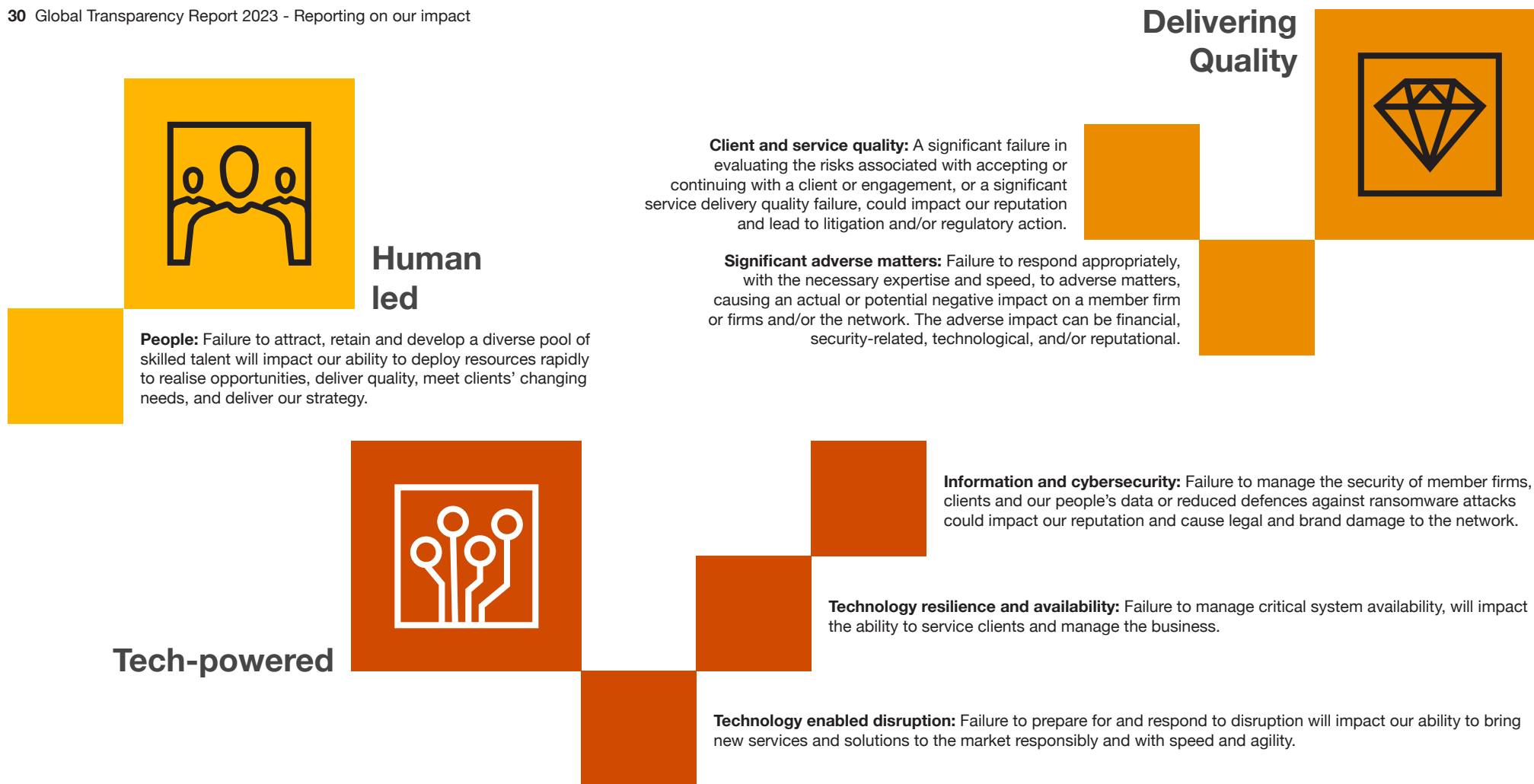
In assessing the significance of risks, consideration is given to the impact on:

- client and service quality, and the network's ability to fulfil its obligations to clients and regulators and to meet the expectations of other stakeholders
- the trust of clients and other key stakeholders (including regulators and governments)
- legal and regulatory compliance across the network
- achievement of the network strategy, including its purpose
- the ability of member firms to recruit and retain key talent
- revenues across the network of firms



The current KNRs are as follows:





The most significant risks facing our network are inherent to the nature of our business and the external environment. The current risk landscape and volatility is recognised in a new KNR, Geopolitical.

The risks we face around ensuring the quality of our services, meeting our applicable legal obligations, and adhering to the professional regulations and standards under which we operate (including those related to auditor independence) remain as important as ever. The same goes for the security and resilience of our systems and technology infrastructure; the strength of the individual member firms that provide our global reach and capability; and our ability to recruit, retain and develop the staff both to service our existing clients and develop opportunities for growing the business.

We remain acutely aware of our impact on the world around us and the need to work with our stakeholders to manage those impacts more effectively. This is why we are committed to reporting our impact using the [World Economic Forum's Stakeholder Capitalism Metrics.](#)



Material issues impacting stakeholders

The issues that are of concern to our key external stakeholders are assessed and taken into account as part of the process of identifying KNRs. This includes:

- the quality of work performed for clients and delivery of sustained outcomes
- our compliance with applicable laws, regulations, professional standards, rules, and internal policies. This includes our member firms' compliance with audit and assurance independence rules and regulations
- our ability to meet the evolving requirements of regulatory and public policy
- our member firms' compliance with applicable data management standards
- our member firms' ability to safeguard and manage data appropriately
- the quality of our information and cybersecurity processes and procedures
- the actions of our people and member firms aligning with our values and societal expectations
- the resilience of member firms to withstand economic, regulatory and political shocks
- the resilience of critical technology systems across our network and member firms
- our ability to attract, retain, train and deploy the right people to ensure high-quality delivery and innovation
- the maintenance of the PwC brand and the confidence it gives in our work and deliverables

Engaging with our stakeholders

PwC engages with stakeholders at both network and individual member firm levels. Details of how PwC communicates with certain stakeholders at the member firm level can be found in individual firms' [transparency reports](#).

Some examples of how PwC engages as a network are described below. These examples are by no means exhaustive. They are an indication of the many ways that we actively engage with our stakeholders on key issues throughout the course of the year.

- Our People - we engage with our people across the world, both locally and network-wide, via a variety of fora including global and local surveys
- Clients - we work with more than 178,000 clients across the globe, ranging from individuals to the world’s largest corporations
- Standard setters - we actively participate in the process of commenting on both financial and nonfinancial reporting consultations
- Regulators - we work closely with our regulators across the world, particularly on efforts to enhance audit quality and support the effective operation of tax systems around the world
- Think tanks and NGOs - participating in discussions on key issues such as climate change and social inequality is a top priority for PwC and a key part of our work to fulfil our purpose
- Investors - as one of the world’s largest network of audit firms, we play a key role in the functioning of capital markets. Understanding the views and needs of investors is very important to us
- Alumni - there are many thousands of PwC alumni across the world and they remain an important part of the PwC community

PwC participates in public policy development in a variety of ways which are intended to complement the [PwC Purpose](#) to build trust and solve important problems. These include active participation in, for example:

- Standard-setter bodies, such as the International Ethics Standards Board for Accountants (IESBA), and the International Auditing and Assurance Standards Board (IAASB)
- Regulatory and other standard-setter consultations and comments on exposure drafts and draft regulations and standards

PwC's key internal and external stakeholders

- Internal stakeholders
- External stakeholders





- Multilateral organisations, such as the Organisation for Economic Co-operation and Development (OECD)
- Forums for bringing stakeholders together to make progress on issues of importance to society such as the World Economic Forum (WEF)
- Development of a wide variety of thought leadership

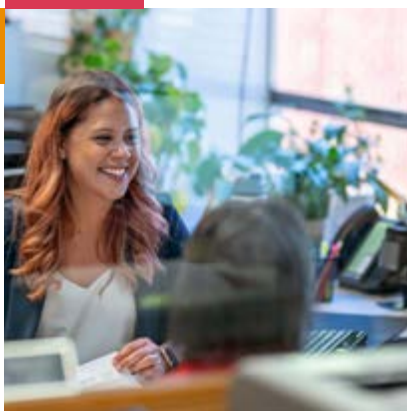
As can be seen on our [website](#), PwC supports policy development and thought leadership regarding important topical issues including climate, tax, financial reporting, accounting and auditing, broader business issues, the future of work, sustainability reporting and assurance, independence, inclusion and diversity, and use of emerging technologies.

All member firms are expected to follow global policies regarding conduct and compliance with regard to any public policy development or lobbying. By way of example, PwC has put in place a set of [principles](#) that our network expects to be followed by all firms when hiring a former government official or when a former PwC partner or other senior staff member from PwC takes a senior post in government in order to avoid any potential for conflicts of interest. This covers not only organisations regarded as strictly governmental but also organisations that regulate or have public oversight of the professional services that we provide. The principles are intended to minimise potential conflicts and avoid the potential that confidences gained from one role could be used in another or for the advantage of a PwC firm. Having a set of principles for use across the PwC network helps us take a consistent approach.

In addition, member firms must follow any additional local laws or regulatory requirements with regard to participation in public policy development.

PwC'S approach to client acceptance

We are implementing a global, cloud-based technology to manage client and engagement acceptance and continuance across our network. This helps member firms make better decisions about who they choose to work with and the services they agree to provide. It also helps us to manage the risks associated with potential conflicts, and, as a result, to continue to foster trust with our stakeholders.



The PwC ethics and compliance standards and policies set out how our member firms should mitigate the risk that they inadvertently become involved in actual or potential money-laundering activities, and these form an important part of our approach to client acceptance. As most legislation on anti-money laundering is based on the [Financial Action Task Force \(FATF\)](#) recommendations, the PwC standard is consistent with these recommendations. In addition to the PwC standards, member firms are required to comply with local laws and professional regulations.

The standards require each PwC member firm to establish systems, policies and procedures to mitigate the risk of being directly or indirectly involved in money-laundering, terrorist financing, or financial crime more broadly. The specific standard requirements for each PwC member firm are described in the following section.

The standards also set out the core requirements and prohibitions for all PwC partners and staff. They make clear that engaging in money-laundering practices is illegal and unacceptable behaviour, and partners and staff have obligations to assist in the prevention of money laundering. Specifically, as part of client acceptance, PwC partners and staff must:

- establish their client's identity (including the identification of ultimate beneficial owners where required)
- not provide any service, or enter into any business relationship, that could constitute being directly or indirectly involved in money-laundering activities

Our policy and guidance provide practical and detailed explanations that outline concepts such as what to look for. Each member firm is required to establish a reporting procedure whereby any partner or staff member can report any knowledge or suspicion of money laundering.





Ethics and independence

Ethics codes and practices

At PwC, we adhere to the fundamental principles of ethics set out in the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA). These 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 services based on current developments in practice, legislation and techniques; and to 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. This includes not disclosing any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, and not using 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



All member firms must also comply with our network standards, which cover a variety of areas related to ethics and compliance, including ethics and business conduct, independence, anti-money laundering, anti-trust and fair competition, anti-corruption, information protection, firms' and partners' taxes, sanctions laws, internal audit, and insider trading. We take compliance with these ethical concerns seriously, so we strive to embrace the spirit and not just the letter of these requirements. We require our people to undertake annual mandatory training and submit annual confirmations of their individual compliance as part of our system to support appropriate understanding of the ethical requirements under which we operate. Our partners and staff are expected to uphold and comply with our ethics standards.

Each member firm is required to uphold the [PwC purpose and values](#). In addition, each member firm must adhere to the PwC network standards, including the [PwC Global Code of Conduct](#) (for more details on the Code [see the Governance](#) section)

All PwC people are expected to live by the values expressed in the Code over the course of their careers at PwC. They have a responsibility to report and express concerns, and to do so fairly, honestly, and professionally when dealing with a difficult situation or when they see any instances of behaviour inconsistent with the Code.

Accountability Framework

Each member firm has an Accountability Framework, supported by disciplinary policies and mechanisms. The framework covers:

■ *Ethics and Conduct*

This includes the PwC Code of Conduct and PwC values & behaviours, ethics and business conduct and behaviour identified in complaints, investigations and/or litigation.

■ *Compliance requirements*

Network and territory policies and compliance requirements (e.g appropriate and timely completion of required training, Annual Compliance Confirmation, maintaining credentials)

■ *Independence*

This includes both personal and service and other business relationships.

Further, each member firm has access to a confidential tier of the [PwC Ethics Helpline](#) where any PwC partner, staff member or third party can raise questions or report concerns. For more details on how concerns are handled, see the [Governance](#) section of this report.





PwC's approach to anti-corruption

PwC is opposed to corruption in any form and recognises the importance of making smart choices when it comes to its business relationships.

The PwC Ethics and Compliance standards and policies specifically set out how member firms are expected to identify and mitigate the risk of bribery and corruption in their activities. They are consistent with the principles of the UK Bribery Act of 2010 and the US Foreign Corrupt Practices Act of 1977. The standards require each member firm to establish systems, policies and procedures to prevent bribery and corruption. They set out specific requirements for each member firm, including:

- appointing an experienced individual who, with appropriate leadership oversight, is responsible for implementing the standards' requirements
- annually preparing a risk assessment to evaluate (a) the level and type of risks the firm faces, and (b) the policies and procedures the firm uses to comply with this standard and/or to respond to local risks
- training all personnel (including new joiners) annually on policies and guidance that apply locally and across our network
- taking steps to identify and resolve any departures from, or violations of, policies in place locally or across our network
- annually undertaking monitoring to assess compliance with these standards as well as policies and guidance that apply locally or across our network, and resolving any deficiencies, where identified

Each year, all partners and staff at PwC member firms are required to sign a personal confirmation of their anti-corruption compliance.

During FY23 there were no instances of corruption in our 21 largest firms culminating in publicly reported regulatory or court adjudications, as related to either the current or previous year.

Our 21 largest firms had total monetary losses aggregating less than US\$10 million in FY23 (equivalent to 0.0002% of our global revenue) as a result of final publicly reported regulatory or court adjudications associated



with malpractice or violations of other related industry laws or regulations, fraud, insider trading, anti-trust, anti-competitive behaviour, or market manipulation. A similar monetary loss was also reported for FY22.

For the information above related to corruption or malpractice matters, the figures provided do not include matters subject to ongoing legal or regulatory proceedings or appeals.

Objectivity and independence

As auditors of financial statements and providers of other types of professional services, PwC member firms and their partners and staff are expected to comply with the fundamental principles of objectivity, integrity and professional behaviour. Independence underpins these requirements in our work with assurance clients. Compliance with these principles is essential to serving our clients and thereby instilling confidence in the capital markets.

The PwC Global Independence Policy is based on the IESBA International Independence Standards, supplemented by the independence requirements of the US Securities and Exchange Commission (SEC), the US Public Company Accounting Oversight Board (PCAOB), and the EU Audit Regulation of 16 April 2014. It contains minimum standards with which PwC member firms have agreed to comply, including processes that are to be followed to maintain independence from assurance clients.

Each member firm has a designated partner (known as the Partner Responsible for Independence or (PRI)) with appropriate seniority and standing. This partner is responsible for implementing 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.

Independence policies and practices

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

- personal and firm independence - including policies and guidance on the holding of financial interests and other financial arrangements, such as 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 policy's application regarding the provision 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 the purchasing of goods and services acquired in the normal course of business
- acceptance of new audit and assurance clients - and the subsequent provision of non-assurance services for those clients

In addition, we have 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 us comply with relevant professional and regulatory standards of independence that apply to the provision of many assurance services. Policies and supporting guidance are reviewed and revised when changes arise, such as updates to laws and regulations, changes to the IESBA International Independence Standards, or changes in response to operational matters.

Each firm supplements the PwC Global Independence Policy as required by local regulations in cases where these requirements are more restrictive than the global policy.

Independence-related systems, tools and processes

As a member of the PwC network, each PwC member firm has access to a number of systems and tools which support member firms and their partners and staff in executing and complying with our 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. The CES assists in determining the independence restriction status of clients of the member firm and those of other PwC member firms before entering into a new non-audit service or business relationship. This system also feeds the 'Independence Checkpoint' and Authorisation for Services [detailed further below]



- the Independence Checkpoint, which facilitates the pre-clearance of publicly traded securities by all partners and managerial practice staff before acquisition and is used to record their subsequent purchases and disposals. When a PwC member firm wins a new audit client, or a security otherwise becomes restricted (for example as the result of a corporate transaction), this system automatically informs any PwC partner or staff member holding securities in that client if they need to sell the security
- Automated Investment Recording (AIR), a solution available to PwC member firms that simplifies portfolio maintenance for PwC partners and staff in the Independence Checkpoint by automatically recording security transactions using regular direct feeds from participating brokers
- Authorisation for Services (AFS), a global system that facilitates communication regarding a proposed non-audit service between a non-audit services engagement leader and the audit engagement leader, documents 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. In addition, independence specialist resources in our global SEC Centre of Excellence utilise AFS to support the approval process relating to the provision of non-audit services to SEC-restricted entities (see 'Controls over non-audit services' below)
- the Global Breaches Reporting System, which is 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
- the Global Joint Business Relationship (JBR) system facilitates our compliance with JBR requirements. It assists the independence specialists in the JBR Center of Excellence 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, which is a standardised compliance platform available to partners and staff in all PwC member firms. It is used by firms to issue, manage and report on confirmations obtained including the annual compliance confirmation and, where relevant, engagement independence confirmations.





We continue to invest at a network level in technologies to strengthen our independence-related systems and tools.

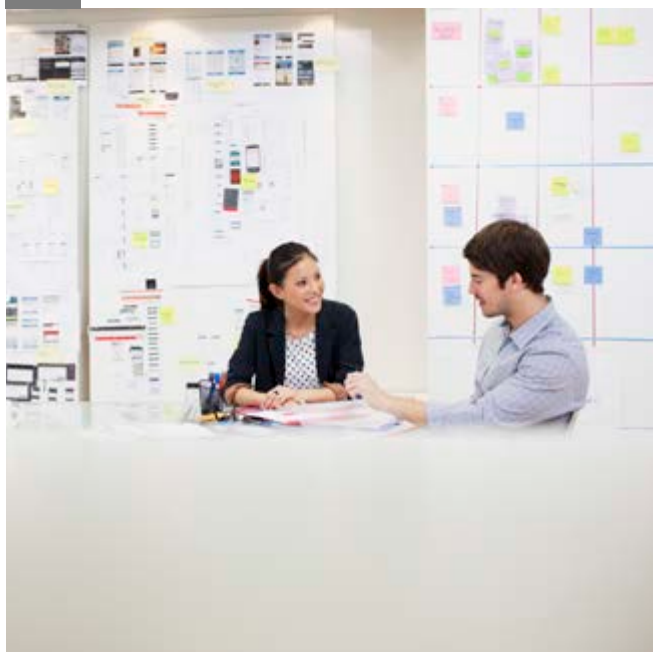
Each member firm also has a number of specific systems which could include, for example, a rotation tracking system that monitors compliance with audit rotation policies for engagement leaders and other key audit partners involved in an audit.

Independence training and confirmations

Consultation with independence specialists by engagement teams on independence issues is central to the PwC culture. In addition to required consultations, teams are encouraged to consult with independence specialists whenever a matter is complex or if there is any doubt about what to do.

PwC's processes are supported by comprehensive training of all partners and staff. Each member firm provides all partners and staff with annual or ongoing training in independence matters. This training is typically based around milestones related to onboarding, 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 independence policy and related topics. Additionally, training is delivered on an as-needed basis by independence specialists and risk and quality teams.

All partners and staff are required to complete an annual confirmation of their compliance with relevant aspects of the member 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 for certain clients.



Independence monitoring and disciplinary policy

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

- compliance testing of independence controls and processes
- personal independence compliance testing of a random selection of partners and managerial practice staff as a means of monitoring compliance with independence policies
- an annual assessment of the firm's adherence to our network's standard on independence

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

Each member firm has an Accountability Framework, supported by disciplinary policies and mechanisms, that promote compliance with independence policies and processes, and require any breaches of independence requirements to be reported and addressed. This includes a discussion with the client's audit committee regarding the nature of a breach, an evaluation of the breach's impact on the independence of the member firm and the engagement team, and the need for actions or safeguards to maintain objectivity. The member firm also follows any supplemental local requirements relating to the reporting of breaches. We assess all of our breaches and they are all taken seriously and investigated as appropriate. As a result of our investigations we know that most breaches do not adversely impact our objectivity and impartiality and may, for example, be attributable to an oversight. The investigations of any identified breaches of independence policies also serve to identify the need for disciplinary measures, improvements in systems and processes, and for additional guidance and training.

Compliance review

For details of PwC's network standards, policies and monitoring please see the [Governance](#) section. Each firm is required to evaluate any departures from independence requirements in the PwC independence policies and/or external regulations to understand the root cause and impact of such exceptions, and undertake any further remediation as appropriate.





Controls over non-audit services

Before providing non-audit services to entities that are subject to independence restrictions, all member firms are required to obtain authorisation from the group audit engagement partner responsible for services to that entity (or a related entity).

To promote understanding of the independence requirements that apply, PwC has developed a comprehensive set of policy and supplementary guidance documents that address the provision of non-audit services to audit clients and their related entities. These documents are based on the requirements of the IESBA International Independence Standards, as well as the rules and standards issued by other regulatory authorities. Member firms supplement this for any relevant local standards.

When our member firms are providing non-audit services to audit clients, they are allowed to provide only those non-audit services that are permissible under the applicable rules. In some instances, these non-audit services are required by law or regulations to be performed by the auditor. However, while we have controls in place regarding the provision of non-audit services to audit clients, we are also conscious of the threats to independence in appearance that can be created by providing non-audit services to our audit clients. So we assess this threat as part of our acceptance processes.

Our Network Risk Management Policy also requires that engagement teams who provide certain non-audit services to SEC-restricted entities obtain input from an independence specialist in our global SEC Centre of Excellence. The conduct of certain services to SEC issuer audit clients is closely supported and monitored through extended processes, including (as applicable) review of audit committee pre-approval communications, independence review of initial engagement communications with the client such as proposal materials, pre-engagement independence coaching discussions for the service team and independence in-flight review of the engagement through the course of the service.



How we govern ourselves and the standards we live by

“An important part of the Global Board’s work is cooperation with PwC’s global leadership teams to review performance, oversee implementation of standards, and liaise with governance bodies at our member firms. Open dialogue and the sharing of best practices is key in holding ourselves accountable and reflects our commitment to continuous improvement. We’re also working to increase independent oversight, reflected in the inclusion of independent members of boards at the member firm and network level.

I was pleased to welcome a new independent member to our Global Board this year. Jaya Vaidhyathan brings extensive experience working with leading financial services firms and technology companies.

Good governance is fundamental to maintaining PwC’s reputation and its values in a fast-changing world.”



Lisa Sawicki

Chair, Global Governance Board, PwCIL

Legal structure, leadership and governance

Network structure and member firms

PwC is a global network of separate firms, operating locally in 151 countries around the world. This structure is important since in many parts of the world, the right to practise audit and accountancy is granted only to firms that are majority-owned by locally qualified professionals. As of 1 July 2023, our network has 631 [active and client-facing entities](#). A Territory Senior Partner (TSP) is selected by each firm to lead that firm for a fixed term. The length of this term, and the maximum number of terms for which any TSP can be elected, are set by each member firm.

PricewaterhouseCoopers International Limited

PwC firms are members of PwCIL, a UK private company limited by guarantee that facilitates coordination between member firms. PwCIL does not practise accountancy or provide services to clients. It works specifically to develop and implement policies and initiatives to create a common and coordinated approach for member firms in key areas such as strategy, brand, risk, and quality.

Member firms have the right to use the PwC name, and the resources and methodologies of the PwC network are made available to them. In return, member firms agree to abide by common policies and standards. Each member firm agrees to pay its allocated share of network costs.

The firms in our network are committed to working together to provide high-quality services on a global scale to international and local clients, while remaining local businesses with deep knowledge of local laws, regulations, and standards.



Network Leadership Team

Our [Network Leadership Team](#) (NLT) sets the overall strategy for the PwC network and the standards to which member firms agree to adhere. The NLT is made up of:



Bob Moritz
Global Chair of the PwC network



Tim Ryan
TSP of our member firms in the US



Raymund Chao
TSP of our member firms in China



Petra Justenhoven
the fifth member, is appointed by the Global Board. She is also the Chair of PwC Europe and the TSP of our member firms in Germany



Kevin Ellis
TSP of our member firms in the UK

The Global Chair of the PwC network and the fifth member may each serve for a maximum of two terms of no more than four years each. The terms of the other NLT members are limited by the arrangements in their respective firms. The NLT met 25 times in FY23 (FY22: 19). In FY23, 19 NLT meetings were held virtually.





Strategy Council

Our [Strategy Council](#) comprises the TSPs of 21 of our largest member firms. It agrees on the network's strategic direction and facilitates alignment for the execution of that strategy. The Strategy Council is expected to meet at least quarterly. In FY23, the Strategy Council met nine times (FY22: eight). Of these meetings seven were virtual and two in person.

Global Leadership Team

Our [Global Leadership Team](#) (GLT) is appointed by, and reports to, the NLT. Its members are responsible for leading teams drawn from our member firms to coordinate and lead PwC's activities across all areas of the business. The GLT met seven times in FY23 (FY22: 10). All of these meetings were virtual.

Global Board

As of 1 July, 2023, PwCIL's [Global Board](#) has 19 members who are responsible for the governance of PwCIL and the PwC network, oversight of the NLT, and approval of network standards. With the exception of one external independent director, the other 18 elected members are full-time partners of PwC member firms from around the world who don't belong to the senior leadership teams of those firms. Of the current 18 elected Board members, eight are women. During FY23, the Board met 12 times (FY22: 12). All but four of those meetings were held virtually. Collectively, the Board's standing committees met 30 times (FY22: 25). The 19 committee meetings held in FY23 were virtual.

Board members are elected every four years by partners exercising their votes through their member firms. The current Board, which has members from 13 countries, took office in June 2021. Board members may serve a maximum of two terms of four years each. Six of the Board members are in their second term. Six board members currently serve as chair of their member firm's governance body; this helps foster strong alignment among member firms on matters of strategy, quality and execution. You can view a short biography of each Board member [here](#), including details of any other boards or bodies that they serve on.

Having a broad range of backgrounds and experiences is an essential ingredient in the Board’s discussions. In addition to their technical expertise across a range of disciplines, our Board members also have experience and competencies across the spectrum of environmental, social and governance (ESG) issues including inclusion and diversity, social mobility, renewable energy and corporate governance.

The Board currently has four standing committees focused on governance, markets, risk and operations. It may establish other committees from time to time. Below is a summary of each committee’s focus areas.

Committee	Focus areas
Governance	<ul style="list-style-type: none"> ■ Network governance and leadership matters, including succession planning
Markets	<ul style="list-style-type: none"> ■ Relationships (including clients and joint business relationships) and markets ■ Portfolio of services (including delivery models) ■ Brand positioning ■ Corporate responsibility and public interest
Operations	<ul style="list-style-type: none"> ■ Finance and operations including network investments and performance ■ People, including upskilling, culture and values ■ Technology strategy, enablement and execution, including data protection
Risk	<ul style="list-style-type: none"> ■ Enterprise-wide risk management and legal matters ■ Quality, network standards, ethics and compliance and policies ■ Admission and withdrawal of members to the PwC network





Governance boards in member firms

Each member firm is required to have a separate local governance body to oversee the performance of the firm's leadership and to provide direction and guidance. Traditionally, these governance boards were made up of partners from that firm. However, as with the Global Board, external people are increasingly joining these boards and member firms are setting up additional advisory bodies comprising external members. The Network promotes independence as best practice. For example, the majority of the 21 largest territory firms either have, or are taking steps to establish, some form of external oversight, in the form of external governance board members and/or advisory bodies:

- PwC US currently has one independent board member on its primary governance body as well as the governance body of its audit firm. The audit firm of PwC US has an Assurance Quality Advisory Committee (AQAC) comprised of three independent members. The AQAC does not have oversight responsibility but provides an independent perspective to leadership on Assurance quality topics
- PwC UK has four independent non-executive directors in its Public Interest Body and three audit non-executives in its Audit Oversight Body (one of whom is not also a member of the Public Interest Body)
- PwC Canada has three independent directors on its board
- PwC Switzerland has a Public Interest Committee consisting of five independent members
- PwC Australia has an independent Audit Quality Advisory Board comprising three members and is in the process of recruiting independent members to its main oversight board
- PwC Netherlands has an oversight board wholly comprising independent members as required by Dutch legislation
- PwC Italy has an independent director on its audit firm board
- PwC India has two independent nominated members on its board and a separate Advisory Committee consisting of four independent members advising the TSP from an external perspective
- PwC Germany has a 16 member Supervisory Board consisting of four independent individuals, five former PwC partners and seven employees. Eight board members are elected by the employees and eight board members are elected by the shareholders. None of the board members are active PwC partners

Transparency

Many PwC member firms publish annual transparency reports disclosing information relating to their legal structure and ownership, governance structure, internal quality management systems, quality assurance, education and independence practices, audit revenue, and partner remuneration. These reports are designed to give stakeholders insights into key aspects of PwC member firms, and to aid understanding of how PwC member firms are organised and deal with key issues such as quality management. Many of them are set out in accordance with local legal and regulatory requirements, such as article 13 of EU regulation No. 537/2014. To read our member firms' transparency reports, click [here](#).

Network standards and policies

Each PwC member firm agrees to abide by certain standards, including:

Strategy and alignment: Implementing a strategy aligned with the PwC network's strategy, and implementing the strategic initiatives set out by PwC's NLT

Investment: Contributing a percentage of its net revenues to fund investments, at levels to be agreed annually with PwC's NLT. Investments are used to fund enhancements in quality, risk management, technology development and acquisitions, among other things

Technology: Implementing the network's technology strategy, including specific policies on information security and data protection

Quality: Establishing business processes that promote and facilitate the delivery of high-quality services and complying with all applicable PwC network and professional standards and requirements. These include having processes in place to enable firms to provide high-quality services in a manner that meets relevant stakeholder expectations, and member firms only accepting clients and undertaking engagements that are consistent with PwC's network risk management policies

Brand: Consistently reflect the attributes of the PwC brand, including brand positioning, brand personality and visual identity, in all external and internal activities and messages





Governance: Put in place an oversight function, independent from management, which practises good governance

Enterprise risk management: Establish an enterprise risk management programme and integrate this within its business operations. It will also perform an enterprise-wide risk assessment which identifies and prioritises the components of enterprise-level risk, and develop specific action plans to mitigate each identified risk

People: Put in place an appropriate strategy, policies, processes and systems to attract, retain and develop a diverse group of people of the quality needed to deliver services and operate its business

Ethics and compliance: Each PwC member firm should implement the systems, policies and procedures necessary to comply with our ethics and compliance standards, as detailed below.

- **Ethics and business conduct:** Embed a strong culture of ethics and business conduct in its people and in the way they conduct their business
- **Anti-money laundering:** Implement systems, policies, and procedures to mitigate the risk of being directly or indirectly involved in money laundering, terrorist financing or financial crime more broadly
- **Anti-trust and fair competition:** Implement systems, policies and procedures so that our firms compete in the marketplace in accordance with applicable law and regulations of fair competition, including not disclosing competitively sensitive or confidential business information or entering into agreements with a competitor that might limit competition
- **Anti-corruption:** Establish systems, policies and procedures for the prevention of bribery and corruption, in compliance with all applicable laws and regulations
- **Information protection:** Put in place appropriate technologies, systems, policies and procedures to protect the confidentiality, integrity, and availability of information in its possession (in line with ethics code and local information protection measures)
- **Taxes paid by member firms and their partners:** Organise and conduct its tax affairs in a manner consistent with PwC's [Global Tax Code of Conduct](#) and that lives up to PwC's reputation and expectations and requires the same of its partners

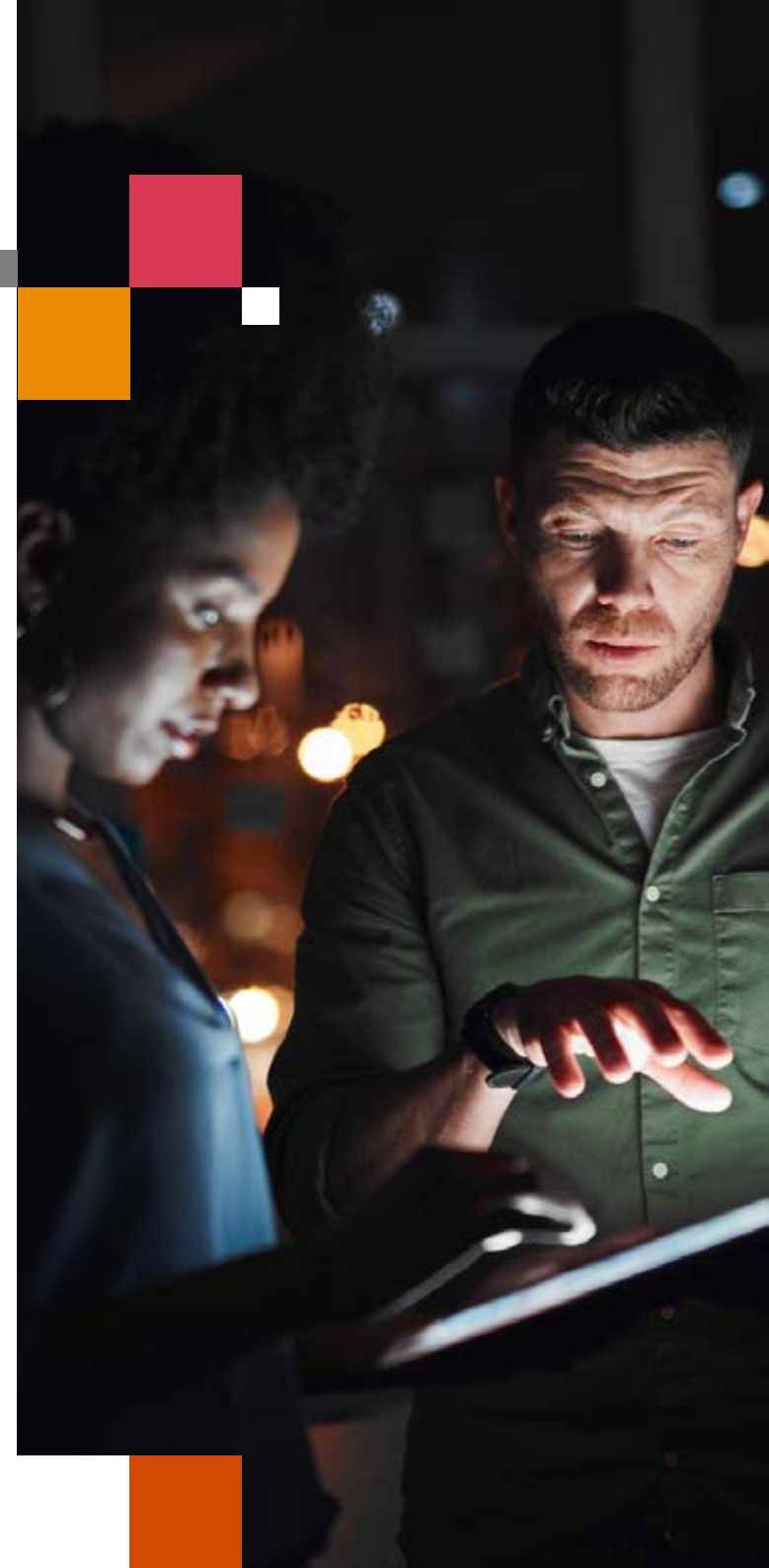
- **Sanctions laws:** Implement policies and procedures to prevent being involved with clients or activities that may violate applicable sanctions laws and regulations
- **Internal audit:** Have an appropriate level of internal audit coverage over key audit risks including, but not limited to, operational, information technology and compliance risks
- **Insider trading:** Establish systems, policies and procedures for the prevention of insider trading, in compliance with all applicable laws and regulations
- **Independence:** Establish systems, policies and procedures to ensure that the firm and its people comply with independence laws and regulations, including PwC's requirements and policies.

In addition to the PwC network's common standards and policies, PwC member firms also have access to common methodologies, technologies and supporting materials for many services.

These methodologies, technologies and materials help member firms, partners and staff perform their work more consistently, and promote quality while supporting their compliance with the way PwC does business and in line with our strategy – The New Equation.

Monitoring compliance with network standards and policies

Monitoring compliance by PwC member firms: Each member firm must monitor its controls and the effectiveness of its quality management systems in a manner appropriate to the level of risk in its environment. In particular, each firm must assess whether the policies and procedures that constitute its system of quality management support the delivery of services in compliance with applicable laws, regulations and professional standards. This includes completing annual risk assessments and action plans, reviews of its systems and procedures, transaction testing where appropriate, and reviews at the individual engagement level across each line of service.





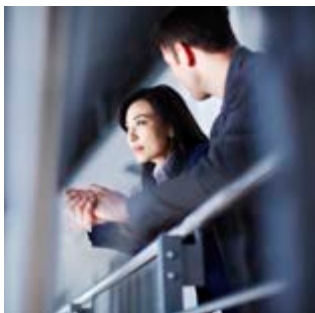
Monitoring compliance at the network level: Each year, PwC member firms assess their compliance against the network standards using a common technology platform. This platform facilitates the review and assessment of controls, the establishment of testing requirements, and the collection and evaluation of evidence relevant to the member firm's assessment:

- Each year, every member firm completes an annual self-assessment of its compliance with network standards and related policies and procedures and confirms whether it is in compliance with the standards. The member firm supports its self-assessment with appropriate evidence in required areas
- As part of the self-assessment, the firm's TSP signs a confirmation stating whether the member firm was in compliance, in all material respects, with each network standard. The TSP also commits to addressing any remedial actions identified during the self-assessment. To address specific matters where process improvements are needed, member firms, with the assistance of the network, prepare, review and execute action plans
- Each self-assessment is independently evaluated by a core team of specialists and feedback is provided to the member firm, where appropriate. Where a member firm is unable to confirm compliance, in all material respects, with the standards, it must implement a remediation plan which is monitored with the network's assistance

All member firm partners and staff complete individual annual compliance confirmations indicating their understanding of, and compliance with, those policies which are applicable to them.

