PwC Hong Kong 2026 Transparency Report



Year ended 30 June 2026
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We have prepared this Transparency Report, in respect of the financial year ended 30 June 2026, in accordance with the requirements of Article 13 of the retained UK version of EU Regulation No. 537/2014. PricewaterhouseCoopers is referred to throughout this report as "the firm", "PwC Hong Kong", "we", "our" and "us".

01 Message from leadership



Message from Chair and CEO

Welcome to our 2026 Transparency Report

Welcome to the 2026 PwC Hong Kong Transparency Report. This report reflects our continued commitment to earning trust through the quality and integrity of our work. Guided by PwC's purpose—to build trust in society and solve important problems—we draw on the experience of almost 370,000 professionals across our network of firms in 136 countries to deliver high-quality assurance, advisory and tax services.

My role as the Chair and CEO of PwC China, and that of our Leadership Team, covers the Chinese mainland, Hong Kong SAR and Macao SAR. However, the purpose of this report is to provide specific details of how our Hong Kong firm is governed. It provides an overview of how we deliver and maintain our quality management system and how we govern our firm, along with some of our financial information.

While we faced a number of challenges this year, our underlying business has remained strong. Our priorities during the year were focused on strengthening the firm, building on our core capabilities and, above all, delivering high-quality services to our clients. We have continued to invest in our audit quality remediation programme this year. Our efforts have focused on the areas highlighted for improvement by our regulator, the Accounting and Financial Reporting Council (AFRC), as part of the sanctions imposed on the firm in April of this year in connection with audit work for the China Evergrande Group.

As the audit profession evolves, we remain a people-led, quality-first organisation. Across our network, investments of more than US$1 billion in PwC's Next Generation Audit platform and GenAI are already transforming how we work.

Technology, however, is only part of this evolution. In FY26, we also increased our focus on fostering a culture and promoting behaviours that empower our people to deliver high-quality services. We will continue investing in technology and in developing the capabilities and behaviours that support high-quality work and professional judgement. Our people's expertise, integrity and commitment remain fundamental to the trust placed in us.

Quality is the foundation of our firm and is embedded in every aspect of our business. This report demonstrates our ongoing commitment to quality, transparency, accountability and continuous improvement, setting out how we govern, manage and enhance our quality processes and behaviours, and monitor their effectiveness. I am pleased to share this report with you and welcome your feedback.



> "Quality is the foundation of our firm and fundamental to the trust placed in us. As our profession evolves, we remain committed to strengthening our culture, investing in our people and technology, and embracing innovation responsibly to deliver high-quality work.

Hemione Hudson
Chair and CEO

A message from our Assurance Leader



Introduction

At PwC Hong Kong, we acknowledge that we have an important duty to continuously enhance quality and strengthen trust in our profession and our firm. Transparency is fundamental to serving the public interest.

Our 2026 PwC Hong Kong Transparency Report demonstrates our continued commitment to delivering excellence and to strengthening the audit profession in Hong Kong more broadly. In this report, we explain how we are governed, how we manage audit quality and how we uphold our commitments to our clients, audit committees, regulators, our people and the public interest.

On a personal note, in 2026 I marked 30 years with PwC Hong Kong. Over the past three decades, I have seen major changes in Hong Kong, the rest of China and in our profession.

Looking ahead, I firmly believe Hong Kong is well positioned to build on its strengths in finance, trade and professional services, and in its role as a leading global capital markets centre connecting China with the world. PwC Hong Kong remains committed to supporting the audit profession's vital role in fostering trust and confidence in business and strengthening Hong Kong's standing on the global stage.

This year, our Government published its inaugural five-year plan, a multifaceted blueprint centred on the "Four Centres and One Hub" initiative. It aims to strengthen Hong Kong's position as an international financial, maritime and trade centre and aviation hub, while accelerating its development as a global centre for innovation, technology and high-calibre talent. The key objectives are to drive high-quality economic growth and to deepen Hong Kong's integration into national development. This is an exciting time for Hong Kong but also for our profession and the role it will play in Hong Kong's future.

> "At PwC Hong Kong, we are aware of the important public interest role we play in maintaining and enhancing Hong Kong's position as a major global financial centre and in building and sustaining confidence in the Hong Kong audit profession. We are dedicated to demonstrating, day in day out, that we carry out these roles to the highest standards.

John Ryan
Assurance Leader

Our practice

PwC Hong Kong's history dates to 1902. In 2027 we will mark 125 years in Hong Kong. We are proud of our firm's major contributions to Hong Kong's success over the last century and a quarter.

Our audit and assurance practice has over 1,600 partners and staff. We have a wide and important client base and audit over 250 Hong Kong-listed companies, the largest share of Hang Seng Index constituent companies by market capitalisation. As of 30 September 2026, the market capitalisation of PwC Hong Kong audit clients listed on the stock exchange of Hong Kong was over HK$16.7 trillion. We are proud to serve our client base and are deeply conscious of both our responsibilities to our clients and our broader role in serving the public interest.

Our technology

We are experiencing a period of rapid technological change, driven in large part by advances in AI. These developments are transforming businesses and creating new opportunities for the audit profession. We must embrace this change responsibly while continuing to apply appropriate professional judgement, oversight and safeguards.