Striving to do the right thing

Our member firms conduct their business activities within the framework of applicable professional standards, laws, regulations, internal policies and an acute awareness that our collective reputation depends upon the conduct of every partner and staff member. PwC nurtures a culture that supports and encourages our people to behave appropriately and ethically, with integrity, especially when they have to make tough decisions. Our people have ready access to a wide array of support within their respective member firms – both formal and informal – and technical specialists to help them reach appropriate solutions.



Despite all our work to guide our people to do the right thing, we don't always get it right. This year, it became apparent that significant breaches of confidentiality had occurred in PwC Australia. While these breaches occurred a number of years ago, the former leadership of PwC Australia had not taken appropriate responsibility for or action to investigate or remediate them since that time. These behaviors violated our standards and codes of conduct and are completely unacceptable.

Under new leadership a number of [actions](#) have been taken by PwC Australia in the past six months to address its Governance, Culture and Accountability. While there is some way to go, PwC Australia is taking steps to start earning back the trust that has been lost. The highly regrettable situation in Australia is also a reminder to us as a network about what can happen when we don't keep our purpose and our values central to everything we do and that building and maintaining a culture of quality and integrity is a continuous journey that requires focus, effort and dedication.

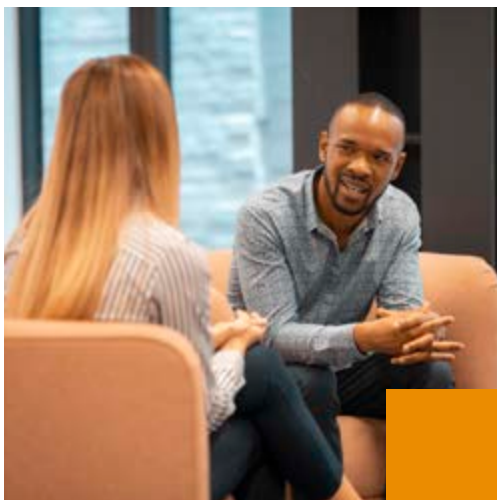
One of the central ways we guide our people across the PwC network on how to behave is our codes of conduct, which highlights the importance of ethical conduct.

The [PwC Global Code of Conduct](#) (the 'Code') is applicable to all partners and staff in our network. The Code, which highlights the importance of ethical conduct, provides principles-based guidance, helping our people think about difficult questions, promoting consultation, and encouraging our people to speak up if they have concerns. The Code sets out a common set of expectations for our conduct, a key element of which is abiding by applicable laws and regulations. If any local law or regulation is more restrictive than the Code, local law or regulation governs.

Network and local policies and supplemental guidance complement the principles embodied in this Code and the PwC Network Risk Management Policies.

The Code was updated recently to include enhanced guidance on issues such as reinforcing the importance of a strong Speak up culture, whereby partners and staff can feel safe raising a question or concern, the use of social media, the importance of maintaining confidentiality, integrity and objectivity in everything we do, and stating that we don't tolerate harassment, discrimination or bullying. An extensive year-long communications campaign is underway across the PwC network, led by our global leadership and local Territory Senior Partners, to introduce the updated code and emphasise the key messages about our ethical culture.





In the area of taxation, there's a general principle that taxpayers have the right to manage their tax affairs provided they act within the law. Equally, they should also be able to access independent advice on their tax position. However, in order to make informed decisions, our clients require guidance to understand the dynamic and complex nature of tax laws – both at a national and international level. In helping our clients and our people make these informed decisions on tax, taking into account the relevant considerations, our member firms act according to our [Global Tax Code of Conduct](#).

The tax code was updated to reflect recent events, changes to the global tax environment and to reinforce the importance to PwC of having a well functioning tax system, acting as good stewards when operating as tax advisors and respecting confidentiality in all aspects of our work as tax advisors. In addition, the tax code emphasises how all our tax advisors are accountable and expected to act in line with the code and the obligation to call out behaviour that is not in line with the code. The updated tax code is currently being rolled out with an extensive engagement campaign across our 44,000 strong community of tax professionals across the world.

We also expect professional standards of conduct from the external organisations with whom we work. External parties who work with our member firms must adopt and comply with the [PwC Global Third Party Code of Conduct](#) or its equivalent.

Complaints and allegations

The Code and the behaviours we seek to reinforce are brought to life in numerous ways for our people, including formal training, leadership programmes emphasising a culture of speaking up and showing respect at work, and in our day-to-day work and handling of complaints and investigations.

Speak up. Speaking up is crucial to our culture at PwC – it's a living example of our values. Speaking up when something doesn't seem right demonstrates integrity and that we have the courage to do the right thing. It also helps to prevent mistakes and misconduct, while showing that we care about each other and our business. And it assists us in living up to our commitment to deliver quality outcomes. Everyone within the PwC network – no matter their level or role – is encouraged and empowered to speak up when dealing with a situation that doesn't seem right. All PwC partners and staff have a responsibility to report and express their concerns, even if the concerns involve senior people.

Each member firm has a confidential and secure tier of the [PwC Ethics Helpline](#) and supporting case management system, whereby any PwC partner, staff member or third party can raise a question or concern, without fear of retaliation.

Listen up. Listening and collaboration mean we consult with our colleagues so that concerns are heard and addressed in an open and professional manner. We have many reporting channels at PwC. In addition to the Ethics Helpline, partners and staff can consult with the Ethics and Business Conduct leaders, managers or supervisors, coaches, Human Capital, Risk Management, or the Office of General Counsel. We want our people to choose a channel that is most comfortable for them to speak up.

Follow up. For any allegation, complaint, or concern, we investigate and address the situation in an appropriate, timely and objective way. If a concern is reported, it's handled with appropriate confidentiality. Disciplinary action is taken as appropriate and in accordance with established accountability frameworks in each member firm.

Non-retaliation. PwC is committed to protecting our people against retaliation when complaints are filed in good faith. Retaliation is serious misconduct that will not be tolerated, and any PwC professional – whether a partner or staff member – who takes retaliatory action will be held accountable.

Conflicts of interest

Given the broad nature of our operations and the many clients that we serve, PwC frequently faces the risk of potential conflicts of interest. We take any potential conflict of interest seriously. If a conflict is identified, we're committed to facilitating member firms' efforts to take timely steps to address it. Member firms maintain internal controls and processes designed to identify potential conflicts and comply with applicable laws and regulations. Our programmes reinforce the need to act in accordance with the code and frameworks for ethical decision-making at both a member firm and network level. The network and member firms understand that there's a greater risk of conflict of interests, or a perception of such issues by our stakeholders, in some key areas (including working with government). There are separate principles to deal with these areas.





Working with government officials

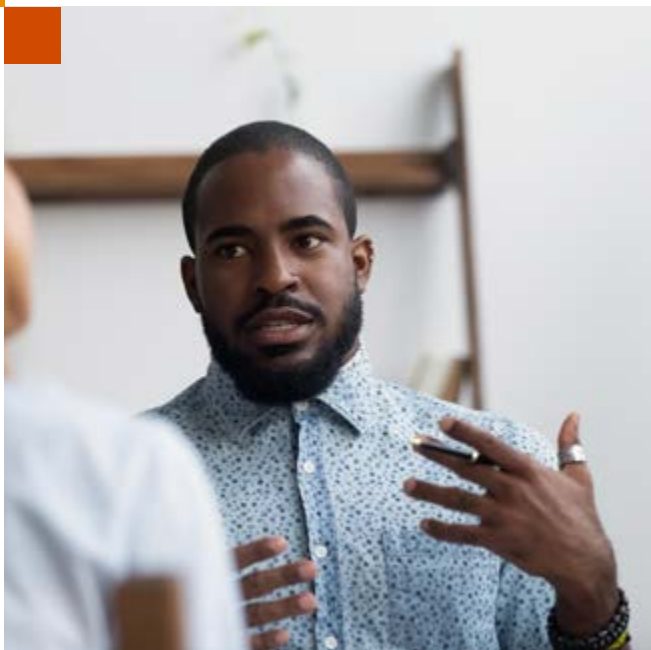
Our network has a set of principles that it expects all member firms to follow when hiring a former government official or when someone from PwC takes a senior post in government. When we refer to government in this context, the term covers not only organisations regarded as strictly governmental, but also organisations that regulate or have public oversight of the professional services that we provide.

Our principles

When we recruit staff from governments, as explained above, or when our people leave PwC to join those organisations, our [principles](#) are as follows:

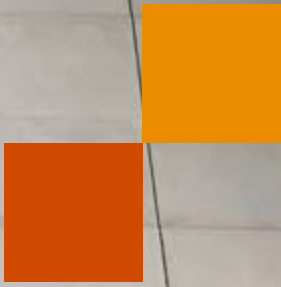
- when government officials join PwC, we uphold any professional restrictions the government or the law imposes on them. Where there are no rules, we put appropriate restrictions in place
- when government officials join PwC, they don't represent us in front of those government bodies they previously represented for a period of at least one year, or for a longer period if prescribed by the government
- when a senior PwC person joins a body that has regulatory oversight of PwC and our practitioners, we advise the body of any ongoing financial interest they have in PwC (e.g. pension arrangements). In addition, we ask that the individuals are not involved in making decisions about PwC for at least one year and until that financial interest concludes
- to enable us to uphold the practice outlined in the point above, we ask retired partners to advise us before accepting an appointment with any government body or regulatory agency

There will be differences in how these principles apply to local circumstances for our member firms, as local laws or regulations could override the principles or provide additional requirements with which a member firm must comply. However, we expect member firms to have a common minimum approach in line with these principles.



WEF Stakeholder Capitalism Metrics Report

As part of our commitment to promoting transparent and comparable reporting, we are publishing an overview of our disclosures on the World Economic Forum (WEF) Stakeholder Capitalism Metrics for FY23.



PwC was an early supporter of the WEF Stakeholder Capitalism Metrics, and we have been encouraging our stakeholders to use these metrics for their own reporting since their introduction.

This year we are again reporting against the 21 core metrics that cover the four key areas of Principles of Governance, Planet, People and Prosperity and the additional 34 metrics that go into more detail for each area.

Of the total 55 metrics, 16 are not relevant to PwC as a professional services network. Of the 39 metrics that are relevant to us, we are reporting fully against 16 metrics, partially against 19 and not reporting against the remaining four relevant metrics. A similar result to last year. We are proud of the work that we have done in relation to these metrics but there is always more we can do and we will strive to comply fully with more metrics in the future.

Principles of governance

 <p>Our purpose: Build trust in society and solve important problems.</p>	 <p>Our values: Act with integrity, make a difference, care, work together, reimagine the possible.</p>	 <p>All of our partners and staff are required to complete annual training on PwC's anti-corruption policies and procedures.</p>
 <p>Our Code of Conduct sets out a common framework on how we expect our 364,000-plus people to behave.</p>	 <p>As of 1 July, 2023, PwCIL's Global Board has 19 members who are responsible for the governance of PwCIL and the PwC network. During FY23, the Board met 12 times.</p>	 <p>Each member firm has access to a confidential ethics helpline.</p>

Planet

 <p>On track to meet our near term science-based targets.</p>	 <p>Reduced business travel emissions by 49% from FY19 baseline.</p>	 <p>Reduced scope 1 & 2 emissions by 61% from FY19 baseline, with 91% of our electricity from renewable sources.</p>
 <p>Delivered our third annual voluntary Task Force on Climate-related Financial Disclosures (TCFD).</p>	 <p>Working towards our FY25 target of 50% of suppliers (by emissions) having science-based targets, with 18% having targets and a further 10% committed to setting targets.</p>	 <p>This year we've expanded our disclosures to include our land footprint in or adjacent to biodiverse regions and an estimate of our water use in water-stressed regions.</p>

People



364,232
total headcount.



129,829
people joined PwC.



36,285
net new jobs created
in the last year.



49%
of workforce is female.



86%
of our people are proud
to work at PwC.

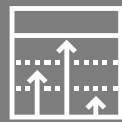


Average learning
completions per month
increased to **1.89** million
(up from 1.87 million
last year).

Prosperity



Global revenue
US\$53.1 billion up
9.9% over FY22¹.



Number of acquisitions:
17 (FY22: 17).



42,666
PwC people
volunteered to support
their communities.



Investments: US\$3.7
billion compared with
US\$3.1 billion in FY22.



Volunteering time:
870,403 hours.



Total employment
taxes paid by 21 largest
firms US\$2.2billion
(estimate).



Principles of governance



Core Metrics			
Topic	Metric	Adoption status	More information
Governing Purpose	Setting Purpose	Comply	Please see our purpose and values .
Quality of Governing Body	Governance Body composition	Comply	Please see the Governance chapter of our FY23 Global Transparency Report for information on our Global Board and Global Leadership Team.
Stakeholder Engagement	Material issues impacting stakeholders	Comply	Please see the Risk chapter of our FY23 Global Transparency Report for a discussion on material issues impacting stakeholders.
Ethical Behaviour	Anti-Corruption	Comply	<p>Please see our approach to anti-corruption</p> <p>All of our partners and staff are required to complete an annual training on the anti-corruption policies and procedures. For FY23, most of our 21 largest firms reported 99-100% completion, although there were outliers who reported in the range of 88-97%. Every firm is required to develop a sanctions protocol to require 100% completion of training for all partners and staff and institute consequences for late completion.</p> <p>In FY23, there were no incidents of corruption in our 21 largest firms culminating in publicly reported regulatory or court adjudications, related to either the current or previous years. The figures provided do not include matters subject to ongoing legal or regulatory proceedings or appeals.</p> <p>The Network has a robust anti-corruption programme and does not tolerate any form of bribery or corruption. This is clearly stated in PwC's Code of Conduct, in our policies and procedures, in all required training on anti-corruption and in regular messaging and communications by firm leaders. We have developed a framework of governance and transparency to promote tone at the top leadership and accountability, reinforcing our zero-tolerance around bribery and corruption. We also require our third parties to comply with the Third Party Code of Conduct, which prohibits any form of bribery or corruption.</p> <p>As part of our overall programme, firms prepare an annual risk assessment and action plan, in order to conduct regular assessments of the firm's compliance risk, which is tailored to the firm's evolving business profile (including geographies in which we operate and clients who we serve), to confirm that the programme is operating as designed and is meeting firm, legal and regulatory requirements and expectations.</p> <p>Firms have also implemented monitoring programmes that include independent testing and reporting to prevent and detect compliance issues and to facilitate appropriate and timely responses to any risk identified. Testing includes review of expenses for gifts and entertainment and other high risk areas for government and public sector clients. The Network requires all partners and staff to complete the Annual Compliance Certification (ACC), whereby they must certify that they have read, understand and will comply with all internal policies and guidance related to anti-corruption. Each firm is required to follow up on any exceptions for the ACC responses. Firms issue communications and mandatory training on anti-corruption. Firms have also developed guidance and requirements around gifts and entertainment. Finally, as part of our Speak up culture, partners and staff are encouraged to raise any questions or concerns about bribery or corruption and to consult with the anti-corruption subject matter experts or their engagement or firm leadership.</p>

Core Metrics			
Topic	Metric	Adoption status	More information
Ethical Behaviour	Protected Ethics Advice and Reporting Mechanism	Comply	<p>Please see the Risk chapter of our Global Transparency Report for a discussion on how we manage ethics and independence.</p> <p>We have implemented the PwC Ethics Helpline and Case Management System across the Network and each firm has a separate and secure helpline tier for their reported cases and investigations. The Ethics Helpline is available for all PwC partners and staff as well as clients, third parties and any other external party; reporters can remain anonymous when using the helpline. Firms support and drive a Speak up culture, encouraging all partners and staff to ask questions or report any issues or concerns about ethical behaviour or organisational integrity.</p> <p>In addition to the helpline, Firms have many other reporting channels, including resources in the Ethics team, Human Capital, the Office of General Counsel, Risk Management, supervisors, coaches and relationship leaders or partners. Firms reinforce and communicate those channels through internal communications, training, policies, and dedicated Ethics intranet sites.</p> <p>Firms have developed Ethics Committees, where they meet regularly to review reported cases and trends; they work with key stakeholders and firm leadership to address these issues and develop proactive strategies to promote and maintain an ethical culture. Firms have also established Ethics Champions and trusted partners in their business units to further support the ethics function.</p>
Risk and Opportunity Oversight	Integrating Risk and Opportunity Into Business Process	Comply	<p>Please see the Risk chapter of our Global Transparency Report for a discussion of how we identify and manage our key network risks.</p>

Expanded Metrics			
Topic	Metric	Adoption status	More information
Governing Purpose	Purpose led-management	Comply	PwC's purpose to build trust in society and solve important problems is at the heart of our strategy and all our decision making. Examples of how our purpose is brought to life, what we do and how we behave can be found in our FY23 Global Annual Review
Quality of Governing Body	Progress against strategic milestones	Partially Comply	PwC's strategy The New Equation which launched in June 2021 has at its heart our network's purpose "to build trust in society and solve important problems." Progress against some of the objectives of that strategy such as financial performance and net zero can be found on our website.
Quality of Governing Body	Remuneration	Partially Comply	PwC's Global Board in coordination with territory Governance Bodies oversees the remuneration of the leaders of the PwC network - the Network Leadership Team (NLT) - in respect of their network roles. Determining the remuneration of the NLT is based on performance against an agreed set of key performance indicators (KPIs) in line with the PwC strategy, including KPIs related to ESG factors. In addition, the Global Board has oversight of the NLT's determination of PwC's Global Leadership Team (GLT) remuneration. The KPIs that the GLT is judged upon, depending on role, can include KPIs related to ESG factors.
Ethical Behaviour	Alignment of strategy and policies to lobbying	Partially Comply	<p>PwC participates in public policy development in a variety of ways which are intended to complement the PwC purpose to build trust and solve important problems. These include active participation in, for example -</p> <ul style="list-style-type: none"> • Standard-setter bodies, such as the International Ethics Standards Board for Accountants (IESBA), and the International Auditing and Assurance Standards Board (IAASB). Regulatory and other standard setter consultations and comments on exposure drafts and draft regulations and standards • Multilateral organisations, such as the Organisation for Economic Co-operation and Development (OECD) • Forums for bringing stakeholders together to make progress on issues of importance to society such as the World Economic Forum (WEF) • Development of a wide variety of thought leadership <p>PwC supports policy development and thought leadership regarding important topical issues including climate, tax, financial reporting, accounting and auditing, broader business issues, future of work, sustainability reporting and assurance, independence, diversity and inclusion, and use of emerging technologies. All member firms are expected to follow global policies regarding conduct and compliance with regard to any public policy development or lobbying. By way of example, PwC has put in place a set of principles that our network expects to be followed by all firms when hiring a former government official or when someone from PwC takes a senior post in government in order to avoid any potential for conflicts of interest. This covers not only organisations regarded as strictly governmental but also organisations that regulate or have public oversight of the professional services that we provide. The principles are intended to minimise potential conflicts, to avoid the potential that confidences gained from one role could be used improperly in another or for the advantage of a PwC firm and to comply with applicable regulatory and legal restrictions on post-government employment. Having a set of principles for use across the PwC network helps us take a consistent approach.</p> <p>In addition, territories are required to follow any additional local laws or regulatory requirements with regard to participation in public policy development.</p>

Expanded Metrics			
Topic	Metric	Adoption status	More information
Ethical Behaviour	Monetary losses from unethical behaviour	Partially Comply	In FY23, our 21 largest firms had total monetary losses aggregating less than US\$10 million (equivalent to .0002% of our global revenue) as a result of final publicly reported regulatory or court adjudications associated with malpractice or violations of other related industry laws or regulations, fraud, insider trading, antitrust, anti-competitive behaviour, or market manipulation. The figures provided do not include matters subject to ongoing legal or regulatory proceedings or appeals.
Risk and Opportunity Oversight	Economic, environmental and social topics in capital allocation framework	Comply	Our network's purpose and strategy are focused on building trust in society and solving the world's important problems. Our Global Board approves our network budget which is set by the NLT in alignment with the network's purpose and strategy and our net zero commitments. You can see here the impact of the Board's oversight in PwC's work this year on issues such as climate change and inclusion and diversity .

Planet



Core Metrics																		
Topic	Metric	Adoption status	More information															
Climate Change	Greenhouse Gas (GHG) emissions	Comply	PwC's detailed network GHG emissions are available in our 2023 PwC Network Environment Report															
Climate Change	TCFD implementation	Comply	PwC's response to the TCFD recommendations is available in our 2023 PwC Network Environment Report															
Nature loss	Land use and ecological sensitivity	Comply	<p>We assessed the extent to which PwC member firms' office locations are in or adjacent to key biodiversity areas and/or protected areas. These are designated areas that have been recognised as contributing significantly to the long term conservation of nature and biodiversity.</p> <p>PwC member firm offices in or adjacent to biodiverse regions</p> <table border="1"> <thead> <tr> <th>Region</th> <th>Number of offices in or adjacent (i.e. within 1km) to key biodiversity and/or protected areas</th> <th>Land footprint (ha)</th> </tr> </thead> <tbody> <tr> <td>Americas</td> <td>34</td> <td>13</td> </tr> <tr> <td>Asia Pacific</td> <td>19</td> <td>2</td> </tr> <tr> <td>Europe, Middle East and Africa</td> <td>117</td> <td>29</td> </tr> <tr> <td>Total</td> <td>170</td> <td>44</td> </tr> </tbody> </table>	Region	Number of offices in or adjacent (i.e. within 1km) to key biodiversity and/or protected areas	Land footprint (ha)	Americas	34	13	Asia Pacific	19	2	Europe, Middle East and Africa	117	29	Total	170	44
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<p><i>PwC member firm offices include owned, leased or managed locations as of 30 June, 2023. Key biodiversity areas and protected areas were identified using the The Integrated Biodiversity Assessment Tool (IBAT). This tool combines three biodiversity datasets – the World Database on Protected Areas, the World Database of Key Biodiversity Areas, and The IUCN Red List of Threatened Species.</i></p> <p><i>Relevant office land footprint data was estimated using relevant legal or government documents, and/or area calculator tools using satellite imagery. In instances where PwC member firms are one of multiple tenants in a building, the land footprint was proportionally accounted for. Where this information was not readily available the total land footprint of the office has been reported. Some of our offices already have specific biodiversity plans and we will continue to share their learnings more broadly across our network.</i></p>																		

Core Metrics																		
Topic	Metric	Adoption status	More information															
Fresh water availability	Water consumption and withdrawal in water-stressed areas	Comply	<p>Water use in our operations and supply chain is not deemed to be material at this time. Insights from our nature baseline impact analysis are available in our 2023 PwC Network Environment Report.</p> <p>However, we recognise it is important to understand any impact in sensitive areas, therefore we assessed the extent to which PwC's 744 member firm offices are located in water-stressed regions by overlaying a map of water-stressed areas onto our office network. A total of 253 of PwC's member firm offices are located in water-stressed regions. We estimate our water usage in these regions to be 564 megalitres per annum, which represents 43% of our estimated total.</p> <p>A number of our member firms have set water consumption targets and track their progress against these targets (e.g. PwC UK). We will continue to share these findings and learnings more broadly across the network.</p> <p>Impact of PwC member firm offices in water-stressed regions</p>															
			<table border="1"> <thead> <tr> <th>Region</th> <th>Number of offices in water-stressed regions</th> <th>Estimated annual water usage (megalitres)</th> </tr> </thead> <tbody> <tr> <td>Americas</td> <td>51</td> <td>100</td> </tr> <tr> <td>Asia Pacific</td> <td>60</td> <td>251</td> </tr> <tr> <td>Europe, Middle East and Africa</td> <td>142</td> <td>212</td> </tr> <tr> <td>Total</td> <td>253</td> <td>564*</td> </tr> </tbody> </table>	Region	Number of offices in water-stressed regions	Estimated annual water usage (megalitres)	Americas	51	100	Asia Pacific	60	251	Europe, Middle East and Africa	142	212	Total	253	564*
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Total	253	564*																
			<p><i>Baseline water stress measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Water withdrawals include domestic, industrial, irrigation, and livestock consumptive and nonconsumptive uses. Available renewable water supplies include the impact of upstream consumptive water users and large dams on downstream water availability. Higher values indicate more competition among users. Baseline water stress was determined using the WRI Aqueduct water risk atlas tool. Water stressed regions are those defined as arid, extremely high and high.</i></p> <p><i>Water usage was estimated by extrapolating average per capita water use from a number of PwC member firms. The per capita factor was also tested by way of benchmark against comparable industry data disclosed in peer reviewed papers.</i></p> <p><i>We have assumed for these purposes that water used in our offices does not return to the same catchment area, or does not return in the same period. Therefore our water withdrawal and consumption are deemed to be the same.</i></p> <p><i>*Figure may not equate exactly to numbers above due to rounding.</i></p>															

Expanded Metrics																				
Topic	Metric	Adoption status	More information																	
Climate Change	Paris-aligned GHG emissions targets	Comply	<p>In September 2020, PwC made a network wide commitment to net zero GHG emissions, underpinned by near-term science-based targets independently validated by the SBTi. We will:</p> <ul style="list-style-type: none"> Reduce absolute scope 1 and 2 GHG emissions by 50% from a FY19 base by FY30. Transition to 100% renewable electricity in all territories by FY30. Reduce absolute business travel emissions by 50% from a FY19 base by FY30. Commit that 50% of our purchased goods and services suppliers (by emissions) have set science-based targets to reduce their own climate impact by FY25. Continue to counterbalance our emissions through high-quality carbon credits, transitioning our carbon credit portfolio to 100% carbon removals by FY30. <p>Detailed progress on our commitment is available in our 2023 PwC Network Environment Report.</p>																	
Climate Change	Impact of GHG emissions		<p>Since there is no standard market price for carbon (nor a standardised measure of the impact of carbon) there is an inherent challenge in quantifying the valued impact of GHG emissions.</p> <p>Nonetheless, we have summarised in the table below a range of values based on our total gross direct and indirect reported GHG emissions in FY23 using a number of market related carbon pricing scenarios.</p> <table border="1"> <thead> <tr> <th>Approach</th> <th>Carbon price (US\$/tCO₂e)</th> <th>PwC cost of carbon (US\$)</th> </tr> </thead> <tbody> <tr> <td rowspan="3"> Carbon pricing schemes are already implemented across 73 national or sub-national jurisdictions. These provide a number of market price benchmarks for the cost of direct emissions. The minimum and maximum prices during FY23 (July 1st 2022 - June 30th 2023) in the emissions trading schemes (ETS) in the EU, California and China are used to calculate the ranges shown here. </td> <td>EU ETS \$73-109</td> <td>\$158-235m</td> </tr> <tr> <td>California ETS \$18-66</td> <td>\$39-142m</td> </tr> <tr> <td>China (national) ETS \$8.15</td> <td>\$18m</td> </tr> <tr> <td> The International Monetary Fund (IMF) proposed an international carbon price floor (ICPF) in order to accelerate emissions reductions through such policy action. This advocates reaching a global tax of \$75/tCO₂e by 2030 from \$15/tCO₂e in 2022. PwC analysis found that implementing this ICPF could pay for itself while cutting emissions by 12%. These proposals are used to calculate the range shown here. </td> <td>\$22.50-75</td> <td>\$49-162m</td> </tr> <tr> <td> Methodologies have emerged to estimate the Societal Cost of Carbon. One such methodology, developed by the Institute for Policy Integrity and referenced in the WEF IBC guidance, estimates a Social Cost of Carbon of \$130/tCO₂e in 2023, applying a 2% average discount rate. </td> <td>\$130</td> <td>\$281m</td> </tr> </tbody> </table>		Approach	Carbon price (US\$/tCO ₂ e)	PwC cost of carbon (US\$)	Carbon pricing schemes are already implemented across 73 national or sub-national jurisdictions. These provide a number of market price benchmarks for the cost of direct emissions. The minimum and maximum prices during FY23 (July 1st 2022 - June 30th 2023) in the emissions trading schemes (ETS) in the EU, California and China are used to calculate the ranges shown here.	EU ETS \$73-109	\$158-235m	California ETS \$18-66	\$39-142m	China (national) ETS \$8.15	\$18m	The International Monetary Fund (IMF) proposed an international carbon price floor (ICPF) in order to accelerate emissions reductions through such policy action. This advocates reaching a global tax of \$75/tCO ₂ e by 2030 from \$15/tCO ₂ e in 2022. PwC analysis found that implementing this ICPF could pay for itself while cutting emissions by 12%. These proposals are used to calculate the range shown here.	\$22.50-75	\$49-162m	Methodologies have emerged to estimate the Societal Cost of Carbon . One such methodology, developed by the Institute for Policy Integrity and referenced in the WEF IBC guidance, estimates a Social Cost of Carbon of \$130/tCO ₂ e in 2023, applying a 2% average discount rate.	\$130	\$281m
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	China (national) ETS \$8.15	\$18m																		
The International Monetary Fund (IMF) proposed an international carbon price floor (ICPF) in order to accelerate emissions reductions through such policy action. This advocates reaching a global tax of \$75/tCO ₂ e by 2030 from \$15/tCO ₂ e in 2022. PwC analysis found that implementing this ICPF could pay for itself while cutting emissions by 12%. These proposals are used to calculate the range shown here.	\$22.50-75	\$49-162m																		
Methodologies have emerged to estimate the Societal Cost of Carbon . One such methodology, developed by the Institute for Policy Integrity and referenced in the WEF IBC guidance, estimates a Social Cost of Carbon of \$130/tCO ₂ e in 2023, applying a 2% average discount rate.	\$130	\$281m																		

Expanded Metrics			
Topic	Metric	Adoption status	More information
Resource Availability	Resource circularity	Partially Comply	Some of our member firms have adopted circularity principles in their business. PwC UK has a strategy to decouple material consumption from business growth and move towards a circular economy. More information about their programme can be found here .
Nature Loss	Land use and ecological sensitivity Impact of land use and conversion	Not Material	As a professional services network, our impact in these areas is limited and not deemed to be material at this time. Insights from our nature baseline impact analysis are available in our 2023 PwC Network Environment Report .
Fresh Water Availability	Impact of freshwater consumption and withdrawal	Not Material	
Air Pollution	Air pollution Impact of air pollution	Not Material	
Water Pollution	Nutrients Impact of water pollution	Not Material	
Solid Waste	Single-use plastics Impact of solid waste disposal	Not Material	

People



Core Metrics

Topic	Metric	Adoption status	More information																																																				
Dignity & Equality	Diversity and inclusion (%)	Partially Comply	<p>Like last year we are disclosing percentages of male and female employees and partners by Line of Service and management level as well as ethnicity data by Line of Service and management level where it is available. We are currently not reporting people data by age group. Wherever gender percentages are disclosed, we have removed workers who did not provide a response from the numbers reported. For headcount metrics, we have excluded 1.2% of our global workforce who did not provide a response on gender.</p> <p>Representation of women, particularly at the director and partner levels, remains lower in Advisory, but we have seen improvements year over year. While we are continuing to focus on retention and hiring of females to fill more senior Advisory roles, we are facing continued challenges due to overrepresentation of males in technology and engineering fields both in university programs and in industry.</p> <p>Our aspiration is to achieve balanced overall gender representation. We also continue to maintain our focus on being recognised as an inclusive employer of choice by developing policies and benefits to attract and retain female and diverse talent at all levels. We recognise the role we play in supporting our people with both their work and personal lives, at all stages of their careers. Please see our inclusion and diversity pages for further information.</p> <p>Employee Category by Line of Service, Management Level & Gender</p> <table border="1"> <thead> <tr> <th>Line of Service</th> <th>Aggregated Management Level</th> <th>Female %</th> <th>Male %</th> <th>Not declared %</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Advisory</td> <td>Intern/Trainee</td> <td>46.1%</td> <td>53.8%</td> <td>0.16%</td> </tr> <tr> <td>Associates</td> <td>43.7%</td> <td>56.2%</td> <td>0.07%</td> </tr> <tr> <td>Managers</td> <td>36.0%</td> <td>63.9%</td> <td>0.06%</td> </tr> <tr> <td>Directors</td> <td>25.9%</td> <td>74.0%</td> <td>0.09%</td> </tr> <tr> <td>Partners</td> <td>17.8%</td> <td>82.2%</td> <td>0.00%</td> </tr> <tr> <td colspan="2">Advisory total</td> <td>39.4%</td> <td>60.6%</td> <td>0.07%</td> </tr> <tr> <td rowspan="5">Assurance</td> <td>Intern/Trainee</td> <td>45.3%</td> <td>54.7%</td> <td>0.06%</td> </tr> <tr> <td>Associates</td> <td>54.7%</td> <td>45.3%</td> <td>0.04%</td> </tr> <tr> <td>Managers</td> <td>49.2%</td> <td>50.8%</td> <td>0.04%</td> </tr> <tr> <td>Directors</td> <td>40.7%</td> <td>59.3%</td> <td>0.05%</td> </tr> <tr> <td>Partners</td> <td>25.3%</td> <td>74.7%</td> <td>0.00%</td> </tr> </tbody> </table>	Line of Service	Aggregated Management Level	Female %	Male %	Not declared %	Advisory	Intern/Trainee	46.1%	53.8%	0.16%	Associates	43.7%	56.2%	0.07%	Managers	36.0%	63.9%	0.06%	Directors	25.9%	74.0%	0.09%	Partners	17.8%	82.2%	0.00%	Advisory total		39.4%	60.6%	0.07%	Assurance	Intern/Trainee	45.3%	54.7%	0.06%	Associates	54.7%	45.3%	0.04%	Managers	49.2%	50.8%	0.04%	Directors	40.7%	59.3%	0.05%	Partners	25.3%	74.7%	0.00%
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Core Metrics							
Topic	Metric	Adoption status	More information				
			Assurance total	51.5%	48.5%	0.04%	Not declared %
			Internal Firm Services	Intern/Trainee	49.9%	49.8%	0.23%
				Associates	61.4%	38.5%	0.05%
				Managers	57.0%	42.9%	0.11%
				Directors	52.2%	47.7%	0.08%
				Partners	30.3%	69.7%	0.00%
			Internal Firm Services total		58.7%	41.2%	0.08%
			Tax and Legal Services	Intern/Trainee	50.3%	49.6%	0.15%
				Associates	57.9%	42.0%	0.10%
				Managers	52.8%	47.1%	0.07%
				Directors	40.8%	59.2%	0.02%
				Partners	28.5%	71.5%	0.00%
			Tax and Legal Services total		53.3%	46.6%	0.08%
			Total		49.0%	51.0%	0.06%
			Grouping		Includes		
			Intern/Trainee		Intern/Trainee		
			Associates		Senior Associate, Associate, Administrative, Specialists		
			Managers		Senior Manager, Manager		
			Directors		Managing Director, Director, Salaried Partner		
			Partners		Equity Partner		

Core Metrics												
Topic	Metric	Adoption status	More information									
			Employee Category by Management Level & Gender									
				FY23			FY22			FY21		
			Aggregated Management Level	Female (%)	Male (%)	Not Declared (%)	Female (%)	Male (%)	Not Declared (%)	Female (%)	Male (%)	Not Declared (%)
			Intern/Trainee	47.0%	52.9%	0.13%	47.0%	52.9%	0.14%	49.90%	50.10%	0.06%
			Associates	52.8%	47.1%	0.06%	52.8%	47.2%	0.06%	53.60%	46.30%	0.05%
			Managers	46.6%	53.3%	0.07%	46.6%	53.3%	0.07%	46.50%	53.40%	0.05%
			Directors	36.7%	63.2%	0.07%	36.7%	64%	0.09%	35.60%	64.40%	0.04%
			Partners	23.4%	76.6%	0.00%	23.20%	76.80%	0.00%	22.40%	77.60%	0.00%
			Grouping				Includes					
			Intern/Trainee				Intern/Trainee					
			Associates				Senior Associate, Associate, Administrative, Specialists					
			Managers				Senior Manager, Manager					
			Directors				Managing Director, Director, Salaried Partner					
			Partners				Equity Partner					

Core Metrics						
Topic	Metric	Adoption status	More information			
			<p>We report ethnicity data for nine of our larger territories. Wherever ethnicity is disclosed, we have reported the majority/minority % after removing workers from those nine territories who did not provide a response. The included workers represent 37.6% of our global workforce. We are unable to report ethnicity data for our other larger territories because either the territories do not collect this data or local laws prohibit sharing of this data. Each of the nine reporting territories has mapped the majority/minority ethnicity of its workforce.</p> <p>All of the reporting territories have unique ethnic minority classifications and populations. What is consistent however is the higher representation of minorities in more junior grades. Over the past year we have improved minority representation within three of our Lines of Service, which is largely driven by Associates.</p> <p>Employee Category by Line of Service, Management Level & Ethnicity</p>			
			Line of Service	Aggregated Management Level	Majority %	Minority %
			Advisory	Intern/Trainee	54.2%	45.8%
				Associates	69.2%	30.8%
				Managers	62.0%	38.0%
				Directors	65.1%	34.9%
				Partners	74.7%	25.3%
			Advisory total		66.2%	33.8%
			Assurance	Intern/Trainee	63.3%	36.7%
				Associates	54.0%	46.0%
				Managers	59.0%	41.0%
				Directors	74.2%	25.8%
				Partners	82.4%	17.6%
			Assurance Total		58.6%	41.4%

Core Metrics						
Topic	Metric	Adoption status	More information			
			Internal Firm Services	Intern/Trainee	27.5%	72.5%
				Associates	63.6%	36.4%
				Managers	66.3%	33.7%
				Directors	77.9%	22.1%
				Partners	87.9%	12.1%
			Internal Firm Services total		63.8%	36.2%
			Tax and Legal Services	Intern/Trainee	54.5%	45.5%
				Associates	57.9%	42.1%
				Managers	64.8%	35.2%
				Directors	72.9%	27.1%
				Partners	80.1%	19.9%
			Tax and Legal Services total		62.8%	37.2%
			Total		62.9%	37.1%
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			Intern/Trainee		Intern/Trainee	
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Dignity & Equality	Pay equality (%)	Partially Comply	<p>Like last year we are again disclosing gender pay ratios by management level as well as by Line of Service and ethnicity. When considering the ratios of both basic salary and basic salary and bonus, our gender pay gap has increased slightly year over year for all management levels, with the exception of basic salary for Directors. Our pay gap is measured using the World Economic Forum definition as the ratio of the average woman's pay to the average man's pay at each staff level. The numbers reported are based on the weighted average of gender pay gaps at each staff level in our 21 largest territories, and includes those employed on the last day of the fiscal year.</p> <p>For global pay gap metrics, we have removed workers whose gender is not declared or where a response was not provided from the numbers reported, which is 0.4% of our workforce in our 21 largest territories.</p> <p>Global Pay Gap by Management Level</p> <table border="1"> <thead> <tr> <th></th> <th colspan="2">FY23</th> <th colspan="2">FY22</th> </tr> <tr> <th>Grouped Management Level</th> <th>Ratio of basic salary: Female to Male (%)</th> <th>Ratio of basic salary and bonus: Female to Male (%)</th> <th>Ratio of basic salary: Female to Male (%)</th> <th>Ratio of basic salary and bonus: Female to Male (%)</th> </tr> </thead> <tbody> <tr> <td>Associates</td> <td>94.0%</td> <td>94.0%</td> <td>95.0%</td> <td>94.7%</td> </tr> <tr> <td>Managers</td> <td>93.6%</td> <td>93.0%</td> <td>93.7%</td> <td>93.2%</td> </tr> <tr> <td>Directors</td> <td>92.2%</td> <td>91.4%</td> <td>91.8%</td> <td>91.8%</td> </tr> </tbody> </table>					FY23		FY22		Grouped Management Level	Ratio of basic salary: Female to Male (%)	Ratio of basic salary and bonus: Female to Male (%)	Ratio of basic salary: Female to Male (%)	Ratio of basic salary and bonus: Female to Male (%)	Associates	94.0%	94.0%	95.0%	94.7%	Managers	93.6%	93.0%	93.7%	93.2%	Directors	92.2%	91.4%	91.8%	91.8%
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Core Metrics																																		
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			<p>Similar to last year, Assurance has the lowest pay gap for both base only and base + bonus.</p> <p>The gap for Advisory remains the widest of our Lines of Service, but we did see small improvements this year in closing the gap. This is largely driven by the relative seniority of employees in Advisory and the high proportion of men in these senior roles. Minor discrepancies in FY22's disclosures have been corrected in the tables below to facilitate a more accurate comparison year over year.</p> <p>Global Pay Gap by Line of Service</p>																															
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			<p>An additional data point is our global gender pay gap which is 86.2% (FY22: 86.4%) for base pay only and 84.9% (FY22: 85.2%) for base pay + bonus.</p> <p>Similar to our gender pay gap, the main driver of our ethnicity pay gap is the lower representation of ethnic minorities at more senior levels - which we are working to address.</p> <p>Note on ethnicity data: We report ethnicity data for nine of our larger territories. Wherever ethnicity is disclosed, we have reported the majority/minority % after removing workers from those nine territories who did not provide a response. The included workers represent 37.6% of our global workforce. We are unable to report ethnicity data for our other larger territories because either the territories do not collect this data or local laws prohibit sharing the data. Each of the nine reporting territories has mapped the majority/minority ethnicity of its workforce.</p> <p>Global Pay Gap by Ethnicity</p>																															
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Core Metrics			
Topic	Metric	Adoption status	More information
Dignity & Equality	Wage level (%)	Partially Comply	<p>At PwC, we believe in paying people equitably, irrespective of their race, gender or age. We do not have data on standard-entry wage level by gender compared to the local minimum wage. However, our member firms are required to comply with all applicable local laws, and we have confirmed with our Strategy Council member firms that they have processes and controls in place to comply with all applicable local wage laws. PwC member firms regularly conduct comprehensive reviews of compensation data to understand any differences between and among staff.</p> <p>Global Chair / Employee Pay Ratio - Results</p>
			<table border="1"> <tr> <td>Ratio of the Global Chair's Compensation to the median FY23 employee pay</td> <td>143</td> </tr> </table>
Ratio of the Global Chair's Compensation to the median FY23 employee pay	143		
			<p>Similar to last year, we are disclosing the ratio of our Global Chair's compensation to the median FY23 employee pay (including base pay and bonus).</p> <p>In FY23, our Global Chair Bob Moritz earned 143 times the median remuneration (basic salary and bonus) of PwC people (excluding partners) in our 21 largest territories. (FY22: 142 times, FY21: 130 times)</p> <p>Mr Moritz's remuneration is determined by the PwC Global Governance Board. It includes a performance component assessed by the Global Governance Board based on the achievement of his and the Network Leadership Team's (NLT's) annual priorities, progress against the NLT shared strategic goals, and input collected from relevant leaders.</p> <p>The FY23 ratio is relatively consistent with FY22, as both the Global Chair's compensation and the median remuneration increased slightly this year.</p>
Health and Wellbeing	Health and safety (%)	Partially Comply	<p>Given the nature of the work undertaken by PwC, we do not believe that reporting against workplace injuries etc. is a relevant metric for PwC. Fortunately the nature of the work undertaken by PwC means that workplace injuries are extremely rare.</p> <p>The safety and wellbeing of our people is a top priority. Most PwC firms around the world have best practice health and wellbeing programmes in place. Some examples include -</p> <ul style="list-style-type: none"> • A number of territories including Australia, Canada, CEE, Germany, Italy, Middle East, Switzerland, the US and the UK have invested in mental health first aiders. • In China, a Wellbeing App has been developed, providing a seamless, personalised experience with a wide range of inclusive products and services that foster employee connections, interactions and the opportunity to create meaningful relationships with colleagues. • In CEE, team members participated in a 21-day gratitude challenge focused around four topic areas: Focus on You, Focus on Others, Focus on the World, and Make Habits Stick. • The Middle East and Sweden are examples of territories that have adopted a data-driven approach to foster sustainable working practices. Information around workloads, mental health and flexibility is collected via an anonymous survey. Using the insights gathered, programmes for coaching, habit adoption and work methodologies were developed.

Core Metrics																																							
Topic	Metric	Adoption status	More information																																				
			<ul style="list-style-type: none"> At the network level, we are committed to integrating sustainable working practices into our people's diverse work styles, enabling quality delivery and supporting high performance routines. We offer all of our people access to an assessment that helps them improve their daily routines by helping them assess their workday and identify areas for improvement or adjustments. <p>This year, we have confirmed with our Strategy Council member firms that its professionals are offered affordable options to access medical and healthcare services deemed adequate for the given country, if the country's public or universal healthcare programme is not sufficient.</p>																																				
Skills for the Future	Training provided (#, \$)	Partially Comply	<p>This year, we are again disclosing the average training hours per employee by Line of Service and gender, which includes any learning tracked via Vantage, our global learning experience platform. It does not include on-the-job learning, coaching, or external learning such as conferences. We are also disclosing the average training and development expenditure per full time employee for our 21 largest territories. This includes internal training costs only. We do not collect data on external training costs.</p> <p>Average Learning & Development Hours</p> <table border="1"> <thead> <tr> <th>Fiscal year</th> <th colspan="2">Average training hours per employee (global)</th> </tr> </thead> <tbody> <tr> <td>FY23</td> <td colspan="2">65.7</td> </tr> <tr> <td>FY22</td> <td colspan="2">69.7</td> </tr> <tr> <td>FY21</td> <td colspan="2">56.3</td> </tr> <tr> <td>FY20</td> <td colspan="2">57.9</td> </tr> <tr> <td>FY19</td> <td colspan="2">52.3</td> </tr> <tr> <td colspan="3">Average training hours by Line of Service</td> </tr> <tr> <th>Fiscal year</th> <th>FY23</th> <th>FY22</th> </tr> <tr> <td>Advisory</td> <td>50.4</td> <td>48.3</td> </tr> <tr> <td>Assurance</td> <td>102.2</td> <td>114.1</td> </tr> <tr> <td>Internal Firm Services</td> <td>26.4</td> <td>27.1</td> </tr> <tr> <td>Tax and Legal Services</td> <td>49.7</td> <td>48.3</td> </tr> </tbody> </table>	Fiscal year	Average training hours per employee (global)		FY23	65.7		FY22	69.7		FY21	56.3		FY20	57.9		FY19	52.3		Average training hours by Line of Service			Fiscal year	FY23	FY22	Advisory	50.4	48.3	Assurance	102.2	114.1	Internal Firm Services	26.4	27.1	Tax and Legal Services	49.7	48.3
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Gender	FY23	FY22													
Female	65.8	70.0													
Male	64.5	69.2													
Not declared	61.4	52.0													

Expanded Metrics														
Topic	Metric	Adoption status	More information											
Dignity and Equality	Pay gap (% , #)	Partially comply	Please see our disclosures on inclusion and diversity where we share our pay gap ratios broken down by both gender and ethnicity plus Line of Service for the PwC network as a whole.											
Dignity and Equality	Discrimination and harassment incidents (#) and the total amount of monetary losses	Partially comply	<p>During the year, across our 21 largest firms PwC has not incurred monetary losses as a result of legal proceedings relating to employee discrimination and harassment incidents which have been publicly reported by way of a regulatory or court adjudication.</p> <p>Where concerns about discrimination or harassment are raised internally, a wide variety of responses are utilised to prevent or sanction potential or actual misconduct, depending on the nature and severity of the concern raised. These measures may include but are not limited to formal warnings, training and coaching, impact on evaluation, compensation and promotion, impact on title, role and client assignments, and impact on continued employment from suspension to termination.</p>											
Dignity and Equality	Living Wage	Not Comply	At PwC, we believe in paying people equitably, irrespective of their race, gender or age. We do not have data on current wages compared to the living wage in the countries we operate in. However, our member firms are required to comply with all applicable local laws, and we have confirmed with our Strategy Council member firms that they have processes and controls in place to comply with all applicable local wage laws.											
Health and wellbeing	Employee Wellbeing (%)	In progress	Most PwC firms around the world have best practice health and wellbeing programmes in place which are available to all of our people. While we do not currently track participation globally, we are working to understand what type of centralised reporting might be possible in the future. Please see examples in the Health and safety (%) core metric to learn more about our work to promote our people's wellbeing.											
Skills for the future	Monetised impacts of Training - increased earning capacity as a result of training intervention (% , \$)	Comply	<p>Our spend on training and development is made up of a few different categories: territories invest mainly in Learning & Development (L&D) staff, learning development and delivery, and professional qualifications. Our global L&D functions cover the costs of learning platforms such as our Learning Management System and Learning Experience Layer, attendance tracking, evaluation and assessments, and curated learning, as well as global development and delivery of key talent programmes.</p> <p>In FY23 we invested 3.1% (FY22: 3.3%) of payroll costs on training across our 21 largest territories. The apparent change in investment is due to an increase in payroll costs rather than a decrease in L&D spend. In addition, our people are given time away from their daily roles to learn or teach. Beyond formal training, they also learn on the job, from coaching and through various other development activities.</p> <p>Effectiveness of the training and development</p> <table border="1"> <thead> <tr> <th>L&D effectiveness question</th> <th>FY23 Score</th> <th>FY22 Score</th> <th>FY21 Score</th> </tr> </thead> <tbody> <tr> <td>"The Learning & Development I have used at PwC, including classroom/virtual classroom, digital assets, webcasts, reading, job aids, eLearns and other digital learning has helped me prepare for the work I do"</td> <td>72%</td> <td>70%</td> <td>68%</td> </tr> </tbody> </table> <p>In this year's Global People Survey, 72% (FY22: 70%) of our people agree that PwC training helps to prepare them for the work they do, an increase of 2 points compared to prior year.</p>				L&D effectiveness question	FY23 Score	FY22 Score	FY21 Score	"The Learning & Development I have used at PwC, including classroom/virtual classroom, digital assets, webcasts, reading, job aids, eLearns and other digital learning has helped me prepare for the work I do"	72%	70%	68%
L&D effectiveness question	FY23 Score	FY22 Score	FY21 Score											
"The Learning & Development I have used at PwC, including classroom/virtual classroom, digital assets, webcasts, reading, job aids, eLearns and other digital learning has helped me prepare for the work I do"	72%	70%	68%											

Expanded Metrics			
Topic	Metric	Adoption status	More information
Dignity and equality	Risk for incidents of child, forced or compulsory labour Human rights review, grievance impact and modern slavery (#, %)	Not material	<p>As a professional services network, we do not consider our impact to be material in these areas.</p> <p>We do not use child, forced or compulsory labour in any of our own operations. Our suppliers have to abide by our Global Third Party Code of Conduct, or its equivalent, which is explicit in our opposition to and intolerance of any form of child labour, human trafficking and modern slavery.</p>
Dignity and equality	Freedom of association and collective bargaining at risk (%)	Not material	As a professional services network, we do not consider our impact to be material in these areas.
Health and wellbeing	Monetised impacts of work-related incidents on organisation (#, \$)	Not material	As a professional services network, we do not consider our impact to be material in these areas.
Skills for the future	Number of unfilled skilled positions (#, %)	Not material	As a professional services network, we do not consider our impact to be material in these areas.

Prosperity



Core Metrics									
Topic	Metric	Adoption status	More information						
Employment and wealth generation	Absolute number and rate of employment	Partially Comply	<p>To deliver on our strategy - The New Equation - which launched in June 2021, we have committed to creating over 100,000 net new jobs over a five year period, with a clear emphasis on hiring specialists in increasingly critical areas such as cybersecurity, cloud, climate, transformation, and supply chain. We have reached two thirds of our target in just two years, adding 32,576 jobs in FY22 and 36,285 this past year.</p> <p>Similar to last year, we are disclosing our hires and total turnover broken out by region, Line of Service and gender and providing headcount, hires and total turnover by ethnicity. Partners are excluded from hires and hire rate, while both partners and interns are excluded from terminations and turnover rate.</p> <p>Overall, our hiring is quite balanced from a gender perspective: 48.6% of our FY23 hires are female (FY22: 48.4%). To improve the representation of women, many member firms have introduced initiatives to support a diverse range of candidates.</p> <p>When reporting the gender representation of our hires we have removed those workers who did not provide a response, which is 3% of our FY23 new joiners.</p>						
			Region	Global Line of Service	FY23 Hires	Rate of New Hire	Female (%)	Male (%)	Not Declared (%)
			Americas	Advisory	6,863	31.4%	44.1%	55.6%	0.37%
				Assurance	10,687	47.3%	48.1%	51.7%	0.24%
				Internal Firm Services	4,937	33.9%	50.6%	48.9%	0.47%
	Tax and Legal Services	5,670	40.8%	49.8%	49.8%	0.41%			
Americas Total			28,157	38.6%	47.9%	51.8%	0.34%		

Core Metrics									
Topic	Metric	Adoption status	More information						
			Region	Global Line of Service	FY23 Hires	Rate of New Hire	Female (%)	Male (%)	Not Declared (%)
			Asia Pacific	Advisory	20,377	45.2%	40.0%	59.9%	0.05%
				Assurance	21,382	48.0%	58.3%	41.7%	0.03%
				Internal Firm Services	4,833	35.7%	56.3%	43.7%	0.00%
				Tax and Legal Services	5,908	40.8%	57.6%	42.4%	0.02%
			Asia Pacific Total		52,500	44.6%	50.8%	49.2%	0.04%
			Region	Global Line of Service	FY23 Hires	Rate of New Hire	Female (%)	Male (%)	Not Declared (%)
			Europe, Middle East and Africa	Advisory	14,773	45.0%	40.2%	59.8%	0.03%
				Assurance	21,611	46.2%	45.8%	54.2%	0.05%
				Internal Firm Services	5,690	28.3%	58.3%	41.7%	0.06%
				Tax and Legal Services	7,098	39.1%	53.8%	46.2%	0.02%
			Europe, Middle East and Africa Total		49,172	41.7%	46.7%	53.3%	0.04%
			Grand Total		129,829	42.1%	48.6%	51.3%	0.11%

Core Metrics						
Topic	Metric	Adoption status	More information			
			<p>This is the second year that we are reporting hires by ethnicity. The minority representation of our hires in FY23 of 42.1% (FY22: 32.9%) improved by nine percentage points over last year's hires and is slightly higher than the minority representation of our overall staff (37.1%). We continue to focus on attracting and recruiting ethnic minority talent through targeted programmes and recruitment campaigns.</p> <p>Note on ethnicity data: we report ethnicity data for nine of our larger territories. Wherever ethnicity is disclosed, we have reported the majority/minority % after removing workers from those nine territories who did not provide a response. The included workers represent 34.1% of our FY23 new joiners. We are unable to report ethnicity data for our other larger territories because either the territories do not collect this data or local laws prohibit sharing the data. Each of the nine reporting territories has mapped the majority/minority ethnicity of its workforce.</p>			
			Hires by Line of Service, Management Level & Ethnicity			
			Line of Service	Aggregated Management Level	Majority (%)	Minority (%)
			Advisory	Intern/Trainee	60.2%	39.8%
				Associates	73.3%	26.7%
				Managers	60.3%	39.7%
				Directors	64.5%	35.5%
			Advisory Total		68.7%	31.3%
			Assurance	Intern/Trainee	59.7%	40.3%
				Associates	49.6%	50.4%
				Managers	43.2%	56.8%
				Directors	70.5%	29.5%
			Assurance Total		51.8%	48.2%
			Internal Firm Services	Intern/Trainee	22.5%	77.5%
				Associates	55.6%	44.4%
				Managers	58.2%	41.8%
				Directors	72.4%	27.6%
			Internal Firm Services Total		48.9%	51.1%

Core Metrics						
Topic	Metric	Adoption status	More information			
			Tax and Legal Services	Intern/Trainee	49.5%	50.5%
				Associates	54.3%	45.7%
				Managers	57.3%	42.7%
				Directors	72.1%	27.9%
			Tax and Legal Services Total		53.9%	46.1%
			Overall Total		57.9%	42.1%
			Grouping	Includes		
			Intern/Trainee	Intern/Trainee		
			Associates	Senior Associate, Associate, Administrative, Specialists		
			Managers	Senior Manager, Manager		
			Directors	Managing Director, Director, Salaried Partner		
			Grouping	Includes		
			Majority	Defined locally by territories		
			Minority	Defined locally by territories		
			<p>Our commitment to delivering a differentiated people experience has continued to make PwC a great place to work. In FY23, 60,901 people left our member firms (FY22: 65,375), resulting in a total turnover rate of 19.7% (FY22: 23.5%). We are in contact with many of our former colleagues via our strong and active alumni network.</p> <p>While our overall turnover rate improved by 3.8 percentage points over FY22, the ratio of female to male leavers has remained relatively consistent and proportionate to our overall headcount.</p> <p>When reporting the gender representation of our leavers we have removed those workers who did not provide a response, which is 2% of our FY23 leavers.</p>			

Core Metrics									
Topic	Metric	Adoption status	More information						
			Total Turnover by Region, Line of Service & Gender						
			Region	Global Line of Service	Total Terminations	Turnover Rate (%)	Female (%)	Male (%)	Not Declared (%)
			Americas	Advisory	3,790	17.3%	33.5%	66.2%	0.37%
				Assurance	5,093	22.5%	47.9%	51.9%	0.20%
				Internal Firm Services	1,927	13.2%	46.9%	52.8%	0.31%
				Tax and Legal Services	2,673	19.2%	49.5%	50.2%	0.30%
			Americas Total		13,483	18.5%	44.0%	55.7%	0.28%
			Asia Pacific	Advisory	8,596	19.1%	37.0%	63.0%	0.05%
				Assurance	9,539	21.4%	55.9%	44.1%	0.03%
				Internal Firm Services	1,793	13.2%	55.1%	44.9%	0.06%
				Tax and Legal Services	2,855	19.7%	54.1%	45.9%	0.00%
			Asia Pacific Total		22,783	19.4%	48.5%	51.5%	0.04%
			Europe, Middle East and Africa	Advisory	7,700	23.4%	39.0%	61.0%	0.01%
				Assurance	10,560	22.6%	49.9%	50.1%	0.05%
				Internal Firm Services	2,866	14.2%	60.9%	39.0%	0.07%
				Tax and Legal Services	3,509	19.3%	58.1%	41.9%	0.00%
			Europe, Middle East and Africa Total		24,635	20.9%	49.0%	51.0%	0.03%
			Total		60,901	19.7%	47.7%	52.3%	0.09%

Core Metrics						
Topic	Metric	Adoption status	More information			
			The turnover of our minority staff is slightly higher than the overall reported minority population (37.1%) and lower than the rate of minority hires (42.1%).			
			Note on ethnicity data: we report ethnicity data for nine of our larger territories. Wherever ethnicity is disclosed, we have reported the majority/minority % after removing workers from those nine territories who did not provide a response. The included workers represent 31.5% of our FY23 leavers. We are unable to report ethnicity data for our other larger territories because either the territories do not collect this data or local laws prohibit sharing the data. Each of the nine reporting territories has mapped the majority/minority ethnicity of its workforce.			
			Total Turnover by Line of Service, Management Level & Ethnicity			
			Line of Service	Aggregated Management Level	Majority %	Minority %
			Advisory	Associates	68.7%	31.3%
				Managers	59.3%	40.7%
				Directors	66.2%	33.8%
				Directors	64.5%	35.5%
			Advisory Total		65.5%	34.5%
			Assurance	Associates	55.1%	44.9%
				Managers	55.4%	44.6%
				Directors	78.6%	21.4%
				Directors	70.5%	29.5%
			Assurance Total		56.1%	43.9%
			Internal Firm Services	Associates	63.5%	36.5%
				Managers	64.5%	35.5%
				Directors	76.7%	23.3%
				Directors	72.4%	27.6%
			Internal Firm Services Total		65.1%	34.9%

Core Metrics						
Topic	Metric	Adoption status	More information			
			Tax and Legal Services	Associates	58.1%	41.9%
				Managers	62.9%	37.1%
				Directors	65.8%	34.2%
				Directors	64.5%	35.5%
			Tax and Legal Services Total		60.1%	39.9%
			Total		61.4%	38.6%
			Grouping	Includes		
			Associates	Senior Associate, Associate, Administrative, Specialists		
			Managers	Senior Manager, Manager		
			Directors	Managing Director, Director, Salaried Partner		
			Grouping	Includes		
			Majority	Defined locally by territories		
			Minority	Defined locally by territories		
Employment and wealth generation	Economic Contribution	Partially Comply	Given the separate legal structure of member firms within the PwC network, we do not produce consolidated financial accounts for PwC globally; however, we do provide some information related to revenues, net income and some information on taxes paid. Please see the Financials chapter of our Global Transparency Report for more information			
Innovation of better products and services	Total R&D expenses (\$)	Comply	We continue to invest in the future of our people, new technologies, enhancing the quality of our work, and developing new products and services to meet the changing needs of our stakeholders. Across the PwC network, we invested over US\$3.7bn in FY23 (FY22US\$3.1bn) in areas such as strategic deployments, investments in critical markets, technology, risk and quality initiatives, and strategic acquisitions to enhance and expand the range of services we offer to our stakeholders.			
Community and social vitality	Total tax paid	Partially Comply	It is a characteristic of partnerships that payment of the taxes on the income produced in the partnership is an obligation of the individual equity partners. Given this and the separate legal structure of member firms within the PwC network, we do not collect comprehensive information at a global level on taxes paid on income of each individual firm and its partners. However, we are this year providing in the Financials chapter of our Global Transparency Report details of some of the taxes paid by PwC firms around the world.			

Expanded Metrics			
Topic	Metric	Adoption status	More information
Employment and wealth generation	Significant indirect economic impacts	Partially comply	<p>Our global network works collaboratively with a variety of organisations to address skills-related challenges facing the world at large, and to create sustained outcomes.</p> <p>Since the launch of PwC's global commitment in 2018 to invest in the future of 15 million people, non-governmental organisations (NGOs), and micro and social enterprises to help them maximise their potential, we've reached 23.7 million beneficiaries. 10 million+ of these beneficiaries were reached through our New world. New skills community programmes. New world. New skills. is our biggest global initiative in this area and addresses the mismatch between the skills people have today and those needed to navigate the digital world.</p> <p>Through our collaboration with UNICEF in support of Generation Unlimited, we are working to help create more opportunities for today's youth. Bob Moritz co-chaired the Generation Unlimited Global Leadership Council meeting where stakeholders shared their perspectives on the challenges that exist for young people today. We jointly published thought leadership including The Net Zero Generation, which addresses the need to upskill youth across the world to enable the net zero transition.</p> <p>During Davos, PwC Global Climate Leader, Emma Cox led a panel discussion on investing in green skills to deliver net zero. Through our partnership with the World Economic Forum's Reskilling Revolution programme, we jointly published Putting Skills First, which outlines the need for a 'skills-first approach' to address skills and labour shortages and includes a framework for action for business and government.</p> <p>Through our collaboration with the Global Solutions Initiative, we support its Young Global Changers (YGCs) programme, which has attracted over 400 young changemakers from 120 countries since 2017. The YGCs are provided with opportunities to network and build their skills. In 2023, a select group of YGCs participated in the Global Solutions Summit's Recoupling Awards, which recognised young changemakers who are driving impactful projects in their communities. Click here for more.</p>
Innovation of Better Products and Services	Social value generated (%)	Partially comply	Work that we classify as "entirely" Sustainability related has generated US\$519m in FY23 (FY22: US\$301m). We also undertake further work on Sustainability matters as part of larger, multi-disciplinary projects. Revenue for these projects, including Sustainability, totalled \$605m in FY23.
Innovation of Better Products and Services	Vitality Index	Not Comply	Currently, we collect data on our revenues in accordance with our lines of service. While we may change our data collection in the future, based on our current data collection we are not able to report against this metric.

Expanded Metrics			
Topic	Metric	Adoption status	More information
Community and social vitality	Total Social Investment (\$)	Partially comply	<p>Across the world, we contribute to our local communities by volunteering and offering our services on a pro-bono or discounted basis. For example, in this financial year, 42,666 PwC member firm volunteers gave 870,403 hours of volunteering (FY22: 34,245 volunteers, 789,000 hours). These numbers do not include all volunteering undertaken by PwC people. They only relate to PwC organised programmes or voluntary reports by our people in relation to PwC supported charitable causes. We do not systematically collect information on the charitable and volunteer activities of our people.</p> <p>Over the last year, the financial value of our community activities is US\$240.4m (FY22: US\$222.5m.) This includes disaster response contributions (cash and in-kind donations) from our 21 largest territories totalling US\$3.4m (FY22: US\$6.2m).</p> <p>Another of our key societal impacts is supporting our people's learning and development. On average, we spent US\$2,052 (FY22: US\$2,088) per employee on internal learning and development activities. This translates to an average of 65.7 per person (FY22: 69.7 hrs).</p> <p>Across our network, 244,927 people completed one or more pieces of learning related to inclusion & diversity in FY23 (FY22: 226,042). This includes our Inclusive Mindset training programme, in which 314,890 learning hours have been logged by our people who have completed the curriculum to date. The total investment in the Inclusive Mindset programme is US\$684,403 (unchanged from FY22).</p> <p>Click here for more on how we are delivering sustained outcomes for our communities.</p>
Community and social vitality	Additional tax remitted	Partially comply	<p>Given the separate legal structure of member firms within the PwC network, we do not collect comprehensive information at a global level on taxes paid by each individual firm. However, this year we are providing details of some of the taxes paid by PwC firms around the world. To review this information, please see the Financials section of our Global Transparency Report.</p>
Community and social vitality	Total tax paid by country for significant locations	Not comply	<p>It is a characteristic of partnerships that payment of the taxes on the income produced in the partnership is an obligation of the individual equity partners. Given this and the separate legal structure of member firms within the PwC network, we do not collect information at a global level on taxes paid by each individual firm and its partners. We do provide some information on some taxes aggregated at a network level (see the Financials chapter of this Global Transparency Report) and some of our individual firms do provide information on their total tax contributions.</p>
Employment and wealth generation	Financial investment contribution Infrastructure investments and services supported	Not Material	<p>As a professional services network, we do not consider our impact to be material in these areas.</p> <p>Since PwC is a network of privately owned separate legal entities, the metric on financial investment contribution is not relevant to PwC.</p> <p>As a professional services network, we make limited investments in infrastructure outside of renting property.</p>

1: The 9.9% revenue growth reported is growth in local currency. In US dollars revenues grew by 5.6%

2: Some numbers may not add up to exactly 100% due to rounding.

3: All numbers are at 30 June 2023, the end of our 2023 financial year, unless otherwise stated.

4: Some of the data reported relates to the 21 PwC territories known as the Strategy Council. These countries or regions included in the Strategy Council are: Australia, Africa Central and Southern Africa, Brazil, Canada, Central and Eastern Europe, China, France, Germany, Italy, India, Japan, Korea, Mexico, Middle East, Netherlands, Singapore, Spain, Sweden, Switzerland, United Kingdom and United States. Together the Strategy Council represents 90% of PwC's global revenues so while we would prefer to report data that covers the whole of the PwC network and will work towards that wherever possible sometimes this can be challenging. We believe that reporting data that covers 90% of our revenues gives a very good indication of our performance or impact in a particular area.

5: We report ethnicity data for nine of our larger territories. (We are unable to report ethnicity data for our other larger territories because either the territories do not collect this data or local laws prohibit sharing the data). Each of the nine reporting territories has mapped the majority/minority ethnicity of its workforce.

6: Environmental data is provided by, or estimated for, each PwC member firm, and is then consolidated at the network level where a consistent methodology is applied for inclusion in this report.

7: Some FY22 metrics included data from PwC Russia where relevant, however Russia left the PwC Network on 4 July 2022 so no Russian data is included in the FY23 report.

8: In this report the terms PricewaterhouseCoopers, PwC, our, we and us are used to refer to the network of member firms of PricewaterhouseCoopers International Limited or, as the context requires, to one or more PwC member firms.



[pwc.com/transparencyreport](https://www.pwc.com/transparencyreport)

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This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 151 countries with over 364,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

September 2023



PwC Australia's Commitments to Change

Response to the findings of Dr Ziggy Switkowski AO
and recent events at PwC Australia





Part 1: Overview of Our Response

A Foreword from Kevin Burrowes, PwC Australia's CEO and Justin Carroll, Governance Board Chair: PwC Australia's Commitments to Change

In May 2023, PwC Australia commissioned Dr Ziggy Switkowski AO to conduct an Independent Review ("the Review") that evaluates the strengths and shortcomings in PwC Australia's governance, culture and accountability frameworks and practices.

On behalf of our firm, we want to thank Dr Switkowski for conducting a thorough and rigorous review. We are also grateful to our people and other stakeholders who shared their knowledge and experience to inform Dr Switkowski's Review.

As we previously committed, today we published the Review in full.

PwC Australia accepts and will implement the Review's recommendations. We recognise this is a critical and significant step required to re-earn the trust of our people, clients and stakeholders.

Dr Switkowski's Review highlights a failure of leadership – both by individuals and as a firm. Over time, this failure of leadership contributed to an erosion of good governance and culture, weakening focus on our professional and ethical standards.

We deeply regret and apologise for our failures. While at times difficult and disappointing to read, Dr Switkowski's Review lays bare where shortcomings exist in our firm and a culture that allowed them to go unchecked over time.

It is incumbent on us to accept this, and for each and every one of our partners as well as staff to embrace the need for change, and work together to build a better PwC Australia.

The Review makes a clear distinction between the leadership failures that led to an erosion of good governance and culture and the high quality of work our people and the firm provide for our clients every day. In particular, Dr. Switkowski highlights our Assurance business, which he states appears to "substantially model best practice."

In fact, Dr Switkowski states that "PwC Australia is comprised of many honest, clever and committed individuals in the business of advising other organisations about what 'good' looks like across governance, culture and accountability frameworks and practices." We will follow Dr Switkowski's advice to leverage the strengths he identifies within our firm to reset for the future, restore trust, and rebuild.





To both our clients and our 10,000 dedicated people: we have fallen short of your expectations. While the past few months have been enormously challenging, we are proud of the resilience our people have shown and their commitment to continue delivering high quality work - day in, day out.

PwC Australia's Action Plan to deliver on our Commitments to Change

We have deeply considered all of Dr Switkowski's recommendations, and undertaken a period of introspection to consider the root causes that allowed this situation to occur. These reflections are described in detail in our Action Plan below.

The Action Plan will deliver on our Five Commitments to Change. These are:

- 1** Put our purpose and values at the core of everything we do
- 2** Increase the independence and effectiveness of our governance board
- 3** Improve discipline and rigour of decision making
- 4** Strengthen risk and conflict management and accountabilities
- 5** Embed a culture and practice of constructive challenge

One foundational area of change Dr Switkowski identified was our firm's governance. The Australian Securities Exchange (ASX) Corporate Governance Principles and Recommendations provide a strong corporate governance framework and to the extent feasible, we will apply them to PwC Australia. This will include the appointment of at least three independent non-executives to our Governance Board, including a non-executive Chair, and we will publish comprehensive, audited financial statements by September 2025.

We understand that urgent change is required, and as Dr Switkowski undertook the Review, there were actions we began to deliver. Our actions over the last several months reflect our commitment to right the wrongs of the past and set ourselves up for the standards and expectations we must meet.

These include, but are not limited to, putting a new CEO and management team in place, initiating a search for independent non-executives, changes to partner remuneration frameworks for all partners with a balanced scorecard emphasising non-financial measures, divesting our government business to Allegro Funds and beginning work to build a more mature Enterprise Risk Management approach.

The Review and our corresponding management response marks a moment in time from where we, and others, can measure and hold ourselves to account for progress on our commitments.





We will publish our progress in meeting these commitments until changes are fully embedded. Our Governance Board, to be led by an independent Chair, will oversee our progress and reporting and ensure there is independent verification of our progress.

Our vision for the future is to become the leading professional services firm, built on the highest ethical and professional standards with integrity at our core, a firm that delivers purposeful and sustained outcomes in everything we do.

We do not underestimate the scale of the task ahead to achieve our vision. While we are committed to moving as quickly as possible - we realise that meaningful change will take time and we are committed to getting this right.

As the CEO and Chair of the Governance Board we commit to leading these efforts and overseeing the implementation across the firm.

From the top down, we are committed to rebuilding and re-earning the trust of our stakeholders - our clients, people, regulators, the government and communities. We are committed to learning, changing, and leading. This is our promise.

Please see our full Action Plan in Part Two below.

Kevin Burrowes

Chief Executive Officer,
PwC Australia

Justin Carroll

Chair, PwC Australia
Governance Board





PwC Australia's reflections on Dr Switkowski's findings

In the open letter we published on 29 May 2023, we acknowledged that we failed in three ways. First, there was a lack of respect by certain partners for confidentiality. Second, PwC Australia did not have adequate processes and governance in place. Third, we had a culture at the time in our Tax business that allowed inappropriate behaviour and, until now, we have not always properly held our leaders and those involved to account.

Having now considered Dr Switkowski's findings and our own reflections, we have a more mature understanding of the factors that enabled the confidentiality breaches and other failures to occur. Key amongst these are:

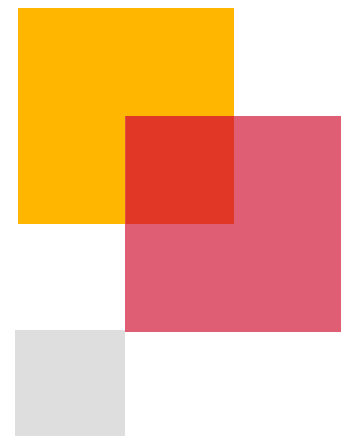
- **Our Executive Board did not have the clarity of role, formality, or working practices to operate as an effective oversight and decision-making forum for firm-wide matters.** The previous model of often devolving decisions about strategy and operations to our three lines of service resulted in an over-reliance on informal channels to elevate risks, issues and decisions to be debated, challenged and resolved at the Executive Board level.
- **There was a hesitance in our culture to challenge decisions and actions of leaders, hold people to account and reflect on what was not working well.** We have a highly collegial culture but a “shadow side” of this cultural trait is that, within our firm, there can be overconfidence in decision-making, a reluctance to share bad news and a preference for harmony over having uncomfortable conversations. These ways of interacting with each other hampered our ability to challenge leaders, escalate issues and incidents and manage enterprise risk effectively.
- **Our Governance Board did not have sufficient independence, the appropriate structure or mandate to provide the level of oversight and challenge to leadership that was required.** This allowed too much power to rest in the hands of the CEO, a failure to hold leadership to account and a lack of transparency (to the Board and wider partnership) on some issues when they arose. The absence of independent voices around our boardroom table reduced the effectiveness of the Board's oversight of the CEO and senior leadership.
- **Our risk practices and systems focused on quality and client-delivery at the line of service level, but at the enterprise level our controls were immature – lacking the stature, capability and rigour required.** This created inconsistency in how risks were managed, reported and escalated in different businesses. These ‘silos’ limited the opportunity for additional objective challenge of risks and issues at a firm level, including at senior executive and board.





- **Our response to enterprise level issues was too narrowly focused and did not encourage enough analysis of root causes such as leadership and team culture.** This has made our historical response to some issues slow and initially incomplete. Issues were not investigated deeply enough with an overemphasis on the legal risks and the actions of only those directly involved. Our processes did not ensure enough objective oversight and challenge was applied to how issues were investigated, managed and communicated to stakeholders.
- **Our approach to holding partners to account has historically been opaque, particularly for matters of personal conduct and behaviour.** This has allowed for too much individual discretion in how consequences are applied and a lack of clarity for our people and stakeholders about what is not tolerated at PwC Australia.
- **We failed to reinforce a clear or consistent enough expectation that financial performance does not take precedence over non-financial priorities.** At its most extreme, this allowed practices to go unchecked in our Tax business in the past that were unethical and lacked integrity, placing profit over purpose. More broadly, our performance management system in some businesses has promoted a short-term, growth focus and with too much discretion in the assessment of non-financial performance, particularly values and behaviours.

In his Review, Dr Switkowski observes that our three lines of service (Consulting, Financial Advisory and Assurance) have different levels of maturity. Our Assurance business, which includes our Audit practice, is the most mature, having well-developed and embedded policies, systems and controls for audit quality management and independence that are subject to external inspection. As part of our response to the Review we will look to extend what works well in our Assurance business to the other parts of our firm.



PwC Australia's Commitments to Change

We have developed a detailed Action Plan to serve as our roadmap to enable us to realise our vision for the future. Our Action Plan forms Part Two of this document.

The Action Plan is built around five Commitments to Change.

Our Updated Vision: To become the leading professional services firm, built on the highest ethical and professional standards with integrity at our core, a firm that delivers purposeful and sustained outcomes in everything we do.

Our Commitments to Change

	1. Put our purpose and values at the core of everything we do	2. Increase the independence and effectiveness of our Governance Board	3. Improve the discipline and rigour of decision making	4. Strengthen risk and conflict management and accountabilities	5. Embed a culture and practice of constructive challenge
Key Initial Actions	<ul style="list-style-type: none"> Conduct a gap-analysis to identify a firm-wide target culture focused on restoring trust Undertake a program of work to embed desired behaviours to bring out our purpose and values each day 	<ul style="list-style-type: none"> Adopt the ASX Corporate Governance Principles where feasible Appoint at least three independent non-executives, including a non-executive Chair Revise the CEO election process Publish comprehensive, audited financial statements 	<ul style="list-style-type: none"> Formalise the Management Leadership Team (formerly known as the Executive Board) as the enterprise-level decision making and risk management forum Enhance operating and decision-making disciplines of the Management Leadership Team 	<ul style="list-style-type: none"> Strengthen the voice and mandate of the central risk function Appoint an external CRO Uplift the rigour and transparency of our incident handling and conflict management 	<ul style="list-style-type: none"> Further empower our people and partners to ask questions and challenge the decisions and behaviours of others within the firm

Each of our Commitments to Change involves a series of actions we have committed to taking. Those actions are a combination of the recommendations made by Dr Switkowski and other initiatives that we have separately resolved to implement. The key initial actions are set out in the diagram above and the detailed list of actions under each Commitment to Change is contained in the Action Plan at Part Two of this document.

A number of the changes proposed in the Action Plan require changes to our partnership agreement. As a partnership we will work together to agree the detail of how these changes will be made.



PwC's global values, outlined below, will guide the implementation of our Action Plan.



Act with integrity



Make a difference



Care



Work together

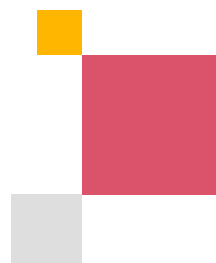


Reimagine the possible

Actions taken to date

The Action Plan builds on steps we took while Dr Switkowski was conducting the Review to address shortcomings and set ourselves up for the standards and expectations we must meet. These include, but are not limited to,

- putting a new CEO and management team in place;
- making our General Counsel and Chief Risk and Ethics Leader members of the Management Leadership Team;
- initiating a search for independent non-executive Governance Board members;
- changing partner remuneration frameworks with a balanced scorecard emphasising non-financial measures;
- divesting our government business to Allegro Funds; and
- beginning work to build a more mature Enterprise Risk Management approach.



Measuring our progress

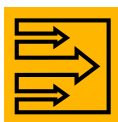
PwC Australia will publish our progress in meeting our commitments until changes are fully embedded. Our Governance Board, to be led by an independent Chair, will oversee our progress and reporting and ensure there is independent verification of our progress.





Part Two: PwC Australia’s Action Plan

The Action Plan flows from our Five Commitments to Change, which are reconciled below with each of Dr Switkowski’s related recommendations.



Commitment One: Put our purpose and values at the core of everything we do

We **accept both** of Dr Switkowski’s recommendations relating to purpose and values and commit to the following:

Put our purpose and values at the core of everything we do – a program of work will embed our focus on purpose and values and a gap-analysis will be undertaken to develop a firm-wide target culture focused on restoring trust. Our purpose and values will guide all aspects of our work to implement the Action Plan.

Recommendation 17: Implement program of work to embed focus on purpose and values

17.1

The culture gap analysis being performed will direct us to where we need to enhance and build the understanding of and commitment to our purpose and values. It also forms the foundation of the global leadership framework we will be rolling out to all people leaders (partners and staff).

Storytelling and role modelling of our purpose and values are being built into the engagement and communications plan supporting the Action Plan. By showcasing for our people how the purpose and values are brought to life everyday through our actions, conversations and critical symbols, we will bring them to life.

Action to be implemented by end **December 2023**.

Recommendation 18: Conduct gap-analysis to a firm-wide target culture focused on restoring trust

18.1

An initial culture gap analysis is underway using existing material including engagement surveys and cultural work that has been done in the separate businesses. The work done in the Assurance business focused on embedding critical behaviours and this work has been reported on to the Audit Quality Advisory Board that has advised that business since 2020 (having been established in late 2019).

The initial culture gap analysis assessment will inform the design of an extensive culture program that will bring in external experts and is expected to run from January 2024 - December 2025.

Action to be implemented by end **December 2025**.





Commitment Two: Increase the independence and effectiveness of our Governance Board

We **accept all six** of Dr Switkowski’s recommendations relating to the role of the Board of Partners (Governance Board) and commit to the following:

Increase the independence and powers of our Governance Board – we will change the board composition to increase its independence, clarify and restate the role, powers and practices of the Governance Board to enhance its effectiveness. We will revise the CEO election process and have the independent non-executive Board members lead the candidate selection process.

The ASX Corporate Governance Principles and Recommendations provide a strong corporate governance framework and, to the extent feasible, we will apply them to PwC Australia. This will include the appointment of at least three independent non-executives to our Governance Board, including a non-executive Chair, and we will publish comprehensive, audited financial statements by September 2025.

In advance of the finalisation of the Independent Review, the Governance Board has initiated a comprehensive review and reset of the composition, authority and activities of the Board, including the identification of changes required to our Partnership Agreement. Some of the lessons we have learned from the implementation of our external Audit Quality Advisory Board have also been embraced, as an external lens challenging our approach to audit quality has served us well in the Assurance business.

In consultation with our partners, as the owners of PwC Australia, changes will be proposed to facilitate:

- A significant increase in the independence of the Governance Board, including the number of independent non-executives and the removal of the requirement for the Board Chair to be a partner of the firm. It is the intention that an independent Board Chair will be appointed.
- The Governance Board having the appropriate level of authority to appoint and remove the CEO.
- An increase in the authority of the Governance Board with respect to strategy, risk and culture.
- The resetting of the Board’s responsibilities and working practices so that it can drive a stronger focus on oversight and challenge of the CEO and executive decision making.

Recommendation 1:
Restructure the Board of Partners (Governance Board) to ensure adequate independence

1.1 The Governance Board will appoint three independent non-executives to the Board as soon as possible. This goes beyond the announcement of 8 May 2023 to appoint two independent non-executives to the Board. An external search firm has been appointed to assist the firm in this process.

1.2 Changes to the Partnership Agreement will be proposed to allow for a majority of independent non-executives.

1.3 The current Partnership Agreement requires that a PwC partner be the Board Chair. A proposal to remove this requirement will be put to partners and PwC will move to appoint an independent Chair as soon as practicable.

Actions to be implemented by end June 2024.





Recommendation 2:
Clarify and restate the governance role of the Board

- 2.1** A comprehensive review of the powers, duties and responsibilities of the Governance Board and the CEO is already underway to ensure that the requisite authority is provided to the Board in respect of strategy, risk, finance, culture and succession planning.
-
- 2.2** The Governance Board is currently redesigning its sub-committee structure and related terms of reference to increase the focus and independence of oversight of risk, ethics and public interest matters. This will also include an expansion of the remit of the Leadership, Succession and Nominations Committee.
-
- 2.3** More timely and comprehensive reporting of issues to the Board by the CEO and Management has commenced and will be further improved with reference to the Review's findings. Adherence to these protocols will form part of the performance assessment of the CEO and Management going forward.

Actions to be implemented by end **March 2024**.

Recommendation 3:
Revise the CEO appointment process

- 3.1** Proposals to update the mandate of the Governance Board will be put to partners to allow for the appointment and removal of the CEO. The process of selection of the CEO will be led by our independent non-executives. The consultation process with the PwC Global Network will be enhanced as part of the changed mandate.

Action to be implemented by end **March 2024**.

Recommendation 4:
Develop a Board skills matrix and induction and development programs

- 4.1** A comprehensive skills and experience framework for the selection of the Governance Board will be developed, together with the establishment of a formal professional development curriculum focusing on excellence in governance.

Action to be implemented by end **March 2024**.

Recommendation 5:
Design and implement Board succession planning

- 5.1** Succession planning is currently being undertaken to identify future internal and external candidates for Board membership, aided by the use of a skills matrix incorporating core governance capabilities, skills, experience and background.

Action implemented and practice ongoing.

Recommendation 6:
Regularly review Board effectiveness

- 6.1** The Governance Board will undertake an internal annual assessment against a comprehensive suite of performance measures, with an externally facilitated assessment to be undertaken every three years.

Action to be implemented by end **September 2024**.

**Additional
PwC Australia
Action**

- 24.1** Publish comprehensive, audited financial statements by September 2025. In addition, other reporting required by the ASX Corporate Governance Principles including a Remuneration Report will be published. Action to be implemented by end **September 2025**.



Commitment Three: Improve the discipline and rigour of decision making



We **accept both** of Dr Switkowski’s recommendations relating to Senior Leadership Oversight and commit to the following:

Enhance the rigour and transparency of decision making – in September 2023 our most senior executive group (formerly known as the Executive Board) was renamed the Management Leadership Team. The new Management Leadership Team will be defined and formalised as the enterprise-level decision making and risk management forum, and will be improved through enhanced operating and decision-making disciplines.

A key focus of the new MLT is to ensure that it acts on enterprise-level decision making rather than the previous business model of “Three world-class businesses”. A new “One Firm” focus will permeate all decisions and communications and examples of this approach have already been implemented and are outlined in the detail below.

Recommendation 7:
Define and formalise the role of the senior executive forum

7.1 Terms of reference for the Management Leadership Team have now been approved and include the distinctions suggested by Dr Switkowski. **(Complete)** Delegations are currently under review.

7.2 The Chief Risk and Ethics Leader is currently working with the People Leader on the firm’s consequence management processes and accountabilities. Some immediate changes to the consequence management framework were made in July 2023.

7.3 A formal Management Risk Committee will be established with a clear charter and focus on enterprise level risks and relevant delegations. A formal Client Committee has already been established and the first meeting was held on 31 August 2023. **(Complete)** The purpose of this delegated Management Leadership Team committee is to ensure that key client decisions that may impact risk and reputation, are made on an enterprise-wide basis with all stakeholders represented.

Actions to be implemented by end December 2023.

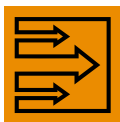
Recommendation 8:
Improve operating and decision-making disciplines of the senior executive forum

8.1 The focus of the secretariat supporting the Management Leadership Team has been improved since July 2023 and includes improved formal and more detailed minute taking, decisions and action logging.

8.2 Collective decision making with a “One Firm” focus has been reinforced for the new Management Leadership Team who will be incentivised using a firm scorecard (referred to in the Commitment Four section below).

Actions implemented and practices ongoing.





Commitment Four: Strengthen risk and conflict management and accountabilities

We **accept all five** of Dr Switkowski’s recommendations relating to Risk Governance and Compliance, **all three** recommendations relating to Issues Management and **all three** recommendations relating to remuneration and consequence management.

We commit to the following:

Strengthen risk and conflict management – central risk management will have a prominent ‘voice’, clear mandate and be supported by an external Chief Risk Officer (CRO) appointment, improved functionality of risk-related forums, strengthened approach to conflicts of interest, as well as uplifting the rigour and transparency of issues management.

This is being actioned in a number of different ways including investing significantly in the central risk function and bringing outside thinking to the way enterprise risk is managed, reported and governed. Specific client risk has generally been well managed in the businesses but investment in enterprise-wide processes is required. The strengths of the Assurance practice in this area will be leveraged in this process. The sale of PwC Australia’s Government Business was announced on 25 June 2023. This will reduce certain inherent potential conflicts of interest but not eliminate the need for improvements in our conflict management systems and controls.

Change the way we measure success for partners and the firm – introduction of minimum standards to qualify for a remuneration increase such as demonstrated ethical behaviours in line with our values, restatement of behavioural expectations for partners and the application of significant visible consequence for breaches, including consequences for behaviours discovered after partners have left the firm.

Recommendation 9:
Substantially improve enterprise risk management capability

- 9.1 A full time Chief Risk and Ethics Leader has been appointed to the Management Leadership Team, reporting to the CEO. This role has no client responsibilities. **(Complete)**

- 9.2 The process is underway to appoint an enterprise-wide Chief Risk Officer with significant corporate experience. The responsibilities and mandate of this role will focus on enterprise-wide risk management and will also have no client responsibilities.

- 9.3 A detailed capability assessment with respect to enterprise risk is underway but will be an immediate responsibility of the new enterprise-wide Chief Risk Officer, including additional training requirements as required.

Actions to be implemented by end **March 2024**.

Recommendation 10:
Embed clearer accountabilities for risk across the firm

- 10.1 Business Risk leadership now reports to the Chief Risk and Ethics Leader, with dotted reporting lines to Business Leadership. **(Complete)**





-
- 10.2** A detailed review of risk accountabilities and governance is currently underway including responsibilities and processes across Business and Central Risk to support an effective 'Three Lines of Defence' model. Changes to accountabilities and roles will be completed following this review.

Actions to be implemented by end **December 2023**.

Recommendation 11:
Fix gaps in compliance risk management

- 11.1** A Head of Compliance was appointed in July 2023, reporting to the Chief Risk and Ethics Leader. **(Complete)**

- 11.2** A review of our compliance framework maturity has been completed. The Head of Compliance has a number of priority initiatives with 2023 completion dates underway. The plan to address remaining gaps and to increase the voice of compliance will be progressively implemented.

Actions to be implemented by end **December 2024**.

Recommendation 12:
Improve functionality of the executive-level Risk sub-Committee and other risk-related forums

- 12.1** A Management Leadership Team Risk Committee will be established with membership from the full Management Leadership Team. Responsibilities will be formally defined and include more dedicated time to review formal enterprise risk reporting.

A formal Client Committee has been established and has already met as outlined above in Recommendation Seven.

Action to be implemented by end **December 2023**.

Recommendation 13:
Strengthen firm-wide approach to conflicts of interest

- 13.1** A detailed review of the firm-wide approach to conflicts of interest has commenced. The revised approach will leverage the practices used currently in the Assurance and Securities businesses.

- 13.2** A standardised conflict management and reporting process will be implemented, leveraging the strong practices in the Assurance business. A new contract management system is currently being piloted.

- 13.3** A refreshed and additional comprehensive training and education program on conflict identification and management will be rolled out to all PwC Australia partners and staff. This program will be reinforced with change management support and continuing modules in recurring training programs.

- 13.4** The firm's process for external Board appointments is under review and an updated policy incorporating close oversight of approval processes will be launched and implemented.





13.5 PwC Australia has announced it will no longer make political donations. **(Complete)**

13.6 Completion of the sale of PwC Australia's core Government business is anticipated to finalise in October 2023.

Actions to be implemented by end **June 2024**.

Recommendation 14:
Improve focus on issues management

14.1 An incident/issues management system along with revised processes is currently being assessed and will be implemented. All significant breaches will be reported to and considered by the Management Leadership Team and Governance Board and considered as part of the consequence management process (refer Recommendation 15). Lessons learned through this process will be incorporated into communications and learning and development material.

14.2 An assessment of the Office of General Counsel function is underway.

Actions to be implemented by end **March 2024**.

Recommendation 15:
Redefine and clarify accountabilities for conduct risk

15.1 Our consequence management framework is under review and changes will be recommended by December 2023. Amendments will be made to clarify that the framework addresses business conduct risk as well as personal conduct matters and applies regardless of the means by which the conduct at issue was reported or discovered.

15.2 As well as regular training on ethics for all of our people, tools and materials to support good decision making founded on the PwC Code of Conduct and the profession's Code of Ethics will be made available and kept up to date on a readily accessible platform. This platform will also make available materials to support learning and development and will be in place by December 2023.

Actions to be implemented by end **December 2023**.

Recommendation 16:
Improve rigour of regulatory engagement

16.1 Regulatory engagement has been strengthened by establishing central leadership and oversight to support business led engagement. The Chief Risk and Ethics Leader has overall ownership for regulatory engagement. The CEO, Chief Risk and Ethics Leader and General Counsel are now each involved in regulator dialogues alongside Business leaders and there is regular reporting to and discussion with the Management Leadership Team on these matters. **(New practice complete and ongoing)**

Action **implemented and practices ongoing**.





Recommendation 21:
Review partner performance management framework

21.1 A new FY24 Balanced Scorecard was launched to partners on 7 September 2023. This includes a significant emphasis on non-financial measures in areas such as ethics and integrity, culture and experiences, client centricity and collaboration. Growth measures are now “One Firm” and are based on sustainable growth. **(Complete for FY24 scorecard)**

21.2 Additional changes to the partner performance management framework will be implemented following completion of the PwC Australia strategy and the review of the Consequence Management Framework noted in Recommendation Seven above. This includes consideration of changes to penalties, negative and positive adjustments. The strategy will be launched in November 2023. The framework will include clearer firm-wide minimum standards with a focus on leadership, integrity and other key values.

Actions to be implemented by end **September 2024.**

Recommendation 22:
Strengthen partner remuneration process

22.1 The FY23 partner remuneration process is nearing completion and involved a strong focus on behaviours, leadership and a comprehensive “moderation” and review process. This process will be further enhanced for the FY24 process (to be completed by September 2024) with additional mechanisms for cross firm input into partner outcomes.

22.2 As part of the review of the PwC Australia Partnership Agreement, additional clawback and deferral mechanisms will be proposed, including consequences for behaviours discovered after partners have left the firm.

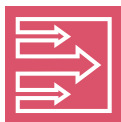
Actions to be implemented by end **September 2024.**

Recommendation 23:
Provide greater transparency of behavioural expectations and consequence outcomes

23.1 A significant focus on values and behavioural expectations is included in the Action Plan (refer Recommendation 17). Transparent reporting of behavioural issues and consequence management outcomes will be significantly uplifted for the partner cohort, commencing with the results of the FY23 partner remuneration process.

Actions to be implemented by end **September 2024.**





Commitment Five: Embed a culture and practice of constructive challenge

We **accept both** of Dr Switkowski’s recommendations relating to embedding a challenger culture, noting that the recommendations related to purpose and values are also enablers of this outcome.

Embed a culture that empowers our people to ask questions and challenge decisions – a program of work will embed our purpose and values and instil a ‘challenger culture’ where our partners and staff feel empowered to question the decisions and behaviours of others, including those in authority. We will strengthen the voice and capability of our ‘ethical gatekeeper’ teams including legal, risk and ethics.

Recommendation 19: Embed a challenger culture with action and ‘tone from the top’

19.1 A comprehensive program of work will be designed following completion of the gap analysis referred to in recommendation 18. External experts will be involved and the program will run from 2024 - 2025. Design will be complete by December 2023 leveraging work already performed through collection of engagement data and feedback and culture work performed in each of the businesses.

19.2 The program will focus on understanding and counteracting the “shadow sides” of PwC Australia’s cultural strengths as outlined on page 46 of Dr Switkowski’s Independent Review.

Work on tone from the top has already started with the following initiatives underway:

- increased communication with all partners and staff - including feedback sessions about key initiatives and policies. A firm-wide engagement session will be held in October 2023.
- strategy and Action Plan engagement sessions for all partners seeking feedback and challenge.
- increased use of survey tools to test key initiatives and policies.

19.3 Leadership development is a critical pillar to developing a culture of effective challenge. PwC Australia will be an early adopter of a new PwC global leadership framework focused on partners and senior staff. In the context of creating a challenger culture, PwC Australia’s adoption of this framework will prioritise focus on behaviours such as ‘I speak the truth even when it is hard’ and ‘I act ethically and speak up about inappropriate behaviour’.

Actions to be designed by **December 2023** and implemented by end **June 2025**.





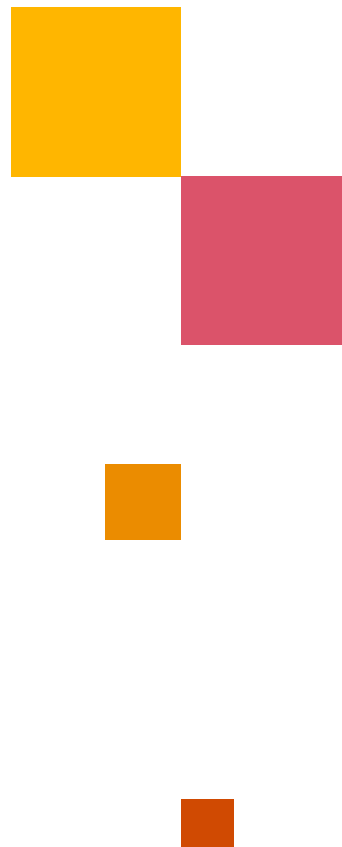
Recommendation 20:
Reduce relationship
biases for senior roles

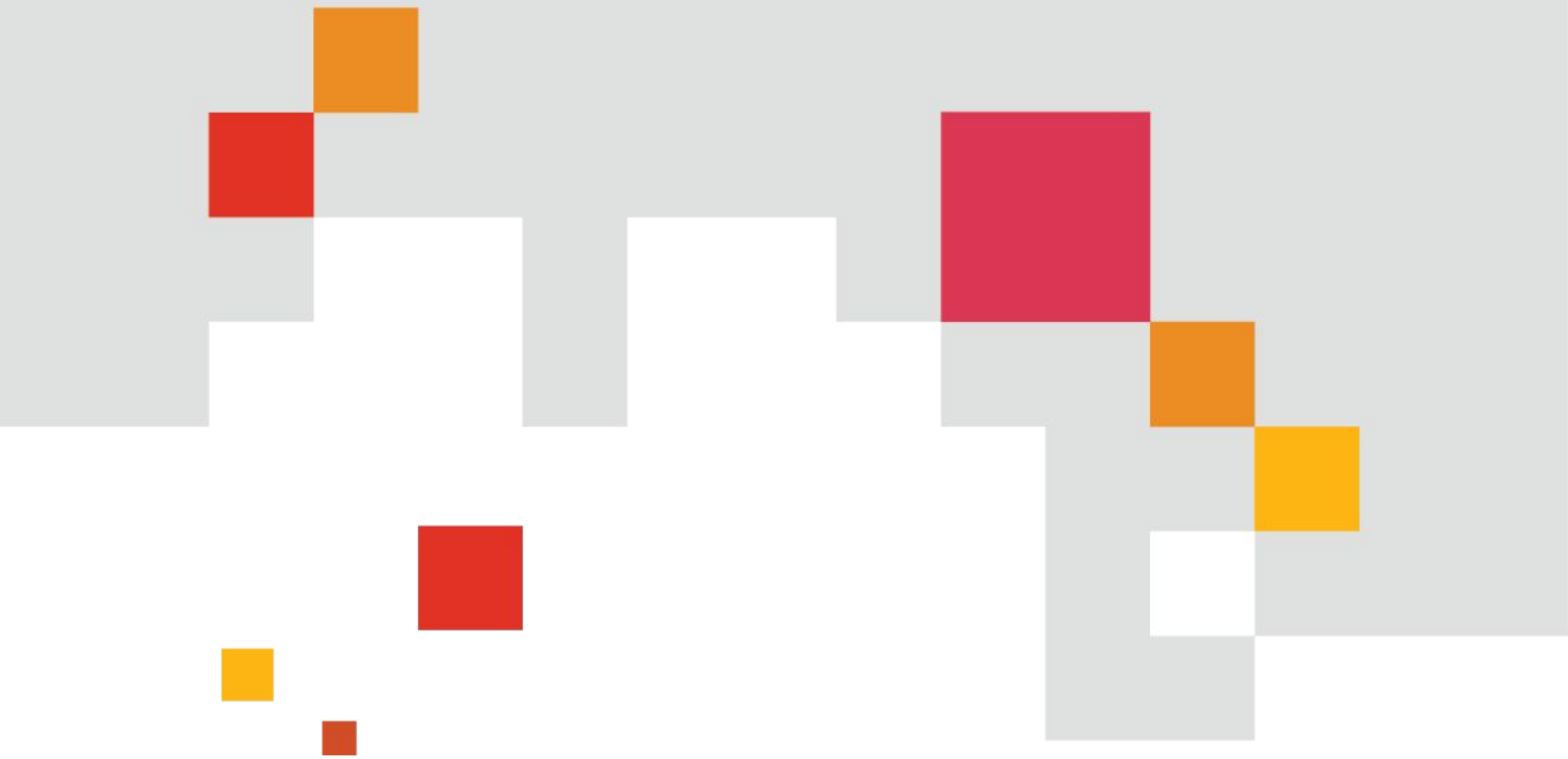
20.1 This process has recently changed so that any member of the partnership can apply for senior roles. Applicants are then interviewed and selected based on their merits. This was agreed by the Management Leadership Team on 17 July 2023 and communicated to partners shortly thereafter. The new process was implemented in September 2023 and is being used to fill senior roles going forward. **(Complete)**

20.2 A renewed vision for PwC Australia was communicated to partners on 7 September 2023. This vision intends to reset the direction of the firm, including in respect of our cultural and ethical ambitions to restore trust in PwC Australia.

This was combined with a new Balanced Scorecard as explained in Recommendation 21. **(Complete)**

Actions implemented and practices ongoing.





PwC Australia announces first independent Governance Board Chair and board member

Thursday, 1 August 2024

PwC Australia announces first independent Governance Board Chair and board member

- John M. Green named as independent non-executive Chair of PwC Australia's Governance Board - a first for an Australian Big 4 professional services firm
- Lisa Chung AM to join the Governance Board on 1 September 2024 as an independent non-executive Board member
- Webb Henderson appointed as Independent Monitor to verify firm's progress against its [Commitments to Change Action Plan](#)

In a first for an Australian Big 4 professional services firm, PwC Australia has today announced John M. Green will be joining its Governance Board as the firm's independent non-executive Chair.

In addition, Lisa Chung AM will join the Governance Board as an independent non-executive Board member on 1 September 2024, marking a significant next step in the actions the firm is taking to deliver on its [Commitments to Change](#). This follows the implementation of milestone reforms which strengthened the Board's independence, oversight powers and duties, setting a new standard for professional services firms in Australia.

As the firm's first independent Chair, Mr Green will bring significant director experience across a range of domestic and international organisations. Having served on multiple boards, across a multitude of industry sectors, and having advised many boards during his executive career, he will draw from his decades of business experience to strengthen the independence and oversight powers of PwC Australia's Governance Board. He is currently a director of Challenger Limited and Cyber Security Cooperative Research Centre and he chairs UOW Global Enterprises and Pantera Press, an independent book publisher.

Incumbent Chair of PwC Australia's Governance Board, Justin Carroll said: "John is an exceptional addition to our Governance Board and will make an outstanding Chair. He will be able to draw from his decades of experience to bring an outside-in perspective, hold management to account and deliver a new level of oversight."

Lisa's non-executive director experience includes board positions across a variety of industries including commercial property, financial services, creative arts and community services. She is currently the Chair of Australian Unity Limited, and on the boards of AVJennings Limited, the Committee for Sydney, the Foundation of the Art Gallery of NSW, The Front Project, the Sydney Community Foundation and Artspace.

"Together, John and Lisa bring enhanced levels of independent thought and governance experience to our Governance Board, facilitating more robust challenge and oversight of our firm," Mr Carroll said.

"Their contributions should mean decisions impacting the future of the firm are scrutinised with more independent eyes, holding management to a similar level of accountability as top tier ASX-listed companies," he said.

The process to appoint a third non-executive to the firm's Governance Board is well progressed.

As part of these announcements, incumbent Chair Justin Carroll will step down from the Governance Board in August.

PwC has also announced the appointment of boutique independent law firm Webb Henderson as its Independent Monitor to verify progress made on its Action Plan. The Webb Henderson team of senior lawyers will be supported by The Honourable Tom Bathurst AC KC, former Chief Justice of the Supreme Court of NSW. They will begin reviewing PwC Australia's progress immediately.

Since releasing its Action Plan in September 2023, PwC Australia has made significant progress on the 47 listed actions. As of today, 35 actions have been addressed and are being prepared for independent verification. The remaining 12 actions have staggered timelines and are progressing.

Together, these actions strengthen the firm's governance, accountability and culture. They also underpin the firm's **three-year strategy**, which places our people, clients and culture at the heart of all it does.

PwC Australia CEO, Kevin Burrowes, said: “While we still have a lot to do, these are significant and meaningful steps which will ensure we are bringing the best of our multidisciplinary model to our clients and creating a working environment for our people to thrive in.”



About PwC

We're a network of firms in 152 countries with almost 328,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

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PwC Australia releases latest review of Tax businesses' governance and internal control framework

Thursday, 1 August 2024

PwC Australia releases latest review of Tax businesses' governance and internal control framework

PwC Australia has released its latest Quigley Review, which examined the firm's tax practice's governance and internal control framework. The review was the second external review of the firm's tax practice governance framework - the original Quigley report was published in 2021. The reviews aim to provide leadership with independent feedback, to ensure protocols and governance measures around tax advice are best practice and robust.

The reviews were undertaken by Bruce Quigley. Mr Quigley is a retired ATO Second Commissioner and a Member of the Panel of Expert Advisors at the International Monetary Fund. After finalising his 2024 report, Mr Quigley presented his key findings to a number of senior leadership groups within the firm.

The second Review found that the Tax business has the appropriate control framework to address the key elements of operational risk management and there is a robust quality management system in place. Further, PwC Australia has developed an effective control framework which is consistent with the principles and standards contained in the "Australian Tax advisory firm governance, Best practice principles" which were developed by the four largest tax advisory firms in conjunction with the ATO and published in 2022 (see [here](#)).

The second Review made eight specific recommendations which PwC has accepted, and will continue to address.

Tax & Legal Leader, Chris Morris, said the business has undergone a period of significant change and remains committed to building a leading culture that promotes ethical and governance excellence.

“While there is room for improvement, we have made significant changes which have strengthened the quality of our governance frameworks and internal controls in recent years. As a leadership team, we are focussed on continuously looking for opportunities to improve these systems, while also building a leading culture, which meets the expectations of our people, clients and communities.

“The Review makes a number of recommendations which we have accepted and have a plan in place to address,” he said.

The actions being taken to enhance the Tax & Legal business following the Quigley Review are in addition to those the firm is taking as part of its Commitments to Change Action Plan, which aim to strengthen the firm’s governance and culture.

The firm has also released a three-year strategy, which puts culture at its core.

Further information::

- You can read the 2021 and 2024 Quigley Review [here](#).
- You can read our Commitments to Change and the actions we have taken to date [here](#).
- You can read more about our strategy [here](#).



About PwC

We're a network of firms in 152 countries with almost 328,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

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PwC: Design Effectiveness Review of Tax Governance and Internal Control Framework

July 2024

Bruce Quigley

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Glossary

ADM	Alternative Delivery Model
ACC	Annual Compliance Confirmation
ATO	Australian Taxation Office
BRP	Business Risk Partner
CEO	Chief Executive Officer
CMF	Consequence Management Framework
CR&E	Chief Risk & Ethics
CRO	Chief Risk Officer
ECR	Engagement Compliance Review
ERM	Enterprise Risk Management
FA	Financial Advisory
FALT	Financial Advisory Leadership Team
GTCOC	Global Tax Code of Conduct
HRE	Higher Risk Engagement
KYC	Know Your Client
LIQ	Leadership in Quality
LoS	Line of Service
LPP	Legal Professional Privilege
MLT	Management Leadership Team
OGC	Office of General Counsel
P&EC	People & Ethical Conduct
P&QL	People & Quality Leader
PwCA	PwC Australia
QAR	Quality Assurance Review
QMS	Quality Management System
QRP	Quality Review Partner
R&Q	Risk & Quality
RMP	Risk Management Partners
SME	Subject Matter Experts
TASA	Tax Agent Services Act 2009
TLS	Tax and Legal Services
TPB	Tax Practitioners Board
TPP	Tax Policy Panel
X-LoS	Cross Line of Service

Foreword

PwC is one of the four largest tax advisory firms in Australia. It traditionally was seen as a trusted advisor to many of the country's top tier companies with a reputation for being innovative and client focussed with progressive employment and diversity policies.

A much publicised event relating to PwC emerged early in 2023 that has had a significant impact on the firm requiring great effort to rebuild trust with clients, government, regulators, partners, staff and the community. The Tax Practitioners Board (TPB) had found that PwC Australia (PwCA) had failed to have in place adequate arrangements to manage conflicts of interest in relation to its tax practice (known as the 'TPB matter'). The finding related to the improper handling of confidential Treasury information beginning in 2014 and related failures in professional, ethical or leadership responsibilities. A senior partner had been sanctioned by the TPB and his licence to practice withheld for two years. A number of internal and external reviews and investigations (including by the Senate¹) were conducted. In particular, PwCA engaged Dr Ziggy Switkowski AO to undertake an independent review (the Switkowski Review) focussed on 'frameworks and practices relating to governance, culture and accountability that currently operate within the firm.'² The Switkowski Review identified several key shortcomings relating to governance, culture and accountability at PwCA that had arisen from the accumulation of poor practices over many years. PwCA is addressing all the recommendations in the Switkowski Review and has developed a detailed Action Plan to implement them (Appendix I).

PwCA is structured into three business lines (or lines of service) – Consulting, Financial Advisory (FA) and Assurance. The focus of the review that is the subject of this report is the second undertaken by the independent consultant to review the effectiveness of PwCA's **Tax Governance and Internal Control Framework** (the Control Framework) as it relates to the provision of tax services, a part of the FA Business. The focus of the Risk Governance and Compliance Frameworks in the Switkowski Review is primarily at the enterprise level. Importantly, the Switkowski Review found that PwCA's risk practices and systems focussed on quality and client delivery at the line of service level, but that at the enterprise level the controls were immature – lacking the stature, capability and rigour required. Whilst there are some findings and recommendations in the Switkowski Review that are relevant and identified in this report, the current review (2024 Review) is focussed on the Tax and Legal Services (TLS) business within the Financial Advisory (FA) Line of Service (LoS) – in particular the provision of tax services.

¹ The Senate Finance and Public Administration References Committee, Inquiry into management and assurance of integrity by consulting services .

² Dr Z E Switkowski AO, *Review of Governance, Culture and Accountability at PwC Australia*, August 2023.

Background

Under Australia's self-assessment system, taxpayers are responsible for their own tax affairs, however tax advisors play an important role in advising them in that regard. In recognition of this, the four largest tax advisory firms (Deloitte Australia, EY Australia, KPMG Australia and PwC Australia) developed the *Australian Tax Advisory Firm Governance, Best practice principles* (the Principles)³ in conjunction with the Australian Taxation Office (ATO).

The Principles were published on 22 August 2022 and require that a firm has a tax services system of quality management in place that is designed to enable compliance with the Principles.

The Principles apply to services provided in respect of Australian federal taxation laws by the firms that have adopted them. In addition to tax advisors having a legal obligation to act in the interests of their client, there are multiple legal, professional and regulatory requirements that provide strong external oversight together with appropriate penalties and sanctions. These include:

- Tax Agents Services Act 2009 (Cth) (TASA) administered by the TPB;
- Taxation Administration Act 1953 (Cth) administered by the ATO;
- Accounting Professional and Ethical Standards which, among other things, set the standards for the provision of quality and ethical 'Taxation Services'; and
- Legal Profession Uniform Law Australian Solicitors' Conduct Rules 2015 which contains measures relating to legal practitioners providing tax advice.

The Principles are not intended to conflict with any of these obligations nor override professional duties of advisors to their clients. In the event of any conflict, the general law or professional regulation shall prevail.

Principle 4.1.2 requires that the design effectiveness of a firm's relevant tax services system of quality management be independently reviewed at least every three years.

This is the second review by the independent consultant of PwC Australia's Tax Governance and Internal Control Framework – the first was completed in March 2021 (the 2021 Review)⁴ when the Principles were in draft form. The scope of the 2021 Review included the Tax and PwC Private (Private) businesses (specifically, the teams within Private that provide tax services), and involved an extensive review of internal documentation and interviews with leaders, partners and staff within the Tax and Private businesses. The 2021 Review considered the design effectiveness of the Tax governance and internal control framework and assessed whether it met the (at the time) draft "Large market tax advisor principles" (Advisor Principles). The 2021 Review was effectively a 'self-assessment' against the draft Advisor Principles in anticipation of and ahead of their formal agreement with the ATO. The methodology of the 2021 Review drew on the ATO's website guidance on 'Testing Control

³ The Best practice principles are at Appendix II.

⁴ Quigley, B., *PWC: Design Effectiveness Review of Tax Governance and Internal Control Framework*, March 2021.

Design Effectiveness' in the context of the tax governance framework of a large company recognising that there are different purposes and application between the ATO's guidance and PwCA's control framework. This second review, the 2024 Review, adopts the same methodology and scope as the 2021 Review.

Terms of Reference

Undertake a review of PwCA's Tax Governance and Internal Control Framework (the Control Framework) in accordance with the "*Australian Tax advisory firm governance, Best practice principles*" which were developed by the 4 largest tax advisory firms in conjunction with the ATO and published on 22 August 2022 (the Principles).

Assess whether the Control Framework includes suitable policies and controls covering the following key elements:

- Adoption and adherence to firm codes of conduct and related probity matters;
- Client acceptance;
- Engagement acceptance;
- Periodic review;
- Team competency;
- Engagement management and delivery;
- Opinion levels;
- Dealing with higher risk/higher significance engagements; and
- The framework should be supported by relevant training programs.

The independent consultant will undertake a design effectiveness review of PwCA's quality management system (QMS) for the provision of tax services. The review methodology should draw on the ATO's guidance on 'Testing control design effectiveness' in the context of the tax governance framework of a corporate taxpayer, while recognizing the difference in purpose and application.

The independent consultant will review relevant PwCA policies/materials (including in particular the QMS reference documentation submitted to PwC's Global TLS R&Q in September 2023), conduct meetings/discussions with key stakeholders and sample of partners/employees, and prepare a report containing findings and recommendations.

Whilst not specifically included in the terms of reference, the independent consultant reviewed the steps taken by PwCA in response to the recommendations made in the 2021 Review.

Review Methodology

Testing Control Effectiveness: ATO

The 2024 Review methodology drew on the Australian Taxation Office's (ATO) website guidance on 'Testing Control Design Effectiveness' in the context of the tax governance framework of a large company (tax control framework) recognising that there are different purposes and application between the ATO's guidance and PwCA's Control Framework.

The ATO guidance on testing and evaluating a large organisation's tax control framework provides for two components:

- Testing control design effectiveness; and
- Testing the operational effectiveness of a control.

The most common method for testing control design effectiveness according to the ATO guidance is to perform a walkthrough of the control processes, which includes the following actions:

- Conducting an inquiry of appropriate personnel;
- Observing the company's operations; and
- Inspecting relevant documentation and addressing the following objectives
 - understanding the flow of transactions including how those transactions are initiated, authorised, processed, recorded and treated;
 - identifying the points within the process at which a potential error is likely to occur; and
 - identifying the controls that have been implemented to address these potential errors.

The 2024 Review of PwCA's Control Framework included all of the above actions.

If the design effectiveness of a control is adequate and is expected to reduce the identified tax risk, the control should then be tested for operational effectiveness to determine whether controls have operated effectively. The ATO considers that a combination of methods can be used to determine control effectiveness:

- Re-performance provides the most evidence in determining operational effectiveness of a control;
- Examination/inspection tests provide the second-most amount of evidence;
- Observation provides the third-most amount of evidence; and
- Inquiry provides the least amount of evidence (inquiry alone does not provide sufficient evidence to support a conclusion about the effectiveness of a control).

The 2024 Review of PwCA's Control Framework included examination/inspection, observation and inquiry, however given the nature of the review, it did not include re-performance.

Document review and Interviews

As was the case with the 2021 Review, the independent consultant reviewed numerous Global and PwCA policies, guidelines and other materials, in particular documents provided for the PwC Global TLS R&Q review in September 2023 as part of the 2024 Review. These consisted of:

- Documents prepared for PwC reporting purposes in relation to the Quality Management System (QMS) for the Tax and Legal Services (TLS) business for FY23; and
- Documents prepared to demonstrate operational risk management and operational effectiveness of the TLS governance process, in accordance with the Principles.⁵

Interviews were conducted with a sample of PwCA partners and staff as well as senior ATO and TPB officers to get the ATO and TPBs perspectives. No clients or other stakeholders were interviewed.

There was limited opportunity to observe the operation of PwCA's Tax Policy Panel (TPP) as part of this 2024 Review although the independent consultant participated in two TPP meetings in the 2023 calendar year – one in person and one by phone.

The above document reviews, examination and observation, together with interview responses formed the basis for the assessment of PwCA's Control Framework.

⁵ Appendix III contains a list of documents made available by PwC for this review.

Response to recommendations in the report of the 2021 Review

The 2021 Review outlined seven recommendations for improvement to the effectiveness of PwCA’s Tax governance and internal control framework. Below is an assessment by the independent consultant of the status of addressing those recommendations including evidence supporting the status.

	Recommendation	Status	Evidence
1.	The Business Risk Partner (BRP) commence discussions with the other professional firms and the ATO with the view to finalising the draft Adviser Principles by 30 June 2021.	Completed	The former BRP and others worked with the ATO to finalise the Principles (now known as Tax Advisory Firm Governance Best Practice Principles) which were published on 22 August 2022.
2.	The R&Q team, as part of the reassessment of the application of the R&Q Metrics process in FY21, review the appropriateness of the current criteria in assessing a person as either ‘Exceeding expectations’ or ‘Not meeting expectations’.	Completed	The FY21 partner R&Q performance assessment was reviewed, revised and implemented. In FY21, the formal ratings were expanded from 2 to 4 categories and detailed criteria formalised in relation to each category. In particular, what constitutes “High Performing” was determined and documented.
3.	As a part of reviewing the adequacy of the TPP triggers, the R&Q team and the BRP consider whether there are specific risks to one or other of the Tax or Private businesses only, and the HRE policies amended accordingly	Completed	<p>Specific Private triggers were added in at the time the Higher Risk Engagement Policy was refreshed in October 2022.</p> <p>A retired ATO Deputy Commissioner Private Wealth joined PwCA as a Managing Director in relation to Private Tax Engagements, and acts as the TPP Chair for Private Tax matters.</p> <p>Other triggers have been added throughout the year as matters arise, including additional TPP triggers for the s100A anti-avoidance provision, the principal purpose test for Multilateral instrument rules and the proposed new measures for intangibles.</p>

	Recommendation	Status	Evidence
4.	To provide greater independence (or perception of independence), that the Chair of the TPP re-examine how an external consultant could participate as an observer at a number of TPP calls/meetings during the year as initially proposed.	Partially completed	<p>It was proposed that an external consultant would review TPP matters and meet with the TPP Chair (and others) on a quarterly basis to run through key TPP matters and materials to obtain input/guidance. This only occurred on a few occasions in the three years since the 2021 Review.</p> <p>It was also proposed that the external consultant would be an observer at a number of TPP calls/meetings (target 10% of formal panels). This did not occur on many occasions in the three years since the 2021 Review. The independent consultant did participate in two Panel meetings in the 2023 calendar year – one by phone and one in person.</p> <p>The reason for not fully meeting these requirements provided by PwCA was a lack of matters requiring formal TPP panels. It is considered that a more achievable engagement with an external consultant should be developed which still retains the original intent of a level of independent review.</p>
5.	The BRP and R&Q team engage with the ATO to develop a range of indicators that the ATO considers would assist in assessing the effectiveness of the TPP.	Completed	The TPP Chair continually monitors TPP triggers, and the former FA BRP presented to the ATO on PwCA’s assessment of TPP effectiveness. In addition, an informal internal review of the TPP is conducted annually with findings and outcomes documented in an annual TPP Effectiveness Report included as part of the QMS documentation.
6.	The R&Q team ensures that every partner and business unit is subject to a QAR each year.	Completed	At the time of the 2021 Review, one third of partners and business units were subject to reviews under the Quality Assurance Review program (QAR) each year. A redesigned FA QAR Program was designed with around two thirds of all Engagement Leaders being subject to a review under the QAR program in FY21 with the program being fully implemented by FY22 with every Engagement Leader being subject to a review under the QAR program in both FY22 and FY23.

	Recommendation	Status	Evidence
7.	The BRP formalise a series of meetings (say every 3 to 6 months) to update the Second Commissioner and other senior ATO officers on the progress that PwCA has made, and continues to make, with respect to the Tax Governance and Internal Control Framework.	Partly Completed	<p>A number of meetings were conducted with the ATO Second Commissioner. However, they were not formalised and did not take place as often as the suggested 3 to 6 months. It is recommended that formalised meetings with the ATO Second Commissioner are scheduled to occur every 3 to 6 months on a go forward basis.</p> <p>In response to a recommendation (16.1) in the Switkowski Report, regulatory engagement has been strengthened by establishing central leadership and oversight to support business led engagement. The Chief Risk and Ethics (CR&E) Leader has overall ownership for regulatory engagement. The CEO, CR&E Leader and General Counsel are now involved in regulator dialogues alongside Business Leaders.</p>

Key Findings and Observations

It is considered that, at the LoS level, FA TLS has the appropriate Control Framework to address the key elements of operational risk management. There is a robust Quality Management System (QMS) in place consistent with PwC Global requirements. There are well documented policies and procedures in the Control Framework around key elements such as client acceptance, engagement acceptance and delivery. Upfront systems have been developed to help ensure that these policies and procedures are followed. They are also a focus of regular Engagement Compliance Reviews (ECRs) and the QAR program with outcomes of those reviews linked to the partner performance system.

A Higher Risk Engagement (HRE) policy forms a key element of the R&Q policy for the Australian Tax and Private businesses. The policy was updated in October 2022 to provide greater consistency across all of FA and improve the clarity around the HRE triggers. There is a fully functional Tax Policy Panel (TPP) that reviews high risk advice (per defined triggers) as part of the broader HRE policy and Complex Tax Advice Protocols/requirements which require 2nd partner reviews. Internal reviews have assessed the TPP to be effective however only a small percentage of referrals advance to a full panel meeting without an understanding of why.

The Principles provide sound guidance and best practice for large tax advisors providing complex tax advice. Senior ATO officers recognise and acknowledge the lead role that PwCA played in developing the Principles. PwCA has developed an effective Control Framework which is consistent with the principles and standards contained in the Principles. There is a high correlation between the Principles and the PwC Global Tax Code of Conduct (GTCoC). The standards and principles contained within the GTCoC are regularly communicated within the firm and reinforced in a number of ways with the Australian FA R&Q Team reporting on compliance annually.

The comprehensive Enterprise Risk Management (ERM) Framework approved (and reviewed annually) by the Governance Board Risk Committee reflects the firm's **commitment** to managing risk and how risk management activities are embedded in business practices, systems, processes and behaviours, at all levels of the firm. However, the Switkowski Review found that whilst PwCA's risk practices and systems focus on quality and client-delivery at the line of service level, 'the firm's risk and policy framework is overly complicated, with overlapping and rigid implementation of Network Standards, professional standards and local policies.'⁶ It recommended that the firm substantially improve enterprise risk management capability and embed clearer accountabilities for risk across the firm. In response, PwCA has appointed a full time Chief Risk and Ethics (CR&E) Leader reporting to the CEO and a Chief Risk Officer (CRO) with significant corporate experience to focus on enterprise-wide risk management, including a detailed capability assessment. Structural changes have also been made to Business Risk leadership and a detailed review of risk accountabilities is currently underway.

⁶ Switkowski, Z E, p.29.

The TPB matter has had a significant effect on the FA Business. In response to the TPB findings, several partners identified by PwCA as having been responsible, including from a leadership standpoint, for the confidentiality breaches or the failure to take appropriate action once the issues were identified, are no longer partners in the firm. This includes the FA Leader and the Business Risk Partner (BRP) requiring new leadership arrangements for the FA Business. The departure of the BRP in particular left a huge experience gap and directly impacted the remaining members of the R&Q Team, many of whom had been working with the BRP for several years.

The FA R&Q Leader is an experienced tax practitioner who has been in the role since 2015 and is supported by a team comprised of highly experienced, specialist resources. The FA R&Q Team has remained reasonably stable in recent times which has been instrumental in achieving good results. However, the resourcing of the risk function does not appear to have kept pace with the growth of the business.

The ATO has been concerned about certain PwCA behaviour in the past as outlined in the 2021 Review. Both PwCA and the ATO have been working to resolve issues and build better relations. ATO senior officers acknowledge that there have been improvements in relationships in recent times, however the TPB matter has again put pressure on PwCA's relationship with the ATO and the TPB. There is a degree of scepticism as to whether there will be a cultural shift of putting the firm's values before growth and profit. The measures for regulator engagement put in place by PwCA to address the Switkowski report should help to address this scepticism, however it will be important for the change in culture sought in the Action Plan to be demonstrated 'on the ground' by all engagement leaders and teams.

Having good relationships with the ATO and TPB will be even more important going forward with significant Government changes proposed to the governance framework impacting tax practitioners.

Recommendations

It is recommended that:

- A detailed review of resourcing, including the Business Risk Partner and Risk Management Partners' roles, be undertaken to ensure that it is adequate to meet the needs of the FA business, particularly in light of the additional focus on risk as a result of the TPB matter.
- A more achievable engagement with an external consultant be developed for the TPP which still retains the original intent of providing a level of independent review.
- Another senior partner is engaged with the TPP Chair in the triage process.
- Another column is included in the TPP documentation records stating the reason why a matter didn't go to a full panel.
- The Managing Director who chairs the TPP for the Private business clarify the term '*family group restructures*' in the Private business HRE triggers and communicate the outcome throughout the Private business.
- There be debriefs with other Engagement Quality Review (EQR) peer review partners to ensure consistency in approach to reviewing and rating files prior to the formal moderation process.
- A program of forced rotation of partners involved in EQR peer reviews be introduced.
- The R&Q Team invite overseas reviewers to participate in ECRs and the QAR program for the next round of reviews.

Australian Tax Advisory Firm Governance: Best Practice Principles

Under Australia's self-assessment system, taxpayers are responsible for their own tax affairs, however tax advisors play an important role in advising them in that regard. In recognition of this, the four largest tax advisory firms (Deloitte Australia, EY Australia, KPMG Australia and PwC Australia) developed the *Australian Tax Advisory Firm Governance, Best practice principles* (the Principles) in conjunction with the ATO.

The Principles were published on 22 August 2022 and require that a firm has a tax services system of quality management in place that is designed to enable compliance with the Principles. They provide an objective basis against which firms can test their governance of higher risk tax advisory services.

The Principles set out expectations of tax advisors, and are relevant to the giving of advice by tax advisors, on which a client is able to rely, which recommends or supports the implementation of a transaction or arrangement. There is a high correlation between the Principles and the PwC Global Tax Code of Conduct (GTCoC).

The Principles provide sound guidance and best practice for tax advisors providing complex advice to taxpayers. The ATO consider that the Principles are a positive step forward in the relationship of advisor firms that have adopted them and the ATO, and has complemented PwCA on the leadership role in finalising them.

PwCA published an annual statement confirming it has reasonable confidence that the policy and procedures, which facilitate compliance with the Principles, are operating effectively. They have compiled the document *PwC application of the Tax Advisory Firm Best Practice Principles for FY23*, to support that statement. The independent consultant has reviewed that document and other supporting documents and agrees that PwCA is complying with the policy and principles contained in the Principles.

A change that was made to the draft Principles was to allow for the three yearly independent review to be undertaken internally rather than by an external independent advisor. Whilst undertaking self-assessment reviews is to be encouraged for internal governance purposes, it is important that the three yearly review be undertaken externally to ensure both the independence and the perception of independence of the process. PwCA is committed to having reviews conducted externally. Whilst it is not in a position to change the Principles unilaterally, given its leadership role in developing the principles originally, it should impress upon the other professional firms, the importance of independent, external review.

TLS QMS Global Reporting Process

Overview

The PwC Network Standard for QMS and Risk Standards (the QMS Standard) has the following objectives:

‘Member firms shall establish through their lines of service quality and risk management systems and business processes that promote and facilitate the delivery of quality services and enable the firm and its personnel to meet applicable professional standards, regulatory and legal requirements and PwC Network Standards and policies.’

The Global TLS Risk and Quality (R&Q) Team provides guidance on the requirements for the development, implementation and monitoring of an appropriate QMS consistent with these objectives. The FA R&Q Team prepare a detailed report each year describing how PwCA complies with the Global requirements. The TLS QMS is subject to review and evaluation by a Subject Matter Expert (SME) from another Network firm. For FY22, the review was undertaken by the Canadian R&Q Tax Leader and subject to moderation by the Global Tax R&Q Leader.⁷ Each of the Requirements are rated as follows (see below):

- Requirement Exceeded;
- Requirement Met;
- Requirement Met with Exceptions;
- Requirement Not Met.

For FY22, PwCA’s TLS QMS achieved a rating of Requirement Exceeded for 5 of the 15 requirements and a rating of Requirement Met for the remaining 10 of the 15 requirements. An overall comment was made by the SME reviewer that ‘PwC Australia has exemplary documentation for all the 15 QMS requirements’.

There have been a number of key enhancements to the QMS since the 2021 Review furthering the level of assurance including:

- A refresh of the HRE Policy;
- An FA Quality dashboard;
- Leadership in Quality (LIQ) Surveys;
- Establishment of an Engagement Acceptance Panel (EAP);
- Updated Annual Compliance Confirmations (ACC) for HRE and TPP protocols;
- New acceptance and global system in Salesforce;
- Publication of an annual Transparency report;
- Report of Compliance with the Principles; and
- Refinement of risk profiling processes and documentation.

The FY23 TLS QMS contains fifteen requirements, nine of which are most relevant to this review.

⁷ The FY 23 review being undertaken by the United States R&Q Leader is not yet completed.

FY23 TLS QMS Requirements

The following TLS QMS requirements are considered to be the **most** relevant for this review:

- Requirement 1: Leadership Responsibility
- Requirement 2: Risk & Quality Leader
- Requirement 4: Accountability Framework
- Requirement 5: Global Tax Code of Conduct (GTCOC)
- Requirement 7: Client & Engagement acceptance
- Requirement 8: Human Capital
- Requirement 10: High Risk Engagements (HREs)
- Requirement 11: Engagement Completion Reviews (ECRs)
- Requirement 12: Quality Assurance Reviews (QARs).

Each of these requirements is discussed below.

Requirement 1: Leadership Responsibility

The firm's TLS leadership assumes ultimate responsibility for TLS LoS risk management, quality, tax policy, reputation and regulation.

Following the TPB's investigation and the recommendations of the Switkowski Review, there have been a number of changes to the firm's Executive Board (now known as the Management Leadership Team), Governance Board, as well as the Financial Advisory Leadership Team (FALT).

The changes most relevant to Leadership Responsibility for R&Q are discussed here. A new Chief Risk & Ethics (CR&E) Leader has been appointed to have responsibility for all aspects of ethics and compliance at the firm and to lead the implementation of the actions to address the Switkowski Review's recommendations. The position is a member of the Management Leadership Team (MLT) and reports to the Chief Executive Officer (CEO). Business Risk leadership now reports to the CR&E Leader, with dotted reporting lines to Business Leadership. An enterprise-wide Chief Risk Officer (CRO) with significant corporate experience has been appointed with the responsibilities and mandate to focus on enterprise risk management. An experienced senior partner was appointed to replace the departing FA Leader (and a member of the MLT) in May 2023 and another experienced partner was appointed to the role of FA People & Quality Leader (P&QL) in July 2023.⁸ That role has responsibility across all of FA. A new Business Risk Partner (BRP) for Tax has recently been appointed to replace the previous BRP who left the firm in May 2023. That position now reports to the CR&E Leader with dotted reporting lines to Business Leadership. The BRP is a senior partner responsible for risk management in the FA business and ensuring the risk management and quality frameworks are operating effectively.

⁸ That person has recently been promoted and a process is underway to appoint another experienced partner as the P&QL.

The 2021 Review found that TLS Leadership appropriately assumed ultimate responsibility for TLS LoS risk management, quality, tax policy, reputation and regulation. Senior Management had a strong focus on values, quality, accountability, risk, independence and the drive to manage stakeholder expectations. This was supported by strong communication at all levels, including numerous presentations and webcasts.

The structural changes outlined above improve enterprise risk management by embedding clearer accountabilities for risk across the firm. They in no way diminish the responsibility of the TLS Leadership. The FA Leader represents FA as a member of the MLT, the FA Leader, TLS Leader and FALT fully support the FA R&Q Leader (and team) in the implementation of the annual FA R&Q Annual Plan and Global reporting, specific FA R&Q priorities and focus areas and the FA R&Q Continuous Improvement Plan. The FA BRP and FA R&Q Leader continue to make regular presentations to the FALT in relation to R&Q matters.

In addition to structural changes mentioned above, there have been key changes to the QMS as they relate to the overall tax governance framework and provision of tax and legal services across Tax and Private businesses. Some of the more significant include:

- The implementation of a quarterly FA Quality Dashboard to provide an additional leadership reporting mechanism, with a focus on quality metrics and KPIs in relation to key strategic priorities and risk areas;
- Better R&Q communication with a monthly update (*R&Q Corner*) of R&Q matters sent to all staff; and
- Regular review (and reporting to Global) of the TLS practice to confirm leadership's review of the practice's risk assessment, client base, service offerings, large and HREs, technology, recruitment and succession planning, learning and development programs, and R&Q role/impact and effectiveness.

Requirement 1 was rated **Requirement Exceeded** by the SME reviewer for FY22 with a comment that 'As part of PwC Australia's strategic focus on quality the (sic) have developed an impressive quarterly Quality Dashboard (commencing from 3Q21)'.

Requirement 2: Risk & Quality Leader

The firm's TLS leadership has appointed an experienced TLS Risk & Quality leader and provides him/her with sufficient time, resources and authority to enable him/her to perform that role effectively.

The FA R&Q Leader is an experienced tax practitioner who has been in the role since 2015. He is a member of the Global TLS R&Q Leadership Team and is also the Asia Pacific Regional R&Q Leader with joint oversight for territories in the Asia Pacific region. The FA Leadership Team (FALT) provides support to the FA R&Q Leader as required in terms of supporting resourcing requests, access to teams and systems.

The FA R&Q Leader is supported by a team comprised of highly experienced, specialist resources. The FA R&Q Team has remained reasonably stable in recent times which has been instrumental in achieving good results. It is important that a high degree of stability is maintained given the emphasis given to R&Q matters in the Action Plan. A new Business Risk

Partner (BRP) for Tax has recently been appointed to replace the previous BRP who left the firm in May 2023. Under structural changes as a result of recommendations in the Switkowski Review, the BRP will report to the CR&E Leader with dotted reporting lines to Business Leadership. He will be devoting about fifty percent of his time to the BRP role, the rest of the time will be client facing. The Switkowski Review expressed concern with partners with senior risk roles and responsibilities also having market facing responsibilities. It referred to it as 'dual hatting' stating (at p.32) that 'dual hatting has the potential to impact the capacity of a partner to dedicate focus to risk responsibilities, which can weaken risk management capability.' The previous BRP had wide-ranging responsibilities in addition to his responsibility for risk management in the FA business and ensuring the risk management and quality frameworks are operating effectively, including leading regulatory engagement, TLS representative on the Cross Line of Service (X-LoS) Business Risk Council, Chair of the EAP and Chair of the TPP. Since his departure, some of those responsibilities have been devolved to the TLS Leader and FA R&Q Leader with a senior partner appointed as Chair of the TPP.

A team of Risk Management Partners (RMP) sit in the lines to act as a further resource for communicating risk and quality messages, learnings, training and updates to the business, and for assessing and managing business risk. This represents only a fraction of the RMP's time with the expectation that they devote only 50 hours annually to the role, the balance being market facing roles.

The resourcing of the FA risk function does not appear to have kept pace with the growth of the business, a conclusion also reached in the Switkowski Review with respect to the enterprise level. A review of the FA R&Q Team was undertaken in FY21 as a result of the Acceptance+ system implementation and the expansion of the Quality Review program and an additional resource was added in FY22. However, the introduction of new and expanded service offerings (e.g., Connected Compliance) and the commitment to strengthen risk in addressing recommendations in the Switkowski Review will add pressure on the FA R&Q Team.

Requirement 2 was rated **Requirement Met** by the SME reviewer for FY22.

It is recommended that a detailed review of resourcing, including the Business Risk Partner and Risk Management Partners' roles, be undertaken to ensure that it is adequate to meet the needs of the FA business, particularly in light of the additional focus on risk as a result of the TPB matter.

Requirement 4: Accountability Framework

The TLS LoS has an accountability framework that takes into account risk and quality objectives and that is consistently implemented.

PwCA's Consequence Management Framework (CMF) in relation to R&Q matters applies consistently across all LoS. There is no separate or additional Accountability Framework for the TLS LoS. This is considered appropriate.

In relation to R&Q the CMF is accompanied by an *Australian Firm Risk & Quality Accountability Framework*. The R&Q metrics process contained in the R&Q Accountability Framework identifies those partners who have exhibited significant positive or negative risk and quality behaviours based on input from R&Q, Independence and Compliance, Learning & Development and Office of General Counsel (OGC). These inputs are then moderated by the FA R&Q Team to ensure consistency for similar behaviours across all businesses. All data supporting ratings are shared and discussed between partners and FA R&Q Team members who have the support and authority of FA Leadership. The objective of the R&Q metrics process is to positively recognise Leadership in Quality or accountability when quality expectations have not been met.

A People & Ethical Conduct Panel (P&EC Panel) was established in FY22 to provide oversight and management of serious conduct matters (Category 1 matters under the CMF and all Partner matters from FY24). The establishment of the P&EC Panel is a good initiative that reinforces at a firmwide level the importance placed on matters pertaining to the conduct of partners and staff and behaviours in accordance with the PwC Values and PwC Code of Conduct.

The Switkowski Review recommended (recommendation 15) that PwCA redefine and clarify accountabilities for conduct risk. In response, PwCA committed to review the consequence management framework and make available and keep up to date on an accessible framework, tools and materials to support good decision making founded on the PwC Code of Conduct and the profession's Code of Ethics as well as conducting regular training on ethics for all staff and partners.

A new FY24 Balanced Scorecard was launched to partners in September 2023 to address recommendation 21 in the Switkowski Review to 'review the partner performance management framework'. It includes a significant emphasis on non-financial measures in areas such as ethics and integrity, culture and experiences, client centricity and collaboration. The CMF was also reviewed to include clearer firm-wide minimum standards with a focus on leadership, integrity and other key values.

Requirement 4 was rated **Requirement Met** by the SME reviewer for FY22.

Requirement 5: Purpose, Values, Tax Policy Panel & Global Tax Code of Conduct

The TLS LoS promotes a PwC Purpose-driven and values-led culture, including adherence to the GTCoc.

The training deck "How we provide complex tax advice" is fundamental in promoting the PwCA Purpose, Values and Global Tax Code of Conduct.⁹

⁹ There is a separate deck for Tax and Private covering the same subject material.

Purpose and Values

Much of the firm's concept of purpose and values is embodied in the training deck "How we provide complex tax advice" (Complex Tax Advice training deck) where it is stated (at p.5) that:

*'How we advise our clients on the complex tax implications of positions, transactions, structures and financial arrangements should be aligned to our global **purpose**, guided by our **values**, within the parameters set by our **global tax code of conduct**, and supported by our local **R&Q policies**.'*

The highlighted concepts are then explained in some detail later in the deck. It includes commentary on the Principles, the '10 requirements' when providing complex tax advice, the '8 Risk fundamentals' for all advice and Legal services in relation to tax advice.

The Switkowski Review (at p. 46) was critical of PwCA's strategic focus of prioritising 'above system growth' over purpose and values. Overall, interviewees and focus groups reported that conversations about purpose and values had declined and received less consideration in decision-making. The mindset was said to have been "growth at all costs" with a spotlight on "revenue, revenue, revenue". In response, the first of five Commitments to Change in PwCA's Action Plan is to 'put purpose and values at the core of everything we do'. Key initial actions are to:

- Conduct a gap analysis to identify a firm-wide target culture focused on restoring trust; and
- Undertake a program of work to embed desired behaviours to bring purpose and values each day.

These actions will build on the work already done by the Tax and Private businesses toward the end of the 2022 calendar year with respect to culture.¹⁰

Tax Policy Panel (TPP)

PwCA's TPP was introduced in April 2016. Its role is to review high risk advice (per defined triggers) in the Higher Risk Engagement Policy (HRE) for both the Tax and Private businesses to ensure appropriate specialist involvement, consistency of technical positions and the provision of holistic tax advice.

The triggers are not static. For example, the new HRE policy revised the high risk tax triggers and a new example was added in June 2023 in relation to new measures (the application of Intangible Rules). The FA R&Q Team in conjunction with the TPP Chair undertakes an annual review of the adequacy of TPP triggers contained in the HRE policy having regard to feedback from the ATO and emerging trends/issues.

¹⁰ See Requirement 8: Human Capital for further discussion.

The TPP forms part of and assists in the execution of the firm's Complex Tax Advice Protocols (the Protocols). The Protocols consist of a set of 10 requirements that facilitate the delivery of high-quality services when advising on complex tax matters. There was universal positive feedback from all interviewees on the quality of advice provided by the TPP and the support provided to engagement leaders. The ATO is also very supportive of the TPP.

Engagement teams must implement the recommendations/instructions from any TPP review and document the outcomes and actions in the engagement file. The TPP Secretariat follows up to ensure this is done.

The firm conducted a review of the effectiveness of the TPP in FY23. This process was based on a framework which was intended to assess the following areas of the firm's TPP policy: Existence, Communications, Understanding, Sponsorship, and Monitoring and Enforcement (referred to as the "EXCUSME framework"). The results were positive with all elements of the EXCUSME framework being satisfied. In particular, 'spot checks' on 18 engagements which, prima facie, had high risk categories were undertaken to determine whether the Tax business understood when to, and actively did, engage the TPP. The checks found that all selected engagements were compliant and had appropriate TPP involvement. In addition, as part of the annual Engagement Compliance Reviews (ECRs), the R&Q Team tested engagements with high risk characteristics to determine whether TPP involvement was required. The results of these reviews did not identify any issues. All partners understood the triggers for obtaining TPP involvement.

Following the 2021 Review, it was envisaged that to enhance TPP effectiveness and provide a further degree of independence that an external consultant would:

- Review materials provided by the TPP Chair each quarter in relation to key TPP matters of the prior quarter;
- Meet with the TPP Chair, TPP Secretariat, and member of the PwCA Tax Policy Panel team on a quarterly basis to run through key TPP matters; and
- Be an observer at a number of TPP calls/meetings (target 10% of formal panels) during the year.

This did not occur regularly in the three years since the 2021 Report. For example, the independent consultant participated in two Panel meetings in the 2023 calendar year but no quarterly reviews were conducted. The reason for not meeting these requirements provided by PwCA was a lack of matters requiring formal TPP panels. It is considered that a more achievable engagement with an external consultant be developed which still retains the original intent of providing a level of independent review. For example, this may be having catch up meetings only twice per year, attending a small number of full Panel meetings and perhaps a couple of triage meetings that aren't time sensitive.

Based on this limited interaction, examination of relevant documentation (e.g., TPP Overview, Tax Policy Panels PwC Australia Compliance, TPP Effectiveness Report etc) and interview responses, it is considered that the TPP has a robust process in place that supports the PwCA Tax and Private businesses in achieving their stated objectives. The SME reviewer of PwCA's FY22 TLS QMS commented that 'PwC Australia is one of the network leaders in having an effective TPP'.

Nevertheless, there are some improvements that should be made. Only a small number of referrals (18.3% FY22 and 14.3% FY23) are considered at a full panel meeting, the balance are triaged out by the TPP Chair. Limited records are kept by the TPP Secretariat of the reason why the matter didn't go to a full panel. To demonstrate a greater level of independence, it is considered that another senior partner should be engaged in the triage process. That could be a Subject Matter Expert (SME) for the issue under consideration. In addition, going forward, another column should be included in the TPP documentation records stating the reason why a matter didn't go to a full panel.

It is recommended that:

- **A more achievable engagement with an external consultant be developed for the TPP which still retains the original intent of providing a level of independent review.**
- **Another senior partner is engaged with the TPP Chair in the triage process.**
- **Another column is included in the TPP documentation records stating the reason why a matter didn't go to a full panel.**

Global Tax Code of Conduct

To a large extent the standards and principles set out in the GTCoC parallel those in the Principles and embodied in the '10 requirements' for the provision of Complex Tax Advice by PwCA. In particular:

- Tax advice must be based on a 'credible basis in law' ('Reasonable Arguable Position' in the Australian context);
- No tax advice relies for its effectiveness on any tax authority having less than the relevant facts;
- Tax advice is given in the context of the specific facts and circumstances as provided by the client concerned and is appropriate to those facts and circumstances;
- Tax advice involves discussion of the wider considerations involved, as appropriate in the circumstances; and
- PwC firms advise clients of appropriate options available to them under the law having regard to all of the principles contained in the applicable tax codes.

The importance of adhering to these standards and principles is communicated and reinforced in a number of ways including:

- Training, including 'How we provide complex tax advice' and 'Risk & Quality' training;
- HRE policyf;
- Monitoring of the Annual Compliance Confirmation (ACC) process requiring all partners to confirm that they understand they have a personal responsibility to comply with the GTCoC and that they believe that their conduct has been consistent with the principles;
- Engagement Completion Reviews (ECRs);
- Quality Assurance Reviews (QARs); and
- It is emphasised by the TPP.

In addition to structural changes mentioned above, there have been key changes to the QMS as they relate to the overall tax governance framework and provision of tax and legal services across Tax and Private businesses. Some of the more significant include:

- The implementation of a quarterly FA Quality Dashboard to provide an additional leadership reporting mechanism, with a focus on quality metrics and KPIs in relation to key strategic priorities and risk areas;
- Better R&Q communication with a monthly update (*R&Q Corner*) of R&Q matters sent to all staff; and
- Regular review (and reporting to Global) of the TLS practice to confirm leadership's review of the practice's risk assessment, client base, service offerings, large and HREs, technology, recruitment and succession planning, learning and development programs, and R&Q role/impact and effectiveness.

Requirement 5 was rated **Requirement Exceeded** by the SME reviewer for FY22.

Requirement 7: Client & engagement acceptance

The TLS LoS has operational risk management processes in place for both the acceptance and continuance of clients and engagements and the identification of higher risk engagements, in accordance with network and territory risk management policies and guidance.

The TLS LoS has numerous policy documents covering client acceptance and engagement acceptance including the criteria for identifying HREs. Recent enhancements have also strengthened the processes.

Key internal controls in relation to client acceptance, engagement acceptance and higher risk engagements have been updated since the 2021 Review. Since August 2021, the new Acceptance+ system in Salesforce has been the system used by the FA business to complete Client and Engagement Acceptances. The general risk factors and service-specific risk factors in the HRE policy are operationalised through the Salesforce Engagement Acceptance Questionnaire. Consultation with the Engagement Acceptance Panel (EAP) is required as part of the acceptance process for all higher risk engagements where one or more of the general risk factors are present. The EAP is chaired by the BRP and is responsible for considering whether the engagement should be accepted in light of the identified risks.

A comprehensive suite of training (including mandatory training) and resources is on the Salesforce Hub. At a firm level, a detailed client screening and sanctions checking process overseen by the Know Your Client (KYC) Screening Team was introduced in FY22.

The HRE Policy for FA was refreshed in FY23 (October 2022). The Policy brings together the existing higher risk frameworks operating across the FA businesses; expands the general risk factors to identify FA's larger, more complex, more sensitive and strategically important engagements; and streamlines and supplements the service-specific high risk engagement factors addressing both technical and reputational risks (see requirement 10 for further detail).

It is considered that TLS LoS has sufficient operational risk management processes in place for both the acceptance and continuance of clients and engagements and the identification of higher risk engagements.

Requirement 7 was rated **Requirement Met** by the SME reviewer for FY22.

Requirement 8: Human Capital

The firm's HC activities meet the needs of the TLS LoS (for example all TLS professionals receive training, coaching and support to enable them to comply with relevant external requirements and deliver quality services).

As noted in the 2021 Review, an assessment of the quality of the firm's training is beyond the scope of this review. However, it is necessary to understand the scope, relevance and comprehensiveness of available training, coaching and support programs to be able to form an opinion on whether they support the Control Framework, enable professionals to comply with relevant external regulatory requirements and ensure that Engagement Teams are able to deliver quality services.

It is considered that the suite of training, coaching and support activities available to partners and staff at all levels satisfies this requirement as discussed below.

Technical training

Technical quality requires tax technical training to be a specific priority. There is a national learning development curriculum focussed on the delivery of tax technical training by Subject Matter Experts (SME) on core concepts and new developments at all levels. The TLS business is supported by the Tax Markets & Knowledge Team through training, communications, and technical support directly to engagement teams.

There is a strong focus on formal and informal coaching and mentoring at all levels of the firm. Technical quality of deliverables is managed 'on the ground' through the '4 eye review' concept and support of specialists in Tax Markets & Knowledge.

Training on 'How we provide complex advice' has been presented to all Tax and Private staff, and is also presented to all graduate recruits. This training is critical in reinforcing PwC's Purpose, Values and Global Tax Code of Conduct and received positive feedback during many of the interviews conducted during this review. Items that have been identified by FA R&Q Leadership as higher risk are presented to Partners and Directors in sessions to increase awareness of these risks and discuss mitigation strategies.

The FA R&Q Team provides support to ensure that engagement leaders providing Tax Agent Services are appropriately registered with the TPB. A Tax Agent Registration toolkit is available providing engagement leaders with the key information and supporting documents regarding Tax Agent registration. In FY23 a specific confirmation was included as part of the Annual Compliance Confirmation (ACC) process where engagement leaders were required to confirm that they were individually registered as a Tax Agent with the TPB, had complied with

the TASA and complied with the TPB's Code of Professional Conduct during the confirmation period. Also, all engagement leaders involved in the provision of Tax Agent services are required to state that they are 'Fit and Proper' persons in accordance with TASA.

Support is provided to legal partners in respect of Law Society requirements to ensure that legal practitioner partners maintain relevant registrations/practicing certificates, and the FA R&Q Team facilitates specific training for the Core legal team on a quarterly basis. There is a Legal Services toolkit on the FA R&Q Hub which includes information pertaining to the requirements for Authorised Legal Practitioners.

One outcome of the investigation of PwCA in relation to the TPB matter was for PwCA to conduct Tax Agent Code of Conduct training throughout the firm. When interviewed as part of this review, the TPB CEO/Secretary was critical of that training – referring to it as 'light-on'. This training has been enhanced (and continues to be enhanced) since the initial program.

Tax & Private Culture Reviews

How the firm advises clients on the complex tax implications of positions, transactions, structures, and financial arrangements is influenced by the firm's culture.

A 'culture review' was initiated for the Tax and Private businesses toward the end of the 2022 calendar year. The Private business review was well advanced and identified expected behaviours, aspirations and how the business connects, and the then Private business Leader led a roadshow to the business communicating the results.

Action to progress the Tax Culture Review was placed on hold as a result of the TPB matter and the external reviews that were being conducted, in particular the Switkowski Review which was specifically focussing on culture. It was proposed that the Tax Culture review be continued after the findings of that review. One of the recommendations (recommendation 18) in the Switkowski Review was to 'Conduct gap-analysis to a firm-wide target culture focused on restoring trust'. In response the PwCA Action Plan committed to an initial culture gap analysis using existing material including engagement surveys and cultural work that has been done in the separate businesses. This initial culture gap analysis assessment is to inform the design of an extensive culture program which is expected to run until December 2025. No doubt the work done in the Private business review will be useful input to that assessment.

In the absence of any work at the enterprise level, a recommendation would have been made for the Tax Culture Review to be recommenced consistent with the work done in the Private business review. However, given the Switkowski recommendation and the response in the Action Plan, it is not proposed to make any recommendation about continuing the Tax Culture Review. It is assumed that any work required will be included in the enterprise response.

Human Capital activities were rated **Requirement Met** by the SME reviewer for FY22.

Requirement 10: Higher Risk Engagements

The TLS LoS has implemented a policy for higher risk engagements setting criteria for the involvement of appropriately qualified and experienced concurring partners, technical experts or committees as appropriate.

A fundamental aspect of the FA QMS is the HRE policies which require the identification and escalation of higher risk engagements and the application of enhanced risk procedures. There are HRE policies in place for both the Tax Business and Private Business. They complement the GTCoC and the Complex Tax Advice Protocols which are focussed on ensuring the quality of high risk advice, apply to all engagements assessed as higher risk and require consultation with the TPP.

The FA Higher Risk Engagement Escalation Framework is a key control for the monitoring of HRE's in conjunction with the Risk Assessment process. HRE factors selected by an engagement team in their Engagement Acceptance questionnaire in Salesforce remind the Engagement Team of the application of the HRE policy and trigger a system generated escalation notification to the nominated approver (e.g., the FA R&Q Team or TPP Secretariat). The notifications and escalations built into the Engagement Acceptance Process enable potential and actual HRE's to be monitored and appropriately mitigated at the outset through appropriate and tailored R&Q Team intervention or EAP or TPP panel consultations.

The HRE Policy for FA was refreshed in FY23. The new HRE Policy streamlines and improves consistencies in the approaches to quality support and risk management mechanisms for higher risk engagements across FA. The key changes are summarised below:

- The introduction of 'general risk factors' which apply across all FA engagements. Where one or more of the factors is relevant to an engagement, it will require the up-front approval by an EAP which will determine the most appropriate support/review mechanism to best manage particular engagement risks;
- The identification of FA's largest, most complex and most strategically important engagements (Tier 1 engagements) – for which focussed risk and quality support will be provided, including a Quality Review Partner, in-flight reviews and periodic reporting to Business and Business Risk Leadership;
- Higher risk engagements which involve advice on designated technical areas require the involvement of a second partner who is a listed SME for that technical area; and
- For Private, a trigger requiring referral to the TPP for **Family Group** restructures (involving fees > \$100k or assets > \$150m). It was mentioned during the interviews that there is some ambiguity as to what constitutes a 'family group restructure'. This was acknowledged by the Managing Director who chairs the TPP for the Private business.

A comprehensive communications program to increase awareness and understanding of the new HRE Policy was executed by the FA R&Q Team in FY23. In addition to formal training,

consultations with the FA R&Q Team by engagement teams have facilitated the reinforcement of the HRE policies. No engagement leaders were rated *Non-compliant* with the HRE policies in the ECR program undertaken in FY23.

Requirement 10 was rated ***Requirement Met*** by the SME reviewer for FY22.

It is recommended that the Managing Director who chairs the TPP for the Private business clarify the term ‘family group restructures’ in the Private business HRE triggers and communicate the outcome throughout the Private business.

Requirement 11: Engagement compliance reviews

The TLS LoS runs a robust annual program of engagement compliance reviews (ECRs).

ECRs (and Engagement Quality Reviews (EQRs)) are important elements in ensuring compliance with the firm’s engagement protocols, regulatory regimes and legal requirements. They are an integral part of the partner metrics process in determining an Engagement Partner’s Overall R&Q Rating. It is a robust program with an engagement leader being subject to one ECR annually.¹¹

The 2021 Review outlined a number of strong features of the ECR program:

- Engagements to be reviewed are selected following a risk-based process, considering various risk parameters, as applicable for each engagement leader;
- All reviews are conducted by Reviewers trained in conducting R&Q Reviews, with a senior R&Q Team member (Validator) experienced in performing R&Q Reviews conducting a ‘4 eye’ review;
- Reviewers are provided with Annual R&Q Reviewers training;
- There is a detailed (138 page) procedural manual for Reviewers;
- The automation of ‘ECR Demerit Points’ based on factual criteria enhances objectivity and consistency of judgments by Reviewers and Validators;
- A multi-stage moderation process ensures that assessments are valid and fair;
- There is an open communication and feedback process¹²;
- Results are reported to FA Leadership, and ultimately the Executive Board (EB); and
- A Continuous Improvement Strategy (that is reviewed regularly throughout the year) is also presented to the FALT.

Since the 2021 Review, the FA R&Q Team has focussed on ways to streamline and improve the ECR process, mainly through automation with the auto generation of review records, folders, emails and pre-population of review records using engagement data from iPower and Salesforce. Additional efficiencies were achieved with a more streamlined engagement selection process using dashboards and improved systems access for the Alternative Delivery Model (ADM) offshore team.

¹¹ Engagement leaders that received a *Non-compliant* rating in the previous year are subject to two reviews in the current year.

¹² This includes the R&Q Leader communicating with R&Q Global with respect to ECR results and outlier situations to seek feedback on appropriateness of ratings applied in the ECR process.

The FY22 Continuous Improvement Strategy identified that improvement was required in relation to compliance with documentation requirements and timely filing of engagement documentation. As a result, the FA R&Q team introduced a documentation strategy which achieved some improvement in the timeliness of filing and overall awareness of the documentation policy and systems. However, the team considers that more improvement is required from the business and further work will continue in FY24 to fully embed the documentation policy and desired behaviours.

Requirement 11 was rated **Requirement Met** by the SME reviewer for FY22.

Requirement 12: Quality Assurance Reviews

The TLS LoS runs a robust annual quality assurance review (QAR) program.

The FA R&Q Team run a robust annual QAR program. It is noted the QAR Program consists of Business Unit Reviews as well as Engagement Quality Reviews (EQRs) for every engagement leader in the practice..The QAR program is important in supporting the upfront risk systems in ensuring compliance with the firm's engagement protocols, regulatory regimes and legal requirements.

The overall goal of the QAR program is to:

- Assess the appropriateness of a business unit's controls, systems and environment for driving quality services;
- Monitor, benchmark and where appropriate, improve the quality of the services offered by the business unit; and
- Assess whether the business unit is appropriately managing risk.

The 2021 Review recommended that the R&Q Team ensure that every partner and business unit is subject to a review under the QAR program each year. That recommendation has been implemented. At the time of the 2021 Review, one-third of partners and business units were subject to reviews under the QAR program each year. A redesigned FA QAR Program was designed with around two-thirds of all Engagement Leaders being subject to a review in FY21 with the program being fully implemented by FY22 with every Engagement Leader being subject to a review in both FY22 and FY23.

Approximately one-third of the EQRs are done by the FA R&Q Team with the remainder by partner review. The FA R&Q Team reviewers are senior members who do not perform any client-facing work with members of the FA Business, and report directly to the FA R&Q Leader. Partner Peer Reviewers receive a Quality Review Briefing outlining the process to be followed. The independence of the Partner Peer Reviewers is achieved by the FA R&Q Team selecting Partner Peer Reviewers based on the following criteria:

- Appropriate technical knowledge of the engagement being reviewed;
- Partner Peer Reviewer did not perform services on the engagement;
- Peer Reviewer is independent of the Engagement Leader (e.g., from a different office/state or team); and

- Partner Peer Reviewer does not have a direct reporting line into the Engagement Leader.

Interviewees were strongly supportive of the EQR process with acknowledgment that there is always room for improvement. The following suggestions were made:

- That there be debriefs with other peer review partners to ensure consistency in approach to reviewing and rating files prior to the formal moderation process; and
- A program of forced rotation of partners involved in EQR peer reviews should be introduced as this can improve understanding of quality across the partner group and share experiences.

A comprehensive moderation process is conducted¹³, results are communicated to Engagement Leaders and there is a direct link to Engagement Partners' overall R&Q Rating. The R&Q Metrics Dashboard developed by the R&Q Team uses data analytics tools to enable visualisation of all the underlying data collected through the ECR/EQR process. This allows the R&Q Team to better identify and understand trends, outliers, and patterns in R&Q results.

Historically, the FA R&Q Team used overseas reviewers to assist in the Australian review process on an annual basis.¹⁴ This has not occurred since the Covid-19 pandemic. The engagement of outside involvement in reviews enhances the independence of the reviews and provides valuable insight in benchmarking the Australian approach.

Requirement 12 was rated ***Requirement Exceeded*** by the SME reviewer for FY22 with a comment that 'PwC Australia performs QAR on all business units (including Engagement Quality Reviews on all partners) which (is) beyond the every three years requirement'.

It is recommended that:

- **There be debriefs with other EQR peer review partners to ensure consistency in approach to reviewing and rating files prior to the formal moderation process.**
- **A program of forced rotation of partners involved in EQR peer reviews be introduced.**
- **The R&Q Team invite overseas reviewers to participate in ECR and QAR program for the next round of reviews.**

¹³ There is a similar process for ECRs.

¹⁴ This was also the case for ECRs.

Engagement with the ATO and TPB

At the TLS level, the TPP Chair and other members of the FALT regularly met with the ATO to continue to build relationships, to raise awareness of PwCA's latest TPP and HRE protocols and their role in providing high quality and holistic tax advice, and to discuss emerging or contentious tax issues. The TLS Leader continues to have regular catch ups with the Deputy Commissioner Public Groups and Private Tax Leadership continues to meet regularly with the Deputy Commissioner Private Wealth. The TLS Leader also facilitated a monthly meeting between the Deputy Commissioner Public Groups and the Big 4 Advisory Firms. These meetings lapsed following the TPB matter and the Deputy Commissioner Public Groups indicated her willingness to re-engage with these meetings. Both Deputy Commissioners reported that they consider the relationship between PwCA and the ATO as being much more open and transparent in recent times.

Following the TPB investigation of the TPB matter, the ATO and TPB relationship risks in an ERM context were elevated to 'Extreme' due to the reputational damage it caused. The firm's policy in respect of managing conflicts of interest, handling confidential information and obligations in relation to tax confidential consultations was tightened and updated. Client facing partners were removed from confidential Government consultation processes to mitigate the inherent conflict of interest and mandatory training was introduced on Tax Agent Code of Conduct and the regulatory consultation process. There was recognition that new relationships needed to be built with senior ATO officers, including at the Commissioner/2nd Commissioner level.

Recommendation 16 of the Switkowski Review recommended that PwCA 'review (its) firm-wide approach to regulatory engagement to improve rigour in regulatory engagement (consistent with external best practice) and enhance oversight by the Board of Partners.' PwCA committed to strengthening regulatory engagement by establishing central leadership and oversight to support business led engagement. The CR&E Leader has overall ownership for regulatory engagement. The CEO, CR&E Leader and General Counsel are now each involved in regulatory dialogues alongside Business leaders and there is regular reporting to and discussion with the MLT on these matters. It will be particularly important for senior PwCA Leadership to engage with the new Commissioner when he takes up office to brief him on the TPB matter, the Switkowski Review findings and recommendations and the commitments to change that PwCA has made in the Action Plan.

Having good relationships with the ATO and TPB will be even more important going forward with the significant changes to the governance framework impacting tax practitioners in recently enacted legislation¹⁵, legislation currently before the Senate¹⁶ and proposals contained in a Treasury consultation paper to broaden the TPB's sanction powers¹⁷.

¹⁵ *Treasury Laws Amendment (2023 Measures No.1) Act 2023 (CTH)*.

¹⁶ *Treasury Laws Amendment (Tax Accountability Fairness) Bill 2023 (CTH)* was referred to the Senate Standing Committee on Economics on 30 November 2023 for inquiry and is due to report by 18 April 2024.

¹⁷ *Treasury: Enhancing the Tax Practitioner's Board's sanction regime*, December 2023. Note that Treasury has indicated that there will be further consultation papers on associated topics.

Interviews

A number of interviews were conducted with a sample of FA partners and staff, as well as senior officers from the ATO and TPB, to get the ATO and TPBs perspectives.

PwCA interviews

Interviews were conducted with the FA leader, TLS Leader, Chief Risk & Ethics Leader, Head of Compliance, FA People & Quality Leader, Tax Business Risk Partner, Legal R&Q Director, Managing Director Private and TPP Co-Chair, TPP Chair, the TPP Secretariat, Private Business Leader, TLS Brand & Markets Leader, Global Tax Leader, a sample of Private and Tax partners and staff, FA R&Q Leader and members of the FA R&Q Team.¹⁸ The interviewees' experience within PwCA ranged from around 1.5 years to in excess of 20 years. The purpose of the interviews was to:

- Gain an understanding of the various R&Q policies, protocols and procedures;
- Understand how those policies, protocols and procedures are implemented on the ground;
- What changes that have occurred since the 2021 Review; and
- Gain insights from the interviewees' experiences.

The interviews were conducted in a free-flowing manner adapted to the particular role that the interviewee(s) had within the firm, rather than adhering to a strict, formal set of questions. A number of common themes emerged from the interviews.

The TPB matter has had a profound impact on all FA partners and staff, particularly the Tax team, with acknowledgment that many feel hurt and stressed. The blow of the 8 or 9 partners departing was heavy and to lose a lot of talent and experience in a short space of time had been demoralising but not fatal. There have been a few voluntary departures at the partner level but not to an extent that there are concerns. There was universal acknowledgment that the TPB matter has had an extremely negative impact on the PwC Brand making it difficult to attract new clients. A lot of work has been going on to build confidence with existing clients. Whilst there was confidence that most existing clients will stay with the firm, some have been lost and there were some reports of other clients questioning their ongoing relationship and being more selective in the work that they will engage PwC on in future. Nevertheless, there was a degree of optimism going forward. Many interviewees indicated that the TPB matter gave them the opportunity to learn from the mistakes of the past with all fully embracing the recommendations of the Switkowski Review and committed to implementing the firm's Action Plan to address the findings and recommendations as they relate to the FA business.

There was a sense that the FA business has grown in R&Q maturity in recent times (but see the Switkowski finding with respect to this at the enterprise level) with strong support for the Principles and PwCA's approach to the provision of Complex Tax Advice generally and for HRE's particularly via the '10 Requirements'. Many spoke positively about the quality of the

¹⁸ The schedule of interviews is included at Appendix IV.

Complex Tax training that was conducted in 2023 and the reinforcing of the important role that R&Q plays in the business with acknowledgment of some of the changes that have been introduced over the last three years, e.g., the new FA HRE policy, the establishment of the Client Committee, new Client and Engagement Acceptance processes, etc.

Many interviewees reaffirmed comments made during the 2021 Review that the firm has been undergoing a cultural shift since at least 2016 and the emphasis that the current FA Leadership has on the importance of behaviours, messages, actions and initiatives reflecting the firm's values and the focus on quality, accountability, risk management and the drive to manage stakeholder expectations. That said, the response to the Switkowski recommendations 17 and 18 in PwCA's Action Plan to undertake a program of work to embed a focus on purpose and values and undertake a gap-analysis to develop a firm-wide target culture on restoring trust was welcomed. There was general agreement that restoring trust will be a long-term and difficult process.

The strengthening of R&Q activities through the ECRs and QAR program has also led to behavioural change. Commitment to providing quality service and staff training to facilitate this came through strongly in many of the interviews. Again, there was strong support for the TPP (and '4 eyes' concept).

Legal engagements have been a particular area of focus in recent times. The FA Legal R&Q Director explained the steps that have been taken to ensure that there is discipline around legal engagements starting with the opening of an Opportunity in Salesforce through to specific questions in ECRs relating to legal advice. LPP continues to be problematic. A working group was formed following the JBS decision to look at the findings as to what type of communications would satisfy the dominant purpose test. This led to PwCA moving to a model where only certain risk parameters trigger an approval process.

Some interviewees also expressed concern about the impact of the amendments to the Promoter Penalty laws on individual partners in a partnership of around 1,000 partners (as of August 2023 at the commencement of the schedule of interviews). It would be advisable for the profession to engage with the ATO and TPB early to clarify the approaches that they will be taking to these and other regulatory changes.

ATO Interviews

Interviews were conducted with the Deputy Commissioner Public Groups and the Deputy Commissioner Private Wealth to get an ATO perspective.

The Deputy Commissioner Public Groups was generally positive and supportive of the Principles emphasising the need for practitioners to continue to focus on them. She was a little critical about the launch of the Principles, referring to it as a 'soft launch'. She was very positive in giving credit for the leadership role that PwCA played in getting them agreed and published - not all the firms were as enthusiastic. She suggested an improvement might be to include something in the Principles around conflicts of interest. However, the independent consultant considers that the enterprise approach being put in place following the recommendation in the Switkowski Review is more appropriate. Some of the previous

concerns that the ATO had with PwCA identified in the 2021 Review by the Second Commissioner were discussed and she agreed with him that PwCA's appetite for risk was probably reduced now but that not all the LPP issues have been resolved. She considered that the relationship between PwCA and the ATO was much more open and transparent now compared to how it had been in the past. An example of this is the regular meetings that she has with the TLS Leader and the monthly meetings organised by PwCA that had been happening until recently to meet with her with the other Big 4 Advisory Firms. She was open to participating in those meetings in the future. That said, she said it was too early to conclude that there has been the cultural shift needed to have more balance between profit and the firm's values.¹⁹ She agreed that the framework is there but it's another thing to see the actions through. At the time of the interview, she said that she wasn't sure who had overall responsibility for risk (now the Chief Risk & Ethics Leader) and she would be interested in particular in what work was proposed in relation to culture and ethics.

The Deputy Commissioner Private Wealth was also supportive of the Principles although she had not been as involved as her Deputy Commissioner colleague and Second Commissioner in their development. She considers that PwCA is possibly more conservative than some other firms in relation to Private Tax matters and has sophisticated arguments supporting their position, particularly in relation to international issues. She said she had a very good relationship with the Private Leadership Team however her experience with other partners on Private Tax matters varies. She gave a couple of anonymous examples of behaviours not considered totally consistent with the Principles or PwC's values. Whilst very much in the minority, this led to some scepticism that there has been a positive change in the culture and attitude across the board. She also questioned whether governance in the Private Tax space is as strong as for Public tax. If it hasn't already been done, the Private Leadership Team should offer the Deputy Commissioner and some of her senior staff a presentation of the risk policies and framework that have been tailored for the Private market since the 2021 Review, including the specific triggers in the HRE policy.

TPB Interview

The TPB referred the Reviewer to publicly available information related to PwC, including related investigation outcomes noted on the TPB Public Register. Given ongoing investigations related to PwC and associated personnel, the TPB does not consider it appropriate to provide further commentary.

¹⁹ This was an interesting observation as the same issue was highlighted in the Switkowski Review which was not published until after this interview.

APPENDIX I: PwCA Action Plan to Implement Switkowski Recommendations

A copy of the Action Plan is included below but can also be accessed via

<https://www.pwc.com.au/about-us/commitments-to-change/pwc-australias-commitments-to-change.pdf>

September 2023



PwC Australia's Commitments to Change

Response to the findings of Dr Ziggy Switkowski AO
and recent events at PwC Australia



27 September 2023



Part 1: Overview of Our Response

A Foreword from Kevin Burrowes, PwC Australia's CEO and Justin Carroll, Governance Board Chair: PwC Australia's Commitments to Change

In May 2023, PwC Australia commissioned Dr Ziggy Switkowski AO to conduct an Independent Review ("the Review") that evaluates the strengths and shortcomings in PwC Australia's governance, culture and accountability frameworks and practices.

On behalf of our firm, we want to thank Dr Switkowski for conducting a thorough and rigorous review. We are also grateful to our people and other stakeholders who shared their knowledge and experience to inform Dr Switkowski's Review.

As we previously committed, today we published the Review in full.

PwC Australia accepts and will implement the Review's recommendations. We recognise this is a critical and significant step required to re-earn the trust of our people, clients and stakeholders.

Dr Switkowski's Review highlights a failure of leadership – both by individuals and as a firm. Over time, this failure of leadership contributed to an erosion of good governance and culture, weakening focus on our professional and ethical standards.

We deeply regret and apologise for our failures. While at times difficult and disappointing to read, Dr Switkowski's Review lays bare where shortcomings exist in our firm and a culture that allowed them to go unchecked over time.

It is incumbent on us to accept this, and for each and every one of our partners as well as staff to embrace the need for change, and work together to build a better PwC Australia.

The Review makes a clear distinction between the leadership failures that led to an erosion of good governance and culture and the high quality of work our people and the firm provide for our clients every day. In particular, Dr. Switkowski highlights our Assurance business, which he states appears to "substantially model best practice."

In fact, Dr Switkowski states that "PwC Australia is comprised of many honest, clever and committed individuals in the business of advising other organisations about what 'good' looks like across governance, culture and accountability frameworks and practices." We will follow Dr Switkowski's advice to leverage the strengths he identifies within our firm to reset for the future, restore trust, and rebuild.





To both our clients and our 10,000 dedicated people: we have fallen short of your expectations. While the past few months have been enormously challenging, we are proud of the resilience our people have shown and their commitment to continue delivering high quality work - day in, day out.

PwC Australia's Action Plan to deliver on our Commitments to Change

We have deeply considered all of Dr Switkowski's recommendations, and undertaken a period of introspection to consider the root causes that allowed this situation to occur. These reflections are described in detail in our Action Plan below.

The Action Plan will deliver on our Five Commitments to Change. These are:

- 1** Put our purpose and values at the core of everything we do
- 2** Increase the independence and effectiveness of our governance board
- 3** Improve discipline and rigour of decision making
- 4** Strengthen risk and conflict management and accountabilities
- 5** Embed a culture and practice of constructive challenge

One foundational area of change Dr Switkowski identified was our firm's governance. The Australian Securities Exchange (ASX) Corporate Governance Principles and Recommendations provide a strong corporate governance framework and to the extent feasible, we will apply them to PwC Australia. This will include the appointment of at least three independent non-executives to our Governance Board, including a non-executive Chair, and we will publish comprehensive, audited financial statements by September 2025.

We understand that urgent change is required, and as Dr Switkowski undertook the Review, there were actions we began to deliver. Our actions over the last several months reflect our commitment to right the wrongs of the past and set ourselves up for the standards and expectations we must meet.

These include, but are not limited to, putting a new CEO and management team in place, initiating a search for independent non-executives, changes to partner remuneration frameworks for all partners with a balanced scorecard emphasising non-financial measures, divesting our government business to Allegro Funds and beginning work to build a more mature Enterprise Risk Management approach.

The Review and our corresponding management response marks a moment in time from where we, and others, can measure and hold ourselves to account for progress on our commitments.





We will publish our progress in meeting these commitments until changes are fully embedded. Our Governance Board, to be led by an independent Chair, will oversee our progress and reporting and ensure there is independent verification of our progress.

Our vision for the future is to become the leading professional services firm, built on the highest ethical and professional standards with integrity at our core, a firm that delivers purposeful and sustained outcomes in everything we do.

We do not underestimate the scale of the task ahead to achieve our vision. While we are committed to moving as quickly as possible - we realise that meaningful change will take time and we are committed to getting this right.

As the CEO and Chair of the Governance Board we commit to leading these efforts and overseeing the implementation across the firm.

From the top down, we are committed to rebuilding and re-earning the trust of our stakeholders - our clients, people, regulators, the government and communities. We are committed to learning, changing, and leading. This is our promise.

Please see our full Action Plan in Part Two below.

Kevin Burrowes

Chief Executive Officer,
PwC Australia

Justin Carroll

Chair, PwC Australia
Governance Board





PwC Australia's reflections on Dr Switkowski's findings

In the open letter we published on 29 May 2023, we acknowledged that we failed in three ways. First, there was a lack of respect by certain partners for confidentiality. Second, PwC Australia did not have adequate processes and governance in place. Third, we had a culture at the time in our Tax business that allowed inappropriate behaviour and, until now, we have not always properly held our leaders and those involved to account.

Having now considered Dr Switkowski's findings and our own reflections, we have a more mature understanding of the factors that enabled the confidentiality breaches and other failures to occur. Key amongst these are:

- **Our Executive Board did not have the clarity of role, formality, or working practices to operate as an effective oversight and decision-making forum for firm-wide matters.** The previous model of often devolving decisions about strategy and operations to our three lines of service resulted in an over-reliance on informal channels to elevate risks, issues and decisions to be debated, challenged and resolved at the Executive Board level.
- **There was a hesitance in our culture to challenge decisions and actions of leaders, hold people to account and reflect on what was not working well.** We have a highly collegial culture but a "shadow side" of this cultural trait is that, within our firm, there can be overconfidence in decision-making, a reluctance to share bad news and a preference for harmony over having uncomfortable conversations. These ways of interacting with each other hampered our ability to challenge leaders, escalate issues and incidents and manage enterprise risk effectively.
- **Our Governance Board did not have sufficient independence, the appropriate structure or mandate to provide the level of oversight and challenge to leadership that was required.** This allowed too much power to rest in the hands of the CEO, a failure to hold leadership to account and a lack of transparency (to the Board and wider partnership) on some issues when they arose. The absence of independent voices around our boardroom table reduced the effectiveness of the Board's oversight of the CEO and senior leadership.
- **Our risk practices and systems focused on quality and client-delivery at the line of service level, but at the enterprise level our controls were immature – lacking the stature, capability and rigour required.** This created inconsistency in how risks were managed, reported and escalated in different businesses. These 'silos' limited the opportunity for additional objective challenge of risks and issues at a firm level, including at senior executive and board.





- **Our response to enterprise level issues was too narrowly focused and did not encourage enough analysis of root causes such as leadership and team culture.** This has made our historical response to some issues slow and initially incomplete. Issues were not investigated deeply enough with an overemphasis on the legal risks and the actions of only those directly involved. Our processes did not ensure enough objective oversight and challenge was applied to how issues were investigated, managed and communicated to stakeholders.
- **Our approach to holding partners to account has historically been opaque, particularly for matters of personal conduct and behaviour.** This has allowed for too much individual discretion in how consequences are applied and a lack of clarity for our people and stakeholders about what is not tolerated at PwC Australia.
- **We failed to reinforce a clear or consistent enough expectation that financial performance does not take precedence over non-financial priorities.** At its most extreme, this allowed practices to go unchecked in our Tax business in the past that were unethical and lacked integrity, placing profit over purpose. More broadly, our performance management system in some businesses has promoted a short-term, growth focus and with too much discretion in the assessment of non-financial performance, particularly values and behaviours.

In his Review, Dr Switkowski observes that our three lines of service (Consulting, Financial Advisory and Assurance) have different levels of maturity. Our Assurance business, which includes our Audit practice, is the most mature, having well-developed and embedded policies, systems and controls for audit quality management and independence that are subject to external inspection. As part of our response to the Review we will look to extend what works well in our Assurance business to the other parts of our firm.



PwC Australia's Commitments to Change

We have developed a detailed Action Plan to serve as our roadmap to enable us to realise our vision for the future. Our Action Plan forms Part Two of this document.

The Action Plan is built around five Commitments to Change.

Our Updated Vision: To become the leading professional services firm, built on the highest ethical and professional standards with integrity at our core, a firm that delivers purposeful and sustained outcomes in everything we do.

Our Commitments to Change

	1. Put our purpose and values at the core of everything we do	2. Increase the independence and effectiveness of our Governance Board	3. Improve the discipline and rigour of decision making	4. Strengthen risk and conflict management and accountabilities	5. Embed a culture and practice of constructive challenge
Key Initial Actions	<ul style="list-style-type: none"> Conduct a gap-analysis to identify a firm-wide target culture focused on restoring trust Undertake a program of work to embed desired behaviours to bring out our purpose and values each day 	<ul style="list-style-type: none"> Adopt the ASX Corporate Governance Principles where feasible Appoint at least three independent non-executives, including a non-executive Chair Revise the CEO election process Publish comprehensive, audited financial statements 	<ul style="list-style-type: none"> Formalise the Management Leadership Team (formerly known as the Executive Board) as the enterprise-level decision making and risk management forum Enhance operating and decision-making disciplines of the Management Leadership Team 	<ul style="list-style-type: none"> Strengthen the voice and mandate of the central risk function Appoint an external CRO Uplift the rigour and transparency of our incident handling and conflict management 	<ul style="list-style-type: none"> Further empower our people and partners to ask questions and challenge the decisions and behaviours of others within the firm

Each of our Commitments to Change involves a series of actions we have committed to taking. Those actions are a combination of the recommendations made by Dr Switkowski and other initiatives that we have separately resolved to implement. The key initial actions are set out in the diagram above and the detailed list of actions under each Commitment to Change is contained in the Action Plan at Part Two of this document.

A number of the changes proposed in the Action Plan require changes to our partnership agreement. As a partnership we will work together to agree the detail of how these changes will be made.





PwC's global values, outlined below, will guide the implementation of our Action Plan.



Act with integrity



Make a difference



Care



Work together



Reimagine the possible

Actions taken to date

The Action Plan builds on steps we took while Dr Switkowski was conducting the Review to address shortcomings and set ourselves up for the standards and expectations we must meet. These include, but are not limited to,

- putting a new CEO and management team in place;
- making our General Counsel and Chief Risk and Ethics Leader members of the Management Leadership Team;
- initiating a search for independent non-executive Governance Board members;
- changing partner remuneration frameworks with a balanced scorecard emphasising non-financial measures;
- divesting our government business to Allegro Funds; and
- beginning work to build a more mature Enterprise Risk Management approach.



Measuring our progress

PwC Australia will publish our progress in meeting our commitments until changes are fully embedded. Our Governance Board, to be led by an independent Chair, will oversee our progress and reporting and ensure there is independent verification of our progress.





Part Two: PwC Australia's Action Plan

The Action Plan flows from our Five Commitments to Change, which are reconciled below with each of Dr Switkowski's related recommendations.



Commitment One: Put our purpose and values at the core of everything we do

We **accept both** of Dr Switkowski's recommendations relating to purpose and values and commit to the following:

Put our purpose and values at the core of everything we do – a program of work will embed our focus on purpose and values and a gap-analysis will be undertaken to develop a firm-wide target culture focused on restoring trust. Our purpose and values will guide all aspects of our work to implement the Action Plan.

Recommendation 17: 17.1 Implement program of work to embed focus on purpose and values

The culture gap analysis being performed will direct us to where we need to enhance and build the understanding of and commitment to our purpose and values. It also forms the foundation of the global leadership framework we will be rolling out to all people leaders (partners and staff).

Storytelling and role modelling of our purpose and values are being built into the engagement and communications plan supporting the Action Plan. By showcasing for our people how the purpose and values are brought to life everyday through our actions, conversations and critical symbols, we will bring them to life.

Action to be implemented by end **December 2023**.

Recommendation 18: 18.1 Conduct gap-analysis to a firm-wide target culture focused on restoring trust

An initial culture gap analysis is underway using existing material including engagement surveys and cultural work that has been done in the separate businesses. The work done in the Assurance business focused on embedding critical behaviours and this work has been reported on to the Audit Quality Advisory Board that has advised that business since 2020 (having been established in late 2019).

The initial culture gap analysis assessment will inform the design of an extensive culture program that will bring in external experts and is expected to run from January 2024 - December 2025.

Action to be implemented by end **December 2025**.





Commitment Two: Increase the independence and effectiveness of our Governance Board



We **accept all six** of Dr Switkowski's recommendations relating to the role of the Board of Partners (Governance Board) and commit to the following:

Increase the independence and powers of our Governance Board – we will change the board composition to increase its independence, clarify and restate the role, powers and practices of the Governance Board to enhance its effectiveness. We will revise the CEO election process and have the independent non-executive Board members lead the candidate selection process.

The ASX Corporate Governance Principles and Recommendations provide a strong corporate governance framework and, to the extent feasible, we will apply them to PwC Australia. This will include the appointment of at least three independent non-executives to our Governance Board, including a non-executive Chair, and we will publish comprehensive, audited financial statements by September 2025.

In advance of the finalisation of the Independent Review, the Governance Board has initiated a comprehensive review and reset of the composition, authority and activities of the Board, including the identification of changes required to our Partnership Agreement. Some of the lessons we have learned from the implementation of our external Audit Quality Advisory Board have also been embraced, as an external lens challenging our approach to audit quality has served us well in the Assurance business.

In consultation with our partners, as the owners of PwC Australia, changes will be proposed to facilitate:

- A significant increase in the independence of the Governance Board, including the number of independent non-executives and the removal of the requirement for the Board Chair to be a partner of the firm. It is the intention that an independent Board Chair will be appointed.
- The Governance Board having the appropriate level of authority to appoint and remove the CEO.
- An increase in the authority of the Governance Board with respect to strategy, risk and culture.
- The resetting of the Board's responsibilities and working practices so that it can drive a stronger focus on oversight and challenge of the CEO and executive decision making.

Recommendation 1: Restructure the Board of Partners (Governance Board) to ensure adequate independence

1.1 The Governance Board will appoint three independent non-executives to the Board as soon as possible. This goes beyond the announcement of 8 May 2023 to appoint two independent non-executives to the Board. An external search firm has been appointed to assist the firm in this process.

1.2 Changes to the Partnership Agreement will be proposed to allow for a majority of independent non-executives.

1.3 The current Partnership Agreement requires that a PwC partner be the Board Chair. A proposal to remove this requirement will be put to partners and PwC will move to appoint an independent Chair as soon as practicable.

Actions to be implemented by end June 2024.





Recommendation 2: Clarify and restate the governance role of the Board

2.1 A comprehensive review of the powers, duties and responsibilities of the Governance Board and the CEO is already underway to ensure that the requisite authority is provided to the Board in respect of strategy, risk, finance, culture and succession planning.

2.2 The Governance Board is currently redesigning its sub-committee structure and related terms of reference to increase the focus and independence of oversight of risk, ethics and public interest matters. This will also include an expansion of the remit of the Leadership, Succession and Nominations Committee.

2.3 More timely and comprehensive reporting of issues to the Board by the CEO and Management has commenced and will be further improved with reference to the Review's findings. Adherence to these protocols will form part of the performance assessment of the CEO and Management going forward.

Actions to be implemented by end **March 2024**.

Recommendation 3: Revise the CEO appointment process

3.1 Proposals to update the mandate of the Governance Board will be put to partners to allow for the appointment and removal of the CEO. The process of selection of the CEO will be led by our independent non-executives. The consultation process with the PwC Global Network will be enhanced as part of the changed mandate.

Action to be implemented by end **March 2024**.

Recommendation 4: Develop a Board skills matrix and induction and development programs

4.1 A comprehensive skills and experience framework for the selection of the Governance Board will be developed, together with the establishment of a formal professional development curriculum focusing on excellence in governance.

Action to be implemented by end **March 2024**.

Recommendation 5: Design and implement Board succession planning

5.1 Succession planning is currently being undertaken to identify future internal and external candidates for Board membership, aided by the use of a skills matrix incorporating core governance capabilities, skills, experience and background.

Action implemented and practice ongoing.

Recommendation 6: Regularly review Board effectiveness

6.1 The Governance Board will undertake an internal annual assessment against a comprehensive suite of performance measures, with an externally facilitated assessment to be undertaken every three years.

Action to be implemented by end **September 2024**.

Additional PwC Australia Action

24.1 Publish comprehensive, audited financial statements by September 2025. In addition, other reporting required by the ASX Corporate Governance Principles including a Remuneration Report will be published. Action to be implemented by end **September 2025**.



Commitment Three: Improve the discipline and rigour of decision making



We **accept both** of Dr Switkowski's recommendations relating to Senior Leadership Oversight and commit to the following:

Enhance the rigour and transparency of decision making – in September 2023 our most senior executive group (formerly known as the Executive Board) was renamed the Management Leadership Team. The new Management Leadership Team will be defined and formalised as the enterprise-level decision making and risk management forum, and will be improved through enhanced operating and decision-making disciplines.

A key focus of the new MLT is to ensure that it acts on enterprise-level decision making rather than the previous business model of "Three world-class businesses". A new "One Firm" focus will permeate all decisions and communications and examples of this approach have already been implemented and are outlined in the detail below.

Recommendation 7:
Define and formalise the role of the senior executive forum

- 7.1** Terms of reference for the Management Leadership Team have now been approved and include the distinctions suggested by Dr Switkowski. **(Complete)** Delegations are currently under review.
- 7.2** The Chief Risk and Ethics Leader is currently working with the People Leader on the firm's consequence management processes and accountabilities. Some immediate changes to the consequence management framework were made in July 2023.
- 7.3** A formal Management Risk Committee will be established with a clear charter and focus on enterprise level risks and relevant delegations. A formal Client Committee has already been established and the first meeting was held on 31 August 2023. **(Complete)** The purpose of this delegated Management Leadership Team committee is to ensure that key client decisions that may impact risk and reputation, are made on an enterprise-wide basis with all stakeholders represented.

Actions to be implemented by end December 2023.

Recommendation 8:
Improve operating and decision-making disciplines of the senior executive forum

- 8.1** The focus of the secretariat supporting the Management Leadership Team has been improved since July 2023 and includes improved formal and more detailed minute taking, decisions and action logging.
- 8.2** Collective decision making with a "One Firm" focus has been reinforced for the new Management Leadership Team who will be incentivised using a firm scorecard (referred to in the Commitment Four section below).

Actions implemented and practices ongoing.





Commitment Four: Strengthen risk and conflict management and accountabilities



We **accept all five** of Dr Switkowski's recommendations relating to Risk Governance and Compliance, **all three** recommendations relating to Issues Management and **all three** recommendations relating to remuneration and consequence management.

We commit to the following:

Strengthen risk and conflict management – central risk management will have a prominent 'voice', clear mandate and be supported by an external Chief Risk Officer (CRO) appointment, improved functionality of risk-related forums, strengthened approach to conflicts of interest, as well as uplifting the rigour and transparency of issues management.

This is being actioned in a number of different ways including investing significantly in the central risk function and bringing outside thinking to the way enterprise risk is managed, reported and governed. Specific client risk has generally been well managed in the businesses but investment in enterprise-wide processes is required. The strengths of the Assurance practice in this area will be leveraged in this process. The sale of PwC Australia's Government Business was announced on 25 June 2023. This will reduce certain inherent potential conflicts of interest but not eliminate the need for improvements in our conflict management systems and controls.

Change the way we measure success for partners and the firm – introduction of minimum standards to qualify for a remuneration increase such as demonstrated ethical behaviours in line with our values, restatement of behavioural expectations for partners and the application of significant visible consequence for breaches, including consequences for behaviours discovered after partners have left the firm.

Recommendation 9:
Substantially improve enterprise risk management capability

- 9.1** A full time Chief Risk and Ethics Leader has been appointed to the Management Leadership Team, reporting to the CEO. This role has no client responsibilities. **(Complete)**

- 9.2** The process is underway to appoint an enterprise-wide Chief Risk Officer with significant corporate experience. The responsibilities and mandate of this role will focus on enterprise-wide risk management and will also have no client responsibilities.

- 9.3** A detailed capability assessment with respect to enterprise risk is underway but will be an immediate responsibility of the new enterprise-wide Chief Risk Officer, including additional training requirements as required.

Actions to be implemented by end **March 2024**.

Recommendation 10:
Embed clearer accountabilities for risk across the firm

- 10.1** Business Risk leadership now reports to the Chief Risk and Ethics Leader, with dotted reporting lines to Business Leadership. **(Complete)**





10.2 A detailed review of risk accountabilities and governance is currently underway including responsibilities and processes across Business and Central Risk to support an effective 'Three Lines of Defence' model. Changes to accountabilities and roles will be completed following this review.

Actions to be implemented by end **December 2023**.

Recommendation 11:
Fix gaps in compliance risk management

11.1 A Head of Compliance was appointed in July 2023, reporting to the Chief Risk and Ethics Leader. **(Complete)**

11.2 A review of our compliance framework maturity has been completed. The Head of Compliance has a number of priority initiatives with 2023 completion dates underway. The plan to address remaining gaps and to increase the voice of compliance will be progressively implemented.

Actions to be implemented by end **December 2024**.

Recommendation 12:
Improve functionality of the executive-level Risk sub-Committee and other risk-related forums

12.1 A Management Leadership Team Risk Committee will be established with membership from the full Management Leadership Team. Responsibilities will be formally defined and include more dedicated time to review formal enterprise risk reporting.

A formal Client Committee has been established and has already met as outlined above in Recommendation Seven.

Action to be implemented by end **December 2023**.

Recommendation 13:
Strengthen firm-wide approach to conflicts of interest

13.1 A detailed review of the firm-wide approach to conflicts of interest has commenced. The revised approach will leverage the practices used currently in the Assurance and Securities businesses.

13.2 A standardised conflict management and reporting process will be implemented, leveraging the strong practices in the Assurance business. A new contract management system is currently being piloted.

13.3 A refreshed and additional comprehensive training and education program on conflict identification and management will be rolled out to all PwC Australia partners and staff. This program will be reinforced with change management support and continuing modules in recurring training programs.

13.4 The firm's process for external Board appointments is under review and an updated policy incorporating close oversight of approval processes will be launched and implemented.





13.5 PwC Australia has announced it will no longer make political donations. **(Complete)**

13.6 Completion of the sale of PwC Australia's core Government business is anticipated to finalise in October 2023.

Actions to be implemented by end **June 2024**.

Recommendation 14:
Improve focus on issues management

14.1 An incident/issues management system along with revised processes is currently being assessed and will be implemented. All significant breaches will be reported to and considered by the Management Leadership Team and Governance Board and considered as part of the consequence management process (refer Recommendation 15). Lessons learned through this process will be incorporated into communications and learning and development material.

14.2 An assessment of the Office of General Counsel function is underway.

Actions to be implemented by end **March 2024**.

Recommendation 15:
Redefine and clarify accountabilities for conduct risk

15.1 Our consequence management framework is under review and changes will be recommended by December 2023. Amendments will be made to clarify that the framework addresses business conduct risk as well as personal conduct matters and applies regardless of the means by which the conduct at issue was reported or discovered.

15.2 As well as regular training on ethics for all of our people, tools and materials to support good decision making founded on the PwC Code of Conduct and the profession's Code of Ethics will be made available and kept up to date on a readily accessible platform. This platform will also make available materials to support learning and development and will be in place by December 2023.

Actions to be implemented by end **December 2023**.

Recommendation 16:
Improve rigour of regulatory engagement

16.1 Regulatory engagement has been strengthened by establishing central leadership and oversight to support business led engagement. The Chief Risk and Ethics Leader has overall ownership for regulatory engagement. The CEO, Chief Risk and Ethics Leader and General Counsel are now each involved in regulator dialogues alongside Business leaders and there is regular reporting to and discussion with the Management Leadership Team on these matters. **(New practice complete and ongoing)**

Action **implemented and practices ongoing**.





Recommendation 21: Review partner performance management framework

21.1 A new FY24 Balanced Scorecard was launched to partners on 7 September 2023. This includes a significant emphasis on non-financial measures in areas such as ethics and integrity, culture and experiences, client centricity and collaboration. Growth measures are now "One Firm" and are based on sustainable growth. **(Complete for FY24 scorecard)**

21.2 Additional changes to the partner performance management framework will be implemented following completion of the PwC Australia strategy and the review of the Consequence Management Framework noted in Recommendation Seven above. This includes consideration of changes to penalties, negative and positive adjustments. The strategy will be launched in November 2023. The framework will include clearer firm-wide minimum standards with a focus on leadership, integrity and other key values.

Actions to be implemented by end **September 2024.**

Recommendation 22: Strengthen partner remuneration process

22.1 The FY23 partner remuneration process is nearing completion and involved a strong focus on behaviours, leadership and a comprehensive "moderation" and review process. This process will be further enhanced for the FY24 process (to be completed by September 2024) with additional mechanisms for cross firm input into partner outcomes.

22.2 As part of the review of the PwC Australia Partnership Agreement, additional clawback and deferral mechanisms will be proposed, including consequences for behaviours discovered after partners have left the firm.

Actions to be implemented by end **September 2024.**

Recommendation 23: Provide greater transparency of behavioural expectations and consequence outcomes

23.1 A significant focus on values and behavioural expectations is included in the Action Plan (refer Recommendation 17). Transparent reporting of behavioural issues and consequence management outcomes will be significantly uplifted for the partner cohort, commencing with the results of the FY23 partner remuneration process.

Actions to be implemented by end **September 2024.**





Commitment Five: Embed a culture and practice of constructive challenge

We **accept both** of Dr Switkowski's recommendations relating to embedding a challenger culture, noting that the recommendations related to purpose and values are also enablers of this outcome.

Embed a culture that empowers our people to ask questions and challenge decisions – a program of work will embed our purpose and values and instil a 'challenger culture' where our partners and staff feel empowered to question the decisions and behaviours of others, including those in authority. We will strengthen the voice and capability of our 'ethical gatekeeper' teams including legal, risk and ethics.

Recommendation 19: Embed a challenger culture with action and 'tone from the top'

19.1 A comprehensive program of work will be designed following completion of the gap analysis referred to in recommendation 18. External experts will be involved and the program will run from 2024 - 2025. Design will be complete by December 2023 leveraging work already performed through collection of engagement data and feedback and culture work performed in each of the businesses.

19.2 The program will focus on understanding and counteracting the "shadow sides" of PwC Australia's cultural strengths as outlined on page 46 of Dr Switkowski's Independent Review.

Work on tone from the top has already started with the following initiatives underway:

- increased communication with all partners and staff - including feedback sessions about key initiatives and policies. A firm-wide engagement session will be held in October 2023.
- strategy and Action Plan engagement sessions for all partners seeking feedback and challenge.
- increased use of survey tools to test key initiatives and policies.

19.3 Leadership development is a critical pillar to developing a culture of effective challenge. PwC Australia will be an early adopter of a new PwC global leadership framework focused on partners and senior staff. In the context of creating a challenger culture, PwC Australia's adoption of this framework will prioritise focus on behaviours such as 'I speak the truth even when it is hard' and 'I act ethically and speak up about inappropriate behaviour'.

Actions to be designed by **December 2023** and implemented by end **June 2025**.



Recommendation 20:
Reduce relationship
biases for senior roles

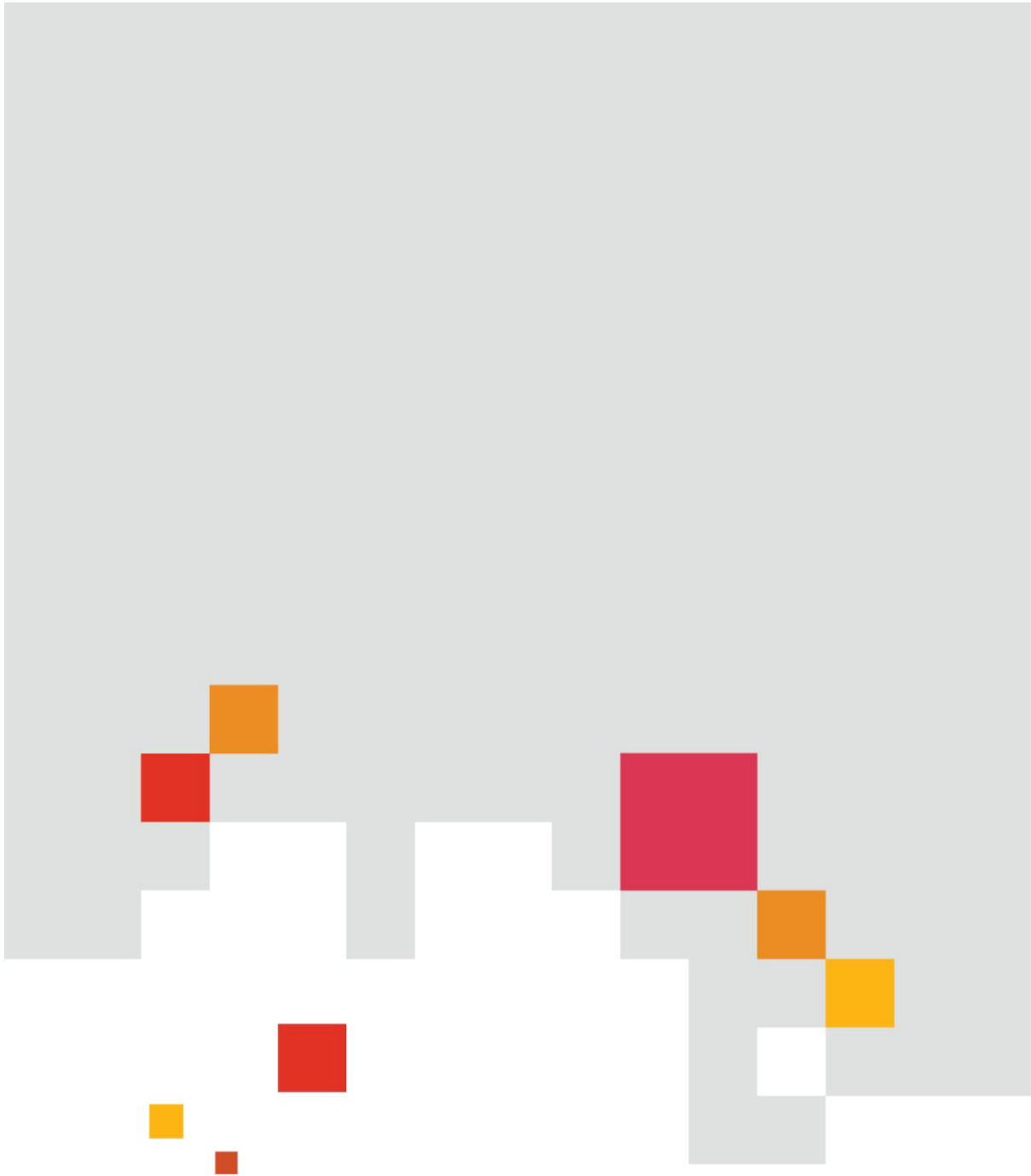
20.1 This process has recently changed so that any member of the partnership can apply for senior roles. Applicants are then interviewed and selected based on their merits. This was agreed by the Management Leadership Team on 17 July 2023 and communicated to partners shortly thereafter. The new process was implemented in September 2023 and is being used to fill senior roles going forward. **(Complete)**

20.2 A renewed vision for PwC Australia was communicated to partners on 7 September 2023. This vision intends to reset the direction of the firm, including in respect of our cultural and ethical ambitions to restore trust in PwC Australia.

This was combined with a new Balanced Scorecard as explained in Recommendation 21. **(Complete)**

Actions implemented and practices ongoing.





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APPENDIX II: Australian Tax Advisory Firm Governance Best Practice Principles

A copy of the Best Practice Principles document is included below but can also be accessed via <https://www.pwc.com.au/tax/assets/home/tax-advisory-firm-governance-best-practice-principles.pdf>

AUSTRALIAN TAX ADVISORY FIRM GOVERNANCE

Best practice principles

August 2022

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Foreword

The best practice principles (the "Principles") have been developed by Deloitte Australia, EY Australia, KPMG Australia and PwC Australia, in connection with provision of tax advice, to complement compliance with the legal, professional and regulatory regime applying to them and comply with the current and future requirements relating to government procurement. The Principles should also build further confidence and trust amongst wider stakeholders, including clients, the wider community, regulators, governments and other agencies. Other firms may also choose to adopt these Principles, in a manner which is appropriate to the size and circumstances of each such firm.

Each of the firms who have adopted the Principles have separately assessed the Principles and determined that it is appropriate for that firm to support and adopt them.

The Australian Taxation Office (ATO), Tax Practitioners Board (TPB), professional associations, taxpayers and tax advisors have separate roles and responsibilities with respect to the effective operation of the tax system. Whilst taxpayers are responsible for their own tax affairs, tax advisors play an important role in advising them in this regard.

The Principles provide an objective basis against which firms can test their governance of higher risk tax advisory services. It is voluntary for firms to apply the Principles.

All firms who adopt these Principles do so as competitors and as such acknowledge that these Principles do not in any way seek to restrict the provision of tax services or in any way lessen competition.

Background

Tax advisors perform an important role in making a positive contribution to the effective operation of the tax system. Our self-assessment tax system together with the complex and frequently uncertain nature of our tax laws, necessitate taxpayers seeking advice in respect of their tax affairs. Indeed, the provision of high-quality advice underpins the self-assessment regime and builds confidence in the tax system.

Tax advisors have a legal obligation to act in the best interests of their clients and act within the law, including taking reasonable care in advising their clients and ensuring that their advice is at least reasonably arguable based on the law as it stands at the time.

There are also multiple legal, professional and regulatory regimes that set the standards for tax advisors and provide strong external oversight together with appropriate penalties and sanctions. These include:

- Tax Agents Services Act 2009 (Cth) (TASA), administered by the TPB, which ensures that tax agent services are provided to the public in accordance with appropriate standards of professional and ethical conduct with significant sanctions for non-compliance;
- Taxation Administration Act 1953 (Cth) (TAA), administered by the ATO, which contains provisions aimed at deterring the promotion of tax avoidance and evasion schemes, with severe penalties and outcomes for any breach, as well as other provisions such as those which impose various administrative penalties for making false or misleading statements or taking a position that is not reasonably arguable;
- Accounting Professional and Ethical Standards (APES) which, amongst other things, set the standards for the provision of quality and ethical "Taxation Services" and is mandatory for members of CPA Australia, Chartered Accountants ANZ and Institute of Public Accountants; and
- Legal Profession Uniform Law Australian Solicitors' Conduct Rules 2015 which contains measures relating to legal practitioners providing tax advice.

Scope

The Principles apply to services provided in respect of Australian federal taxation laws by the firms who have adopted the Principles (and by any other affiliated entities owned or controlled by such firms).

These Principles do not override professional duties of the Advisors to their clients nor should they give rise to any conflict under general law, the Tax Agent Services Act or professional regulation, and in the event of any conflict, such general law or professional regulation shall prevail. For these purposes a conflict shall be considered to arise at least where such law or professional regulation would prevent compliance with what would otherwise be required by these Principles.

Tax Services System of Quality Management

Firms providing tax advisory services should have a documented tax services system of quality management which underpins the firm's ability to meet the following:

- acting with integrity;
- providing advice to their clients which meets or exceeds the reasonably arguable standard;
- taking reasonable care in obtaining the relevant facts and considering wider risk when providing advice;
- working honestly and openly with the Commissioner;
- having appropriate quality control processes in place which are subject to oversight and review;
- meeting relevant legal and regulatory obligations; and
- not engaging in activities which would constitute a breach of the promoter penalty provisions.

The leadership of the firm (CEO, Board, Senior partner or the like) is ultimately responsible for the tax services system of quality management. Where a firm is part of a broader firm construct (such as a network of member firms across a number of jurisdictions) and it uses common global policies and risk management frameworks, it must ensure that the latter are appropriately supplemented to address the relevant Australian legal and regulatory requirements.

The tax services system of quality management should include policies and processes in relation to the Principles as set out below:

Tax advisory principles

Principle 1 – Proscribed engagements

- 1 The firm has procedures aimed at preventing it from knowingly or recklessly advising on arrangements when providing advice on Australian federal taxation laws which involve:
 - a the creation of documents, accounting entries or disclosures that are intended to misrepresent the true arrangement or transaction;
 - b a lack of disclosure to the ATO for their effectiveness;
 - c tax evasion, fraud or other criminal tax-related conduct; and
 - d promotion of tax exploitation schemes.

Principle 2 – Governance of higher risk engagements

Principle 2.1 – Higher risk engagements

- 1 The firm has established triggers and protocols, which are appropriate having regard to the firm's size and circumstances, to identify and deal with higher risk engagements in providing services in relation to Australian federal taxation laws. The triggers include:
 - a transaction size;
 - b positions that may have systemic risks to government revenue;
 - c transactions exhibiting fact patterns identified in a Taxpayer Alert or other arrangements which the ATO has identified as an area of focus or risk;
 - d contingent and other non-traditional fee arrangements;
 - e advice contrary to ATO published positions;
 - f where a client wishes to take a position that the firm considers not to be reasonably arguable; and
 - g transactions and arrangements which carry other features indicating a higher than normal level of risk.

Principle 2.2 – Engagement acceptance

- 1 The firm issues letters of engagement to clients in relation to services concerning Australian federal taxation laws that have satisfied its client acceptance procedures, articulating:
 - a all relevant deliverables within the scope of the engagement and any materially relevant areas not covered in the engagement;
 - b that the onus is on the client to provide full and frank instructions and full and true disclosure of all relevant facts, including where appropriate the commercial rationale, on which advice is being sought;
 - c the key personnel and their role and responsibility in the engagement team;
 - d terms and conditions, including fee arrangements and basis of calculation; and
 - e limitations on reliance on the advice.

- 2 The scope of engagement is ultimately a matter for the client to determine, however, best professional endeavours should be employed to recommend a scope of engagement that adequately addresses relevant issues and risks.
- 3 The firm should not require that an engagement for the provision of tax advice be established as a legal services engagement. However, provision of tax advice where it is a legal service and would be provided by appropriately qualified personnel may be established as a legal services engagement at the client's request – i.e. it is for a client to decide whether they seek to obtain legal advice from lawyers in relation to any particular matter.

Principle 2.3 – Critical tax sensitive facts and circumstances

- 1 Tax advice should be based on a comprehensive view of relevant facts, and where appropriate, relevant and reasonable assumptions. This does not include verifying or auditing the accuracy of the client's statement but may involve making further enquiries of the client.
- 2 In taking reasonable care to obtain the relevant facts, reliance should not be placed upon information provided by the client if the engagement partner knows or ought to reasonably know that the information is not credible. In this case, the engagement partner should make further enquiries or take such further action as they consider appropriate.
- 3 Where, despite best professional endeavours as set out in Principle 2.2.2, the scope of the advice is narrowed, this should clearly be set out in the advice.

Principle 2.4 – Supporting advice and legal opinions

- 1 Reliance shall not be placed upon supporting advice or legal opinion, if the engagement partner knows or ought reasonably to know that advice is not credible.

Principle 2.5 – Reasonably arguable positions

- 1 In the course of advising a taxpayer, it is to be expected that various positions may be considered or discussed, some of which may not be reasonably arguable, prior to providing the advice. However, recommended positions or advice provided should be at least reasonably arguable, based on the law as it stands at the time and the known facts. In this regard, there should be an assessment at the commencement of an engagement and as the engagement proceeds.
- 2 In some instances, the client may have previously taken, or may intend to take, positions which in the engagement partner's view may not be reasonably arguable. In these instances, the engagement partner should outline how he or she assesses such positions and advise the client about the risk assessment of the matter, ATO engagement options, disclosure obligations and penalty considerations. Depending on the scope of the engagement, the engagement partner may also comment on alternative positions and arrangements that are not reasonably arguable. The engagement partner may also assist the taxpayer in rectifying their affairs in such a situation.
- 3 Positions adopted by a taxpayer with respect to their tax affairs are ultimately a matter for the taxpayer. Notwithstanding the engagement partner's recommendation or advice, a taxpayer may decide to proceed in a manner that is not reasonably arguable in the engagement partner's opinion. In that case, the engagement partner should consider their various legal and professional obligations.
- 4 There will be situations where the application of the law to a matter is not clear and where reasonable minds will differ. If the ATO has a different view on a matter, that does not of itself mean that the position of a taxpayer or an advisor is not reasonably arguable.

Principle 2.6 – Documenting the advice provided to the client

- 1 A written note is made of all final advice provided to the client including (as materially relevant) facts, assumptions, reasoning or analysis undertaken to reach the conclusion.

Principle 2.7 – Independent review process

- 1 Higher risk engagements should be reviewed by another partner or internal review panel. In addition, there may be specialist involvement, engagement with the ATO or advice may be sought from Counsel.
- 2 Procedures are in place for escalation of relevant issues to the firm's tax leadership or other internal advisory panels and governance bodies.

Principle 3 – Consequences for failing to adhere to the Principles

Principle 3.1 – Failure to adhere to the Principles

- 1 Partners who fail to adhere to the Principles are subject to the firm's disciplinary processes and may be referred to the relevant professional body where necessary.

Principle 3.2 – Partner competence

- 1 Any concerns over a partner's technical competency is addressed through capability improvement plans.

Principle 4 – Quality management and process review

Principle 4.1 – Design effectiveness review

- 1 The Firm has a tax services system of quality management in place that is designed to enable compliance with the Principles.
- 2 The design effectiveness of the firm's relevant tax services system of quality management is independently reviewed at least every three years. Such reviews may be by an external party or an internally qualified party acting independently.

Principle 4.2 – Operational effectiveness review process

- 1 The firm has a monitoring process designed to provide it with reasonable confidence that the policies and procedures relating to the tax services system of quality management are relevant, adequate, and operating effectively.
- 2 Higher risk engagements are subject to the processes set out in Principle 2.7.
- 3 A sample of higher risk engagements are periodically subject to a further review.

Principle 4.3 – Annual confirmation

- 1 Based on the output from the review and monitoring processes in place (described in Principles 4.1.2 and 4.2.1), the firm publishes an annual statement that it has reasonable confidence that the policy and procedures, which facilitate compliance with the Principles, are operating effectively.

APPENDIX III: Documents Made Available by PwCA for this 2024 Review

The following documents were provided for review as part of the PwC: Design Effectiveness Review of Tax Governance and Internal Control Framework, March 2024

Document Number	Folder Name	Document Name
1	FY23 TLS QMS Reference Documentation	FY23 TLS QMS - PwC Australia - Reporting Overview
2		TLS QMS Req 1 – Reference Documentation
3		TLS QMS Req 2 – Reference Documentation
4		TLS QMS Req 3 – Reference Documentation
5		TLS QMS Req 4 – Reference Documentation
6		TLS QMS Req 5 – Reference Documentation
7		TLS QMS Req 6 – Reference Documentation
8		TLS QMS Req 7 – Reference Documentation
9		TLS QMS Req 8 – Reference Documentation
10		TLS QMS Req 9 – Reference Documentation
11		TLS QMS Req 10 – Reference Documentation
12		TLS QMS Req 11 – Reference Documentation
13		TLS QMS Req 12 – Reference Documentation
14		TLS QMS Req 13 – Reference Documentation
15		TLS QMS Req 14 – Reference Documentation
16		TLS QMS Req 15 – Reference Documentation
17		TLS QMS Guide July 2023 (Final)
18	QMS Req 1 – Leadership Responsibility	FY23 QMS Copy - FA Strategy
19		FY23 QMS Copy - FA Capabilities
20		FY23 QMS Copy - Statement from Board of Partners - 8 May 2023
21		FY23 QMS Copy - Acting CEO Firmwide Update - 25 June 2023
22		FY23 QMS Copy - Acting CEO Team Update - 11 May 2023
23		FY23 QMS Copy - CEO Update - New Executive Board - 4 July 2023
24		FY23 QMS Copy - FY24 Executive Board
25		PwC's Governance Board
26		FY23 QMS Copy - Business Risk Partner Role (2021)
27		FY23 QMS Copy - Financial Advisory Team Update - July 2023
28		Financial Advisory Leadership Team (Internal website)
29		FY23 QMS Copy - FALT R&Q Update - 10 October 2022
30		FY23 QMS Copy - FY23 LiQ Plan and Comms

Document Number	Folder Name	Document Name
31		FY23 QMS Copy - FALT Paper on New FA Higher Risk Engagements Policy
32		FY23 QMS Copy - FY22 TLS QMS - PwC Australia - Reporting Overview
33		FY23 QMS Copy - FY23 LiQ Results - FALT Report
34		FY23 QMS Copy - FALT R&Q Update - 27 March 2023
35		FY23 QMS Copy - GBRC Report - FA Risk Profile - 8 June 2023 DRAFT
36		FY23 Redacted QMS Copy - FA R&Q Review Results 2023 - Proposed Overall Ratings - 27 July 2023
37		FY23 QMS Copy - FA R&Q Update - 15 August 2023
38		FY23 QMS Copy - FA Quality Dashboard - 1Q23
39		FY23 QMS Copy - FA Quality Dashboard - 2Q23
40		FY23 QMS Copy - FA Quality Dashboard - 3Q23
41		FY23 QMS Copy - FA Quality Dashboard - 4Q23
42		Enterprise Risk Management (Internal website)
43		1. Permanent QMS Copy - Enterprise Risk Management Training
44		1. Permanent QMS Copy - Tone at the Top Self Assessment
45		FY23 QMS Copy - FA LiQ Survey Comms
46		FY23 QMS Copy - Financial Advisory Team Update - October 2022
47		FY23 QMS Copy - Leadership in Quality Survey - Now Live
48		FY23 QMS Copy - Financial Advisory Team Update - February 2023
49		Business Continuity Management (Internal website)
50		FY23 QMS Copy - Tone from the Top Leadership Communications
51		FY23 QMS Copy - Combined (all tax) Our approach to complex tax advice - 2023 presentation deck (staff session)
52		FY23 QMS Copy - Our approach to complex tax advice and legal services - 2023 (PwC Private)
53		Client Listening (Internal website)
54	QMS Req 2 – R&Q Leadership	FA Risk & Quality Team (Internal website)
55		FY23 QMS Copy - Connected Compliance - December 2022
56	QMS Req 3 – Business Planning & Risk Assessment	Financial Advisory Strategy (Internal website)
57		FY23 QMS Copy - FA Risk Profile - August 2023
58	QMS Req 4 – Accountability Framework	4. Permanent QMS Copy - Partner Consequence Management Framework - updated 17 August 2022
59		4. Permanent QMS Copy - Risk & Quality Guidance
60		Consequence Management Policy (Internal policy document)

Document Number	Folder Name	Document Name
61		FY23 QMS Copy - Acting CEO Staff Update - 3 July 2023
62		FY23 QMS Copy - Redacted FY23 R&Q Metrics Report
63		FY23 QMS Copy - FA Engagement Reviews - A briefing for engagement leaders - September 2022
64		4. Permanent QMS Copy - FA R&Q Reviews Moderation Process
65		FY22 QMS Copy - PwC Australia Transparency Report FY22
66	QMS Req 5 – Purpose, Values, GTCOC and TPP	FY23 QMS Copy - Financial Advisory - Mojo Results Deep Dive 2023
67		Complex Tax Advice Protocols (Internal policy document)
68		Financial Advisory Higher Risk Engagements Policy (Internal policy document)
69		FY23 QMS Copy - Salesforce Risk Questionnaire Structure - 26 June 2023
70		FY23 QMS Copy - Engagement Acceptance High Risk TPP Notification
71		FY23 QMS Copy - TPP Overview
72		FY23 QMS Copy - FY23 Tax Policy Panels - TPP Effectiveness Monitoring - Aus Report
73		FY23 QMS Copy - Redacted FY23 TPP Reviews
74		
75		Australian Tax Advisory Firm Governance - Best Practice Principles
76		PwC Australia Tax Services
77		FY23 QMS Copy - Tax Advisory Firm Best Practice Principles - PwC Application FY23
78		5. Permanent QMS Copy - Large Market Tax Adviser Principles
79		5. Permanent QMS Copy - PwC Tax Governance Review Final Report - March 2021
80		FY21 QMS Copy - Bruce Quigley Review and TPP Update (GB Presentation 19 August 2021)
81		FY22 QMS Copy - Federal Court Decision - JBS
82		Refreshed MDP Protocols FINAL (Internal policy document)
83		Making Ethical Business Decisions Policy (Internal policy document)
84		FY23 QMS Copy - Essential IQ Refresher 2
85		Speak Up (Internal website)
86		Engagement Lifecycle - Client Acceptance (Internal website)
87		Salesforce Hub - Client Acceptance (Internal website)
88		Engagement Lifecycle - Engagement Acceptance (Internal website)
89		Keeping You Informed - Becoming the leading professional services firm
90		TPB Media Release - 23 January 2023

Document Number	Folder Name	Document Name
91		TPB Media Release - 25 July 2023
92		Inquiry into management and assurance of integrity by consulting services
93		CAANZ Media Release - 4 May 2023
94		NSW Government's use and management of consulting services
95		Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry
96		FY23 QMS Copy - Tax Code of Conduct Training
97		FY23 QMS Copy - Delivering Distinctive Quality in Financial Advisory
98		FY23 QMS Copy - R&Q Fundamentals for Graduates
99		FY23 QMS Copy - Vantage Completion Reports
100	QMS Req 6 – Independence	FY23 QMS Copy - RMP Meeting Slides - 12 October 2022
101		Folder - FY23 QMS Copy - Essential IQ Annual Independence Refresher - February 2023
102		Folder - FY23 QMS Copy - Essential IQ New Starter Independence
103		Folder - FY23 QMS Copy - Personal Independence Training
104		Folder - FY23 QMS Copy - IESBA / AFS training
105		Salesforce Risk Module (Internal website)
106		Independence Office Australia - Personal Independence (Internal website)
107		Checkpoint Partner Service (Internal website)
108		FY22 QMS Copy - Independence Checkpoint Partner Support Guidance
109		Automated Investment Recording (Internal website)
110		FY23 QMS Copy - Partner Webcast - 6 December 2022 - Project AIR
111		FY23 QMS Copy - IO message to Partners on AIR
112		FY23 QMS Copy - PICT Ready Sessions - Managers, SM, Directors
113		FY23 QMS Copy - Partner PICT Preparation
114		FY23 QMS Copy - FY23 PICT Results for FA and Firm Overall
115		ServiceNow Independence (Internal website)
116		ServiceNow Financial Advisory Risk & Quality (Internal website)
117		Independence Office Australia - Who do I contact in relation to an AFS query? (Internal website)
118		E-AFS Champions_June22
119		IESBA Code Changes - Understanding and applying key concepts (Internal Vantage eLearn)
120		Examples of Independence Guidance/Comms
121		FY23 QMS Copy - Currents Posts - Independence
122		Financial Advisory R&Q Corner- April 2023
123		FY23 QMS Copy - Independence changes - GST Team

Document Number	Folder Name	Document Name
124		AFS Champions: Changes to AFS form with T&S for All Other Services
125		FY23 QMS Copy - PwC External Appointments Approval Platform
126	QMS Req 7 – Client & Engagement Acceptance	Global Client Acceptance and Continuance Policy (Internal policy document)
127		Client Acceptance Guidance (Internal guidance document)
128		FY23 QMS Copy - FY24 TL Master V8 Engagement Acceptance - 14 August 2023
129		FY23 QMS Copy - Engagement Acceptance General High Risk EAP Notification
130		FA Risk & Quality - Public Documents Toolkit (Internal website)
131		Out of Territory Consultations Risk Management Guidance
132		Launch comms & FAQs - New Higher Risk Engagements Policy (Internal guidance document)
133		Ethical Clearance Policy (Internal policy document)
134		Salesforce Hub Relationship Checks (Internal website)
135		Salesforce Hub Authorisation For Services (AFS) (Internal website)
136		FY23 QMS Copy of AFS 2.0 Process Overview
137		5. Client Acceptance Demo Video
138		Engagement Acceptance Demo Video
139		Salesforce Hub (Internal website)
140		R&Q Systems & Help (Internal guidance document)
141	QMS Req 8 – Human Capital	Tax & Legal Business Solutions Learning Hub (Internal website)
142		Tax Agent Registration (Internal website)
143		FA Risk & Quality - Legal Services Toolkit (Internal website)
144		Accreditation Application for Practising Lawyers (Internal website)
145		Tax Markets & Knowledge Hub (Internal website)
146		FY21 QMS Copy - Salesforce JBR Module
147		PwC Academy (Internal website)
148		PwC Academy School of Craft (Internal website)
149		PwC Academy School of Humanity (Internal website)
150		PwC Academy School of Leadership (Internal website)
151		PwC Academy School of Exploration (Internal website)
152		PwC Academy School of Impact (Internal website)
153		Digital Hub Australia - Digital Academies (Internal website)
154		Digital Hub Australia - Digital Accelerators (Internal website)
155		PwC Team Leader Hub (Internal website)
156		Vantage Learning (Internal website)
157		Together Anywhere Policy (Internal policy)

Document Number	Folder Name	Document Name
158		FY23 QMS Copy - FA DI&W Plan FY23
159		Rest and Recovery Leave Policy (Financial Advisory and Consulting only) (Internal policy)
160		FY23 QMS Copy - Safe & Respectful Teams Workshops
161		FY23 QMS Copy - New Parental Leave Policy
162		Parental Leave Policy (Internal policy)
163		My Leave Policy (Internal policy)
164		FY23 QMS Copy - FY23 P&O Training Slides
165		FY23 QMS Copy - New Partner R&Q Meeting Agenda
166		FY23 QMS Copy - Tax Agent Code of Conduct eLearn
167		Australian Policy - Confidentiality agreements with clients, prospective clients or third parties (Internal policy)
168		FY23 QMS Copy - Confidentiality & Regulators Training
169		FY23 QMS Copy - Confidentiality Agreements Comms
170		Confidentiality & Non-Disclosure Agreements (CAs/NDAs) Form
171		PwC People Council (Internal website)
172	QMS Req 9 – Engagement Leader Responsibility	Directors Appointed as Engagement Leaders - Tax, Legal & PwC Private (Internal policy)
173		FA 4 Eyes Review & Signing Rights Policy (Internal policy)
174		FY23 QMS Copy - FY23 Engagement Selection Process
175		ServiceNow - Business Risk - Financial Advisory Enquiry Form
176		Information Security & Data Incidents (Internal website)
177		FA Risk & Quality - Cyber Security Toolkit (Internal website)
178	QMS Req 10 - HREs	FY23 QMS Copy - Launch of HRE Policy - Financial Advisory Team Update October 2022
179		Financial Advisory R&Q Corner October 2022
180		FY23 QMS Copy - Annual R&Q Update War Stories Training - December 2022
181		Records and Data Retention policy
182		FA Risk & Quality - Documentation Toolkit (Internal website)
183	QMS Req 11 - ECRs	FY23 QMS Copy - ECR Assessment Process - June 2023
184		FY23 QMS Copy - FY23 ECR Template (Non Deals)
185		FY23 QMS Copy - FY23 ECR Demerit Points
186		FY23 QMS Copy - FY23 SDC ECR Process Manual Pt1
187		FY23 QMS Copy - FY23 SDC ECR Process Manual Pt2
188		FY23 QMS Copy - FY23 ECR - Results Email - High Performing, Compliant, Compliant with Review Comments
189		FY24 Continuous Improvement Plan
190		FY21 QMS Copy - R&Q Reviews Process Transformation
191		FY21 QMS Copy - Digital Showcase Winners
192		11. Permanent QMS Copy - FA R&Q FY22 Continuous Improvement Plan

Document Number	Folder Name	Document Name
193		13. Permanent QMS Copy - FA R&Q FY22 Strategy
194		FY23 QMS Copy - FA File Health Review Program
195	QMS Req 12 - QARs	TLS Quality Assurance Review Program Guidance
196		FY23 QMS Copy - Quality Review Briefing for FA - FY23
197		FY21 QMS Copy - FA R&Q - Enhanced QAR Program FY20
198		Corporate Tax Compliance Australia (Internal website)
199		PwC Private Tax Compliance - End to End Work Process (Internal website)
200		FA Alternate Delivery Model (ADM) (Internal website)
201	QMS Req 13 – R&Q Plan	FY23 QMS Copy - Final FY23 FA R&Q Plan - BAU
202		FY23 QMS Copy - FA R&Q FY23 Strategy - Focus Areas
203		FY23 QMS Copy - FY24 FA R&Q Plan - BAU
204	QMS Req 14 - TPMs	Troublesome Practice Matters (Internal policy)
205		4. Permanent QMS Copy - FA R&Q War Stories FY21
206		4. Permanent QMS Copy - War Stories FY20
207		14. Permanent QMS Copy - War Stories FY19
208	QMS Req 15 - Technology	Digital Hub Australia - Digital Lab (Internal website)
209		Digital Hub Australia (Internal website)
210		Australian Application Portal - Application Inventory
211		FY23 QMS Copy - Incident Response Plan - M-Files
212		FY23 QMS Copy - Cyber Tabletop Exercises
213		FY23 QMS Copy - Data Incident Playbook
214		FY23 QMS Copy - RMP Meeting Slides - 17 May 2023
215		FY23 QMS copy - APM Extract
216		FY23 QMS Copy - BIG Process - August 2022
217		FY23 QMS Copy - BIG Risk Based Approach
218		FY23 QMS Copy - Sample BIG Application Form
219		FY23 QMS Copy - Sample BIG Minutes
220		FY23 QMS Copy - Sample BIG Approval
221		FY23 QMS Copy - BIG Database
222		Australian Application Portal - Application Control Effectiveness
223		FY23 QMS Copy - PwC Asset Classification Assessment Framework
224		FY23 QMS Copy - Risk Tiers and Testing Frequency
225		FY23 QMS Copy - Application / IT Owner One Pager
226		FY22 QMS Copy - SAS Terms
227		FY23 QMS Copy - Sample Application Testing Process
228		AU Microsoft Hub (Internal website)
229	Additional Documents	2023 Annual Compliance Confirmation

Document Number	Folder Name	Document Name
230		30102024_ Current FY24 Risk and Ethics Org Chart
231		Copy of Engagement Letter - Legally Privileged Tax Services FY23
232		Copy of PwC Private Culture Review Process
233		Copy of Statement of Work - Tax Consulting - February 2023
234		Copy of Tax as Legal Escalation Framework
235		Copy of Umbrella Engagement Letter - Corporates - Tax and Legal Services FY23
236		Summary of PwC External Reviews
237		FA internal website & FA Leadership Team as of July 2023
238		FY24 Leadership Roles
239		FA Risk & Quality (Internal website)
240		PwC Code of Conduct April 2021
241		PwC Private Tax (Relevant internal websites)
242		PwC Tax Code of Conduct July 2015
243		TPP Sample Email - Not to Proceed
244		TPP Process - Follow Up Process
245		TPP Process Notes
246		TPP Statistics - FY22 & FY23
247		FA FY24 TLS Leadership Team
248		FA Risk Profile - Live Document
249		2023 Enterprise Risk Management Framework FINAL
250		2023 Enterprise Risk Management Handbook FINAL
251		Enterprise Risk Management Handbook FINAL - July 2019
252		R&E Transformation Workplan Extract at 30 October 2023
253		PwC's Code of Conduct September 2023
254		What We Stand For - PwC's Tax Code of Conduct September 2023
255		Summary of Further Information requested by Bruce Quigley
256		Key Changes to the TLS Quality Management System from FY21- FY23
257		PwC Tax Governance Review August 2023 - Interview Agenda
258		Response to the Recommendations Outlined in Bruce Quigley's PwC Tax Governance Review Final Report March 2021
259	FY22 QMS Documents	Access to all FY22 TLS QMS Submission Documents
260	External Tax Governance Review Nov 20	Access provided to FY20 Tax Governance Review Interview Notes and other documents
261	Interview Notes	Interview Notes - TLS Leader - 21 August 2023
262		Interview Notes - FA People & Quality Leader - 24 August 2023
263		Interview Notes - TPP Chair - 24 August 2023
264		Interview Notes - TPP Chair, TPP Chair for Private and TPP Secretariat - 24 August 2023

Document Number	Folder Name	Document Name
265		Interview Notes - TPP Chair for Private - 24 August 2023
266		Interview Notes - Private Leader, Private Leadership Team - 7 September 2023
267		Interview Notes - Private Risk Management Partner - 7 September 2023
268		Interview Notes - FA R&Q Legal Director - 7 September 2023
269		Interview Notes - FA Leader - 14 September 2023
270		Interview Notes - Global Tax Team Leader, Global Tax Team Risk Management Partner - 14 September 2023
271		Interview Notes - FA R&Q Team - 14 September 2023
272		Interview Notes - FA People & Quality Leader - 21 September 2023
273		Interview Notes - Tax Controversy Team Leader - 21 September 2023
274		Interview Notes - TPP Chair - 21 September 2023
275		Interview Notes - TLS Leader - 28 September 2023
276		Interview Notes - PwC Chief Risk & Ethics Leader - 28 September 2023
277		Interview Notes - TLS Brand & Markets Leader - 17 October 2023
278		Interview Notes - Tax Business Risk Partner - 17 October 2023
279		Interview Notes - FA R&Q Team - 17 October 2023
280		Interview Notes - TLS Leader, FA R&Q Leader and FA R&Q Team members - 17 October 2023
281		Interview Notes - Chief Risk & Ethics Leader, Head of Compliance - 9 November 2023

APPENDIX IV: Interview Summary for this 2024 Review

PwC Interviews	Date
FA R&Q Leader and members of the FA R&Q Team - Kick off meeting	14 August 2023
TLS Leader	21 August 2023
FA People & Quality Leader	24 August 2023
TPP Chair	24 August 2023
TPP Chair, TPP Chair for Private and TPP Secretariat	24 August 2023
TPP Chair for Private	24 August 2023
Private Leader and Private Leadership Team	7 September 2023
Private Risk Management Partner	7 September 2023
FA R&Q Legal Director	7 September 2023
FA Leader	14 September 2023
Global Tax Team Leader, Global Tax Team Risk Management Partner	14 September 2023
R&Q Team Members - System & controls demonstration/walkthrough	14 September 2023
FA People & Quality Leader	21 September 2023
Tax Controversy Team Leader	21 September 2023
Tax Policy Panel Chair	21 September 2023
TLS Leader	28 September 2023
PwC Chief Risk & Ethics Leader	28 September 2023
TLS Brand & Markets Leader	17 October 2023
Tax Business Risk Partner	17 October 2023
FA R&Q Team Members	17 October 2023
TLS Leader, FA R&Q Leader and FA R&Q Team members	17 October 2023
Chief Risk & Ethics Leader and Head of Compliance	9 November 2023
TLS Leader, FA R&Q Leader and FA R&Q Team members	14 November 2023
Interviews with External Parties	
CEO, Tax Practitioner's Board	5 September 2023
Deputy Commissioner - Public Groups, Australian Taxation Office	19 September 2023
Deputy Commissioner - Private Wealth, Australian Taxation Office	28 September 2023



Parliamentary Joint Committee on Corporations and Financial Services

**Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit,
Assurance and Consultancy Industry**

Question on Notice arising from 2 August 2024 public hearing

Question

**4. From Senator O'Neill regarding communicating Mr Burrowes' remuneration to PwC
Australia Partners**

Mr Burrowes: I don't recall, but there was a video conference where I spoke to them about it. I'll have to take that on notice with respect to the date. I can't recall.

CHAIR: Was that in the days immediately before the question on notice that I asked you was due to become public?

Mr Burrowes: I'd have to check the date.

Answer

The video conference referred to by Mr Burrowes in his evidence on 2 August 2024 was held on 26 June, 2024.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

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Question

5. From Senator O'Neill regarding the escalation of information to Global

CHAIR: Mr Burrowes, as much as we are concerned that there's a conflict of interest between your role and your contract with PwC global and PwC Australia, the 70-30 split, which was of concern to both former CEOs, you may be the person who has access to the information about the full sharing of information. What happened? When was PwC International informed?

Mr Burrowes: I don't know the answer to that, Senator. I can take it on notice and see whether there's documentation about the timing of that.

Answer

Based on reviews conducted to date, PwC Australia informed PwC International that PwC Australia had received a notice from the Tax Practitioners Board (TPB) in or about May 2021 and continued to provide further updates as the matter progressed. However, at the time, PwC Australia understood that tax secrecy laws limited the information which PwC Australia was able to share with PwC International in relation to the TPB investigation.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

Question on Notice arising from 2 August 2024 public hearing

Question

6. From Senator O'Neill regarding whether the UK Financial Council has requested the Linklaters Report and the status of that request

CHAIR: Maybe I might task you with that, Mr Burrowes. The Financial Reporting Council has made a request in addition to the Australian Senate making a request and in addition to you making a request, I understand, Mr Burrowes, which continues to be frustrated by PwC International.

Mr Burrowes: Yes, I will follow that up for you on notice.

Answer

PwC Australia has made inquiries, and understands that PwC International has not provided the UK Financial Reporting Council with a copy of the Linklaters legal advice to PwC International.

In relation to the Linklaters legal advice, PwC Australia notes that on 21 March 2024 (**March Letter**) it provided the Senate Finance and Public Administration References Committee with a letter which provided further information from PwC International about investigations undertaken outside Australia (**International Review**). That information included the following:

- Although the International Review determined that six individuals should have raised questions as to whether certain information they received was confidential, none of them further shared the information outside PwC or used the information to obtain a commercial benefit. While these individuals may have fallen short of PwC's high expectations that its people raise their hands in such a situation, this is not the same as having breached professional standards.
- The International Review also found that none of the individuals or firms outside Australia used confidential information received from PwC Australia for commercial gain. This is consistent with PwC Australia's finding that confidential information was not used for structuring purposes. See Statement of Facts para. 1.23.
- All of our member firms, including PwC Australia, have fully cooperated with any regulatory inquiries that they have received relating to this matter.



A copy of the March Letter is enclosed for the Committee's convenience.



Senator the Hon Richard Colbeck
Chair, Senate Finance and Public Administration References Committee
PO Box 6100
Senate
Parliament House
Canberra ACT 2600
Via email: senator.colbeck@aph.gov.au

21 March 2024

Dear Chair,

I write to inform the Committee that this month PwC Australia's partners took a significant step to advance the transformation of our firm by voting to change our partner deed and endorse sweeping governance reforms.

A key change is that PwC Australia will become the first Australian Big 4 accounting and advisory firm to have an independent Chair of its Governance Board. We have also started the process to appoint two additional Independent Non-Executive members to the board. In addition, the firm has a new process for electing its CEO, which will see candidates approved by the partnership following the selection of a single candidate by the Governance Board. Those changes are set out in a 7 March 2024 media release, which is available on the firm's website. These changes are part of an ongoing, deep and meaningful structural transformation and will not be the last.

I am committed to improving accountability and governance at PwC Australia, including assisting this Committee in its work. To that end, I attach a document outlining PwC's cooperation that I hope will clarify what I reasonably consider to be a misunderstanding of the facts as they relate to PwC Australia's actions (**Annexure A**).

Noting the concerns you raised with me at the hearing on 9 February 2024 in relation to the actions of PwC personnel in other countries, I requested further information from PricewaterhouseCoopers International Limited ("PwCIL") about the investigations undertaken outside Australia. I was provided with a response that included further information, and I attach it here (**Annexure B**).

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo NSW 2000, GPO BOX 2650 Sydney NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au



In particular, I especially wish to reinforce that the only people found to have breached their confidentiality obligations were Australian personnel. Those people no longer work at PwC, and their conduct has been set out in our Statement of Facts.

The outcomes of PwCIL's independent review are consistent with those of PwC Australia's findings. Further detail is provided in Annexure B.

We trust you will find these facts helpful as you pull together your final report.

Please let me know if I can assist further. Both of the attached documents have been made publicly available on our website.

Yours sincerely

Kevin Burrowes
Chief Executive Officer



Annexure A - PwC Australia's (PwC) cooperation with the Senate

Cooperation

- The current leadership of PwC has sought to be as cooperative as possible in relation to the breaches of confidentiality that occurred between 2015 and 2018.
- Importantly, PwC Australia continues to cooperate with regulators and has not withheld from production the names of any individuals outside of Australia who received confidential Treasury information. This same evidence was shared with PwCIL.
- On 27 September 2023, PwC published a detailed Statement of Facts setting out the results of PwC's investigation in relation to the inappropriate sharing of confidential Treasury information.
- PwC also commissioned and published an Independent Review of Governance, Culture and Accountability which was conducted by Dr Ziggy Switkowski AO. PwC accepted Dr Switkowski's recommendations and implemented an Action Plan to address the shortcomings identified. We continue to make information available on our website at key junctures.
- PwCIL has received legal advice from Linklaters relating to the sharing of confidential information by certain PwC Australia personnel. PwC Australia has not been provided with the Linklaters advice. While we note the desire for the Senate to have access to legal advice received by others in the PwC network, we are mindful of the basic legal right of legal professional privilege that operates in many jurisdictions including in Australia.

PwCIL Independent Review

- PwC has acknowledged that PwC personnel outside of Australia were recipients of some emails that contained confidential information. Accordingly, as was appropriate, PwCIL retained Linklaters LLP to form an independent review of what happened. This work focused on PwC member firms whose personnel were identified as having received confidential or potentially confidential information from personnel at PwC Australia. PwCIL made a public statement reporting the outcome of this review in September 2023.
- Having regard to the information PwC Australia has been provided with by PwCIL in relation to the international review it undertook, PwC Australia has comfort that PwCIL has taken these matters seriously, including because it engaged external counsel to form an independent assessment of what happened.
- Further information which PwC Australia has been provided with regarding the PwCIL review has been included at Annexure B of this letter.



Cooperation with regulators

- PwC has cooperated with regulators investigating these matters and produced materials in response to those investigations. Given ongoing investigations, and having regard to the legitimate rights of individuals, PwC is not able to publish all the information it has available to it in relation to these matters, including the names of individuals who received emails.
- PwC understands the critical importance of investigations underway and will continue to cooperate with all of its regulators in relation to these investigations.



Annexure B - Additional information about PwC International Review provided to PwC Australia by PwCIL



Additional Information About PwC International Review

- When it came to light that the breaches of confidentiality by certain PwC Australia personnel included sending emails containing confidential information to individuals in other PwC firms, PricewaterhouseCoopers International Limited (“PwCIL”) retained Linklaters LLP to form an independent assessment of what happened. The work performed as part of this exercise, by Linklaters, PwCIL and the member firms involved is referred to as the “International Review.” The purpose of the International Review was to determine whether the breaches of confidentiality by PwC Australia personnel led to confidential information being received by PwC member firms outside Australia, whether recipients knew or should have known it was confidential and what those recipients did with the information, if anything, and in particular whether it was used for commercial benefit. This enabled an assessment of whether any PwC professionals outside PwC Australia engaged in wrongdoing or otherwise failed to live up to the expectations that we have for all people who work at PwC.
- The communications that gave rise to the International Review related primarily to OECD developments, as is evident from the emails that were released publicly by the Australian Senate last year.
- The International Review focused on PwC member firms whose personnel were identified as having received confidential or potentially confidential information from personnel at PwC Australia. The investigation by Linklaters and counsel in multiple jurisdictions included forensic searches for documents as well as interviews. Linklaters analysed the evidence across territories, made additional inquiries where necessary and provided legal advice to PwCIL.
- While the International Review confirmed that a number of PwC professionals outside Australia received confidential information, it found that most of the recipients did not know, nor should they have known, that the information was confidential. In other words, they did not have reason to believe that the information should not have been shared with them. These findings are consistent with the findings of PwC Australia’s investigation as disclosed in its publicly available Statement of Facts, including that the vast majority of recipients would not have reason to question the legitimacy of their receipt of the information. Many of the recipients of emails relating to the BEPS initiative were international tax practitioners who routinely received updates on OECD developments at the time. As Paragraph 1.2 of the Statement of Facts published by PwC Australia explains, the BEPS project was not limited to Australia but included worldwide consultations, many of which were public in nature. It is not surprising, therefore, that the receipt of OECD updates by tax professionals outside Australia, in and of itself, did not raise alarm among recipients or cause them to conclude a breach of confidentiality had occurred, absent any indications to the contrary.
- Although the International Review determined that six individuals should have raised questions as to whether certain information they received was confidential, none of them further shared the information outside PwC or used the information to obtain a commercial benefit. While these



Annexure B - Additional information about PwC International Review provided to PwC Australia by PwCIL



individuals may have fallen short of PwC's high expectations that its people raise their hands in such a situation, this is not the same as having breached professional standards.

- The International Review also found that none of the individuals or firms outside Australia used confidential information received from PwC Australia for commercial gain. This is similarly consistent with PwC Australia's own finding that no confidential information was used for structuring purposes. See Statement of Facts para. 1.23.
- All of our member firms, including PwC Australia, have fully cooperated with any regulatory inquiries that they have received relating to this matter. As it relates to the International Review, PwCIL and its member firms are entitled to engage in confidential and privileged communications with their lawyers in a manner which is protected under applicable laws in those jurisdictions without any suggestion that doing so is a failure to cooperate.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

Question on Notice arising from 2 August 2024 public hearing

Question

7. From Senator O'Neill regarding reporting individuals to regulators

Mr Burrowes: I can't tell you what's been reported overseas by the firms to their local regulators—that may well have happened in each and every one of those cases—because the rules and regulations in each jurisdiction are very, very different about the reporting obligations to our regulatory bodies and to professional associations. So I can't comment on that. Jan can comment on our obligations here when that sort of thing happens, and we take that very seriously. I know Jan and I have regular conversations about 'If that's happened, is that a reportable matter?' We do that regularly now.

CHAIR: How many have you reported?

Mr Burrowes: I'd have to take that on notice to tell you what we've reported, but we take that obligation very seriously.

Answer

PwC Australia is continuing to engage with regulators and professional bodies in relation to these matters and is cooperating with their investigations. As part of the ongoing investigations, PwC Australia has provided names of individuals or further information regarding particular individuals involved in these matters (either proactively, or in response to requests) to those regulators and professional bodies.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

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Question

8. From Senator O'Neill requesting the terms of any settlement regarding Mr Fuller

CHAIR: There's a 'Margin Call' article in the Australian by Yoni Bashan and Christine Lacy, which I hope you might be aware of, that refers to this matter. I understand from that article that PwC has since settled with Mr Fuller. Can you please share the terms of the settlement and what was agreed?

Mr Burrowes: I'd have to take that on notice. I can't recall exactly what the terms of that were. It may be a confidential settlement. I'll have to check.

CHAIR: Once again, the committee is requesting the information. If you want it to be confidential, please indicate that, but the committee will demand that we actually receive the information.

Mr Burrowes: I think we had this discussion with Senator Colbeck. I think Mr Fuller would also need to acquiesce to the release of that confidentiality matter, so we'd have to see whether that was feasible or not.

CHAIR: We can deal with that with the secretariat ourselves, but we're asking for your end of the bargain because you're responsible for that bit. The committee wants scrutiny.

Mr Burrowes: Yes, but I wouldn't want to break the law, so I'll take that on notice and seek some advice.

CHAIR: Legal professional privilege does not trump parliamentary privilege in terms of getting information. Getting you here today was an important part. We also can compel documents. We don't want to go there. We want that document, Mr Burrowes.

Mr Burrowes: I'll take it on notice.

CHAIR: From a public point of view, I believe that PwC would have adequate grounds not to continue paying a former employee if it was determined that they acted unethically or against the firm's interests. Does the fact that this has been disputed and then settled mean that Mr Fuller was wrongfully named? He's certainly been named here today as the person who was responsible for creating the scheme that was sold as part of part 1 of Project North America.

Mr Burrowes: I don't want to misspeak on that, so I would prefer to take that on notice and come back to you about that.



Answer

PwC Australia notes its previous statements in respect of Mr Fuller, for example those contained in the Review of Tax Confidentiality Breaches and Related Questions dated September 2023 (**Statement of Facts**). PwC Australia reached a confidential settlement with Mr Fuller in relation to his contractual dispute with PwC Australia. PwC Australia is subject to confidentiality obligations in relation to that settlement.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

Question on Notice arising from 2 August 2024 public hearing

Question

9. From Senator O'Neill regarding documentation recording Luke Sayer's meeting with the ATO on 29 August 2016

CHAIR: Mr Sayers gave evidence which might be characterised as at odds, perhaps, with the notes we have from Mr Hirschhorn on the record. I am very keen to get any materials we can from you of his notes; he believes he made notes that he reported back in some way. He cannot recall—and the deputy chair will correct me if I verbal him in any way here; I'm trying to be very accurate—whether he gave feedback in verbal form or written form. It doesn't appear there was a protocol around these meetings. Was anyone else in attendance? We have a desire to get documentation about what occurred and was recorded and reported back to PwC by Mr Sayers in his role as the CEO at that time.

We are also seeking from you minutes of the board meeting. 'Recent developments were outlined, including the substance of matters raised by the ATO in discussions last week with Luke Sayers about the culture of the firm's tax practice'—so the date there would be pretty easy for you to identify; it's late August/early September 2016, so that should help you in that search. Finally, there is a reference in 1.41 to notes prepared in advance of the governance board meeting—so a copy of those which may provide further insight. We're seeking all the documentation you have around the interaction between Mr Sayers and Mr Hirschhorn and what was provided in addition to that, if there is anything in addition to that, to the board.

Mr Burrowes: Delighted to take that away. My only observation about these paragraphs is, clearly, they were very critical to us understanding what had happened at the time. We will take your request away, but I'm pretty certain we did a very thorough search at that time around the events of that meeting. Had we determined there were notes or something like that, we probably would have put it in our statement of facts because this is designed to be the statement of the facts. We'll go away and have another look and do another search for that information. I'm certain we couldn't find anything at the time but we'll take it away and have another look, if that would suit you.

Answer

PwC Australia has not identified any notes prepared by Luke Sayers recording his meeting with Mr Hirschhorn on 29 August 2019. However, PwC Australia understands that Mr Sayers conveyed the effect of that meeting to Ms Beattie shortly afterwards (that is, between 29 August and 3 September 2019). PwC Australia understands that what Mr Sayers conveyed to Ms Beattie is consistent with Mr Hirschhorn's summary of the meeting that he circulated internally within the ATO on 2 September 2019 (which was recently published by the Committee as part of a response from the ATO to a Question on Notice).



As set out in the Statement of Facts, on 3 September 2019, PwC Australia's Governance Board received an update on a meeting between Mr Sayers and Mr Hirschhorn. It appears from the minutes of that meeting that the update was provided by Ms Beattie and Mr Sayers. The minutes of the Board meeting record: *'Recent developments were outlined, including the substance of matters raised by the ATO in discussions last week with Luke Sayers about the culture in the firm's Tax practice'*.

At a subsequent meeting of the Governance Board on 3 March 2020, Mr Sayers and Ms Beattie updated the Governance Board on the ATO matters. As part of that update, the minutes record that Ms Beattie reminded the Governance Board of the areas of concern expressed by the ATO, including the culture of the tax practice. The minutes of that meeting also record that the Governance Board sought assurances from Mr Sayers and Ms Beattie that all necessary protocols, processes, and training had been put in place to address the issues raised by the ATO. The minutes do not record any reference to the confidentiality issues raised by the ATO in 2019.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

Question on Notice arising from 2 August 2024 public hearing

Question

10. From Mr Hawke and Senator O'Neill regarding former partners seeking legal support from the firm

Mr HAWKE: The question is about the accessing under their former partnership agreement. Have they sought to access legal compensation from the firm?

Mrs Gray: Legal compensation or—

Mr HAWKE: The specific question was about whether it was for the purposes of appearing before this committee. Maybe we could expand it in general: have they utilised their former partnership agreement to seek legal services from the firm?

[...]

Mr HAWKE: Let's go to the specifics. I'm not deeply interested in your structure at this point, except for this legal question about former partners accessing legal support from the firm. [...]

Mr HAWKE: Today, we've made an assumption that this has happened in the past, which I understand, but in relation to the proceedings that we've been doing in this committee, we don't have any answer today. You don't have an answer to provide us with about this specific question, about Sayers and the people we're talking about, do you?

Mrs McCahey: No.

Mr HAWKE: You're going to provide that on notice?

Mr Burrowes: It might be helpful just to clarify the time period that you'd like that over, but we can do that separately.

CHAIR: Let's go from 2019, because that covers it pretty well.

Mr Burrowes: I think it would be a matter from their retirement. I think the question you're asking is: what legal costs do PwC Australia incur for their legal bills post their retirement.



CHAIR: I do wonder if Mr Seymour might have sought advice prior to his departure as well, so lets not quite go just to that end date.

Answer

As is standard practice in many organisations, where a current or former employee or partner is involved in a regulatory process or other proceedings arising out of their employment or partnership, PwC Australia may cover legal fees for independent legal representation for that individual. PwC Australia has previously paid legal fees for Mr Seymour's independent legal representation in relation to matters related to his role at PwC Australia. PwC Australia has also indicated that it will pay legal fees for Ms Beattie's independent legal representation in relation to her appearance before the Committee.



Parliamentary Joint Committee on Corporations and Financial Services

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Question

11. From Senator O'Neill, regarding payment to other individuals in the firm from PwC International from 2019

CHAIR: Ms McCahey, do you know if any other person in PwC Australia is in receipt of any other payment from PwC International?

Mrs McCahey: I'm not aware of any other payment being made by PwC International to—

CHAIR: Have you made any inquiries to that end?

Mrs McCahey: No, but I just want to make this next point. From time to time, an Australian partner may be appointed to a global role. In that case, they would be remunerated by—for example, when I was working for the international network, I was no longer being paid by the PwC Australia firm; I was being paid by the network. That might exist for other people who are normally our partners but are on secondment.

CHAIR: Can you provide a detailed response about any of the people who are in that position? If you can go back to 2019, I think, that would be useful for the committee. Back to you, Senator Scarr.

Answer

PwC International facilitates coordination between PwC member firms (each of which is a separate legal entity), focusing on key areas such as strategy, brand and risk and quality. To achieve this purpose, and to support the PwC Network's functions, a range of individuals of diverse skill sets around the Network are engaged in Global roles.

Where an individual is engaged to perform a Global role on behalf of the PwC Network, typically their related compensation (corresponding with the portion of their work that is Global in nature) is reimbursed to their PwC member firm or borne by the PwC Network (and is not borne by the local PwC member firm in which they may be physically located). Examples of Global roles include technology related roles where systems and processes are used by PwC member firms around the world, global strategy and marketing related roles, and other roles in support of the broader PwC Network (beyond providing services relevant to just one member firm). Based on inquiries to date, there are currently 147 Australian based individuals in PwC Network roles.



In addition, from time to time, PwC Partners and employees are seconded across the PwC Network to other member firms. Whether their compensation continues to be paid by the home entity or the host entity will depend on various factors, including whether they are on a short term assignment or long term assignment. In the time available, PwC Australia has identified 17 PwC Australia Partners who have undertaken (or are undertaking) secondments across the PwC Network since 2019.



Parliamentary Joint Committee on Corporations and Financial Services

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Question

12. From Senator O'Neill, regarding the number of members on the PwC Governance Board at the time of Mr Burrowes' appointment as CEO of PwC Australia

CHAIR: Were there 10 elected members at that time, plus the CEO?

Ms Carney: I can't recall exactly. I don't want to give you an incorrect answer.

CHAIR: You might want to provide that on notice.

[...]

CHAIR: The global firm was in communication with you, Ms Carney. You were actually a member of PwC International. Were you the global firm's representative at that governance meeting?

Ms Carney: No.

CHAIR: Who was?

Ms Carney: Sorry, which meeting?

CHAIR: The one where Mr Burrowes' \$1.2 million was revealed to the governance board.

Ms Carney: From memory, that was Mr Richard Oldfield.

CHAIR: Who is he?

Ms Carney: He was the leader of our clients and markets team, globally.

CHAIR: So he was not a member of the PwC Australia board?

Ms Carney: No.

CHAIR: He was there as a representative of PwC International?

Ms Carney: That's correct.



CHAIR: Was he the only person from PwC International at that board meeting?

Ms Carney: I can't recall, I'm sorry.

CHAIR: Could you go back and have a look at your records and provide that on notice? And Mrs McCahey can you confirm that that's an accurate record of the governance meeting at which this was discussed, because I do trust you to get the truth to us?

[...]

Senator SCARR: Can I ask you to provide copies of all the papers of the governance board meeting that considered the appointment of Mr Burrowes as CEO, including the minutes of that meeting?

Ms Carney: Obviously, there's a lot of confidential and commercially sensitive information that we discussed in the meetings at the time.

CHAIR: It's alright, Ms Carney; we deal with that all of the time. We manage those conflicts, potentially, very carefully. If there is commercial sensitivity, we will look at it. We are not requesting you consider, we are requesting you provide.

Senator SCARR: I'm also requesting papers of any subsequent governance board meeting that considered Mr Burrowes' remuneration, including the arrangements with PwC International, Chair.

CHAIR: Yes, agreed.

Senator SCARR: Do you acknowledge that?

Ms Carney: I can certainly take that on notice and seek advice on that.

Answer

As at June 2023, there were 10 elected members of the PwC Australia Governance Board, as well as the interim CEO as an ex-officio member.

There were multiple meetings where the potential appointment of Mr Burrowes was discussed including on 27 June 2023, when the Governance Board also considered the final proposed terms of Mr Burrowes' admission to the PwC Australia partnership, which included his remuneration arrangements with PwC Australia as incoming CEO.

While PwC Australia respectfully declines to provide a copy of the papers and minutes of the governance board meetings, PwC Australia notes that while the specifics of the arrangements with the Global Network were not discussed, the Governance Board minutes for the meeting dated 27 June 2023 state:



There was considerable discussion about the proposed terms of Kevin Burrowes' admission, including overall remuneration arrangements (and the extent to which the Australian Firm bears those costs), tax equalisation and how retirement will be effected...

The papers and minutes for this meeting illustrate that it was proposed that Mr Burrowes' total target income from the PwC Australia partnership would be aligned with Mr Tom Seymour's target income for FY23 (however, for completeness, we note that shortly after Mr Burrowes' appointment as CEO, the Governance Board agreed to reduce the partners' target income. Mr Burrowes' target income was thereby reduced to approximately \$2.8 million).

The minutes record that Mr Burrowes attended the 27 June 2023 meeting for a specific agenda item which took place after the discussion and resolution to appoint him as CEO. There was no other representative from PwC International in attendance at this meeting. However, for completeness, we note that PwC International representatives (including Mr Richard Oldfield) attended previous meetings to discuss matters with the Governance Board. Ms McCahey is not a member of the Governance Board and did not attend these meetings.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

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Question

13. From Senator O'Neill regarding the Global Board meeting where the TPB matter was discussed

Ms Carney: There was a communication when the TPB findings first became public. It was a brief update of many network matters that were arising that was given by the executive at the global board.

CHAIR: Okay, so you knew as of September 2022. When did the international network board become aware?

Ms Carney: I would need to check the dates, sorry.

CHAIR: You just said 'after it all became public'.

Ms Carney: I think that was the case.

CHAIR: So that would have been December, January?

Ms Carney: It was January, yes.

[...]

Ms Carney: I think there was a record of the public finding that was shared.

CHAIR: Who was at that board meeting and what was the reaction?

Ms Carney: I can't remember what the reaction was. It would have been the full global board and executives.

CHAIR: Could you provide a list of who that was at the time?

Ms Carney: I can certainly take that on notice.

The Global Board Meetings are attended by the Global Board and the Global Network Leadership Team and in person meetings are scheduled quarterly. In addition to these quarterly meetings, the Global Board also has virtual meetings from time to time. The TPB findings were discussed at a teleconference meeting on 24 January 2023.



Further information in respect of the Global Board may be found on PwC International's website which lists the members of the Global Board and provides a short description of their role in the PwC Network. We have enclosed for the committee's convenience a copy of the Global Board webpage as at May 2023 and a copy of the Global Network webpage at March 2023.



Global Board of PricewaterhouseCoopers International Limited (PwCIL)



The Board represents the interest of all members of the PwC Network. It has overall responsibility for the governance of PricewaterhouseCoopers International Limited and the PwC Network and for oversight of the Network Leadership Team.

Current members of the Global Board are:

Global Board Chair



[Lisa Sawicki](#)

Chair of the PwC Global Board, PwC
United States

[Email](#)

Global Board Members



Susumu Adachi

Deputy Chairman of PwC Japan Consulting; Financial Services Industry Leader and Global Japan Business Network Leader, PwC Japan

[Email](#)



Jane Allen

Legal Business Solutions Consulting Co-Leader and US Oversight Board Member, PwC United States

[Email](#)



Puneet Arora

Financial Services Tax Consulting Leader and US Oversight Board Member, PwC United States

[Email](#)



Stefan Brunsbach

Tax Partner specialising in International Tax Services, PwC Germany

[Email](#)



Dave Bryan

Deals Partner and Chair of PwC Canada's Board of Directors, PwC Canada

[Email](#)



Chris Burns

Audit Partner and UK Supervisory Board Chair, PwC United Kingdom

[Email](#)



Paddy Carney

Assurance Partner, PwC Australia

[Email](#)



Jennifer Chang

Financial Services Tax Leader, Academy Leader and Chair of the Malaysia Vietnam Oversight Board, PwC Malaysia

[Email](#)



Don Christian

Global Relationship Partner and US Oversight Board Member, PwC United States

[Email](#)



Shana Laurie de Hernandez

Assurance Partner and Chair of the PwC Europe Supervisory Board, PwC Netherlands

[Email](#)



Jean-Christophe Georghiou

Assurance Partner and Policy Leader, PwC France

[Email](#)



Brian Meighan

Tax Quality and Risk Management Leader and Chair of US Oversight Board, PwC United States

[Email](#)



Peter Nyllinge

Chair of PwC Sweden's Supervisory Board, PwC Sweden

[Email](#)



Troy Paredes

Independent Director - External Director on the US Oversight Board, PwC United States

[Email](#)



Marie-Elisa Roussel-Alenda

Assurance Leader, PwC Luxembourg

[Email](#)



Duncan Skales

European Private Equity and Financial Services Specialist Partner and UK Supervisory Board and Middle Eastern Board member, PwC United Kingdom

[Email](#)



Karen Young

Global Clients Partner and US Oversight Board Member, PwC United States

[Email](#)



Jaya Vaidhyanathan

Independent Director - External Director on the India Board, PwC India

[Email](#)



Alison Wong

China SEC Risk Management Partner, PwC China

[Email](#)



Network leadership team



[Robert Moritz](#)

Chairman -
PricewaterhouseCoopers
International Limited



[Raymund Chao](#)

Asia Pacific and China Chairman



[Petra Justenhoven](#)

Senior Partner and Chairwoman,
PwC Europe



[Kevin Ellis](#)

Senior Partner and Chairman,
PwC United Kingdom



[Tim Ryan](#)

Senior Partner and Chairman,
PwC United States

Global Leadership team



James Chalmers

Assurance



Marc Borggrevén

Global Human Capital Leader



Kevin Burrowes

Global Clients and Industries



Mohamed Kande

Advisory



Christopher Kelkar

Global Alignment



Carol Stubbings

Tax and Legal



Dana McIlwain

Chief Administrative Officer and
Global Operations



Richard Oldfield

Global Markets



Coenraad Richardson

Chief Risk Officer



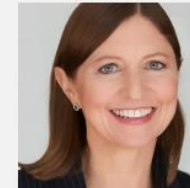
Blair Sheppard

Global Leader, Strategy and
Leadership



James Shira

Chief Information and Technology
Officer



Diana Weiss

Global General Counsel

Strategy Council

The Strategy Council, which is made up of senior partners of the 21 largest PwC firms and regions, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy.

- Agnes Koops, Netherlands
- Andrea Toselli, Italy
- Andreas Staubli, Switzerland
- Patrice Morot, France
- Dion Shango, Africa Central and Southern Africa
- Gonzalo Sánchez, Spain
- Hani Ashkar, Middle East
- Hoonsoo Yoon, Korea
- Kevin Ellis, United Kingdom
- Koichiro Kimura, Japan
- Ana Paula Jimenez, Mexico
- Adam Krasoń, Central and Eastern Europe
- Nicolas Marcoux, Canada
- Marcus Lam, Singapore
- Petra Justenhoven, Germany
- Raymund Chao, China
- Robert E. Moritz, Chairman
- Sanjeev Krishan, India
- Sofia Goetmar-Blomstedt, Sweden
- Tim Ryan, United States
- Tom Seymour, Australia
- Marco Castro, Brazil

Contact us



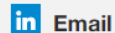
Ryan
Stanton

Ryan Stanton

Managing Director, Global Corporate Affairs & Communications, PwC

United States

Tel: [REDACTED]



[Email](#)



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

Question on Notice arising from 2 August 2024 public hearing

Question

14. From Senator O'Neill regarding reporting of Global Board meetings to the Governance Board in Australia

CHAIR: Do you report on those meetings to the board of governance in Australia when you return?

Ms Carney: Yes.

CHAIR: Could you provide material to this committee about those reports?

Ms Carney: Again, they are very commercially sensitive and confidential information, but I will take it on notice and seek advice.

Answer

After each Global Board Meeting, Ms Carney's practice is to report back to the PwC Australia Governance Board (formerly named the Board of Partners) on key highlights as well as answer questions and provide clarity on the network strategy and the views of the Global Board, as appropriate.

Even though Ms Carney is no longer a Governance Board member, it is anticipated that while she remains a member of the Global Board Ms Carney will continue to share insights from Global Board Meetings to the PwC Australia Governance Board.



Parliamentary Joint Committee on Corporations and Financial Services

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Question

15. From Senator O'Neill regarding whom Mr Morris worked with in providing assistance on preparing the statement of facts

CHAIR: Okay, thank you very much. Mr Morris, when did you know about the problems outlined by Mr Herschel [sic] in August 2019 to Mr Sayers?

Mr Morris: I only became aware of it on a more formal basis through this more recent process, and there was also, of course, our statement of facts—

CHAIR: Which recent process?

Mr Morris: I'm saying through the Senate processes. But it's also outlined in our statement of facts as well, as you can see.

...

Mr Morris: I was referring to the statement of facts rather than that particular matter itself.

CHAIR: Okay, so who were you working—

Mr Morris: I didn't provide any information on that particular matter that you mentioned, but I can provide you with information as to who I was working with, if you like, in providing assistance on preparing the statement of facts.

Answer

Mr Morris worked alongside a number of people in preparing the Statement of Facts, including the interim CEO, the Office of General Counsel (PwC Australia and PwC International) and external legal advisers.

Mr Morris was involved in the weeks prior to the publication of the Statement of Facts in reviewing certain sections of the draft Statement of Facts and providing further context, particularly in relation to the changes within the tax practice to improve its culture, governance, controls and training to enhance its standards, meet community expectations and prevent recurrence of past conduct.



For completeness, while Mr Morris does not recall receiving the document at the relevant time, based on a review of his email inbox for the purpose of preparing responses to these Questions on Notice, it was identified that Mr Morris received a copy of the 2019 memorandum in relation to concerns that had been raised by the ATO (which is referred to in section 1.42 of the Statement of Facts) in or about March 2021.



Parliamentary Joint Committee on Corporations and Financial Services

Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

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Question

16. From Senator O'Neill, regarding Mr Morris' communication to Tax Partners about the TPB matter

Mr Morris: The one thing with the inquiry, or the investigation, was it was made very clear that the investigation was confidential. I think we need to be very, very careful with the dissemination of that investigation due to the confidentiality requirements. I did on occasion check in with the rest of the tax partners to let them know that there was an investigation, but clearly I could not talk about the context of that investigation.

CHAIR: When did you let the rest of the tax partners know that there was an investigation from the TPB?

Mr Morris: I'd have to take that question on notice, on the exact dates of the different videoconferences I undertook.

CHAIR: We look forward to that evidence. Roughly what year do you believe that to be?

Mr Morris: It would have been 2021 and probably 2022 as well. The investigation was quite long and went through an 18-month period.

Answer

Based on a review of his calendar, prior to the TPB's media release and its investigation becoming public, Mr Morris first conducted a videoconference with PwC tax partners addressing the TPB investigation (amongst other regulatory issues) on 22 July 2021. Subsequent video conferences were held on 2 September 2021, 19 October 2021, 15 August 2022, 10 November 2022, 28 November 2022, and 20 January 2023.

Mr Morris recalls providing an update at these meetings in respect of the various regulatory matters impacting the tax practice, including that there was an ongoing investigation by the TPB.

Due to tax secrecy provisions, prior to the TPB publishing its findings, Mr Morris could only provide limited information on the TPB investigation.



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Question

17. From Senator O'Neill regarding Mr Morris' receipt of the 'How did all the MAAL stuff turn out' email

CHAIR: I refer to the email that was released on 2 May last year, 'How did all that MAAL stuff turn out? Our first "north American project"—perhaps there were second, third and fourth North America projects, based on what you've just said—which said:

We got this outcome because: we identified US tech two years ago was representing a significant (at least for controversy!) upside sector for the Australian firm as the ATO reacted to problems it had with their structures, and diligently build relationships with key offshore buyers.

Were you part of the team that was diligently building relationships with key offshore buyers through your M&A role?

Mr Morris: No.

CHAIR: Were you aware of this email? Did you receive it?

Mr Morris: I didn't receive that email and only became aware of it through the course of the last two years.

CHAIR: Thank you. Mr Morris, did Mr—

Mr Morris: Sorry, are you referring to 2 May or a broader email? Can I come back to you on the question because I thought you might be referring to the email you referenced before.

CHAIR: It was 2 May.

Mr Morris: Yes, I'll come back to you in writing and respond to that, if that's okay. I just need to check. I don't have it in front of me.



Answer

From a review of the Transcript, PwC Australia understands the reference to the email headed "*How did all that MAAL stuff turn out? Our first "north American project"*" to be a reference to the email dated 6 January 2016 (**6 January Email**), rather than 2 May.

Mr Morris did not receive the 6 January Email (or Mr Seymour's response) at or around the time it was sent, however he subsequently was provided with a copy in around 2021 in the course of assisting PwC with responding to information requests.

A redacted version of the 6 January Email was included in the emails tabled by the TPB to the Senate Economics Legislation Committee on 2 May 2023.