Our investments in technology support greater consistency, efficiency and insight in the audits we perform. Our current global audit platform, comprising Aura, Connect and Halo, supports streamlined processes, real-time information and data analysis, while facilitating collaboration with our clients.

I am excited by the role PwC globally plays in audit innovation. We are continuing to invest in our AI-native assurance platform designed to transform audit processes and support the delivery of high-quality assurance. Through a human-led, technology-enabled approach, we aim to provide a more seamless and effective assurance experience while maintaining appropriate professional oversight.

Our people

Our partners and people are key to our success and central to audit quality. We seek to maintain teams with the capacity, competence, industry knowledge and professional judgement appropriate to the engagements they perform, supported by specialists and risk and quality resources where needed.

Retaining and developing our audit and assurance professionals remains a key priority for our firm. This year, we recruited 319 graduates, strengthening our future talent pipeline. We are equally committed to cultivating the next generation of leaders: in July 2026, we welcomed our new partners, and each year we promote many talented professionals across our practice.

The personal and professional development of our partners and people throughout their careers is highly important to us. Our tailored learning programmes provide our teams with the practical, technical and commercial capabilities they need to excel. These learning programmes also develop skills essential to today's business environment, from digital, AI and other emerging technologies to softer skills such as effective leadership, communication and coaching. All our training programmes are underpinned by a strong and continuing emphasis on professional ethics and culture. In the past year, our partners and staff completed more than 68 hours each of training and development on average.



Our audit culture

Our culture is rooted in excellence and integrity, with PwC Hong Kong's leadership clearly setting that tone from the top. We foster a culture of audit quality, integrity and accountability by embracing challenge and by promoting transparency and professional ethics. This culture is reinforced through effective communication strategies, clear behavioural expectations, continuous learning and appropriate reward and recognition systems.

Our leaders recognise the importance of continually reinforcing these expectations to maintain a consistent culture across our practice. This helps ensure that everyone at PwC Hong Kong, including new joiners, understands, respects and upholds our values and expected behaviours.



AFRC sanctions

On 23 April 2026 the firm's regulator, the AFRC, issued a Statement of Disciplinary Action in relation to the 2019 and 2020 audits of China Evergrande Group, the 2020 audit of Evergrande Property Services Group Limited and the 2020 audit of China Evergrande New Energy Vehicle Group Limited. The Guangzhou branch of PricewaterhouseCoopers Zhong Tian LLP (deregistered in 2024) conducted the audits, which were overseen by a PwC Hong Kong partner who signed the relevant auditors' opinions.

The AFRC sanctions included a public reprimand and pecuniary penalty of HK$310 million on the firm, two of its former partners and registered responsible persons and a six-month practice limitation effective from 23 April 2026, on accepting, performing or issuing reports to new public interest entity clients (which has now ended).

The sanctions also required the firm to provide updates and reports regarding its remedial actions in relation to aspects of its quality control system and to arrange additional training to address regulatory concerns identified by the AFRC. Those actions are planned to be completed by no later than April 2027.

We respect our regulators and fully support them in their role of strengthening the audit profession and enhancing audit quality. We also acknowledge that there are important lessons to be learnt from this matter. Over the five years since the China Evergrande Group audits, we have made substantial and sustained investments to strengthen audit quality.

Quality

This year, we have maintained our focus on quality while advancing the remedial actions required by the AFRC. Our efforts are centred on enhancing our quality systems and processes, including our System of Quality Management (SoQM), and include:

- Significant training programmes and targeted learning initiatives;
- More timely support for front-line audit teams;
- Stronger monitoring of cross-border work; and
- More disciplined root-cause analysis.

We remain committed to continuously improving audit quality by identifying opportunities for improvement and responding to changes in the external environment and developments in technology.

The SoQM is underpinned by policies and procedures designed to meet the quality objectives set out in International Standard on Quality Management 1 (ISQM 1). We do not treat metrics as a substitute for professional judgement; rather, we use them to prompt investigation, constructive challenge and timely action.

Statement on the effectiveness of the firm's SoQM

Continuous improvement is fundamental to our approach to audit quality. Our formal statement on the effectiveness of the firm's SoQM is set out on page 16.

Quality is our highest priority and underpins everything we do. We remain committed to continually strengthening our systems, investing in our people and technology, and delivering high-quality audits and tailored services to our clients. In doing so, we aim to reinforce trust and confidence in the profession and fulfil our responsibilities to the public interest.

PwC Hong Kong Assurance Leadership Executive

“Our clients operate in an increasingly complex and fast-changing environment. We are committed to bringing together deep industry insight, trusted relationships, and high-quality professional services to help them navigate change, manage risk, and create sustainable value with confidence.

Jacky Wong
Institutional Group Leader





“While challenges persist, Hong Kong’s fundamental strengths position its economy for promising growth in the years ahead. We are proud to be part of this exciting chapter and to support the ongoing success of its businesses.

Benson Wong
Entrepreneurial Group Co-Leader

“Quality is our highest priority — embedded in every piece of work we do, every single day.

Raymond Chan
Entrepreneurial Group Co-Leader





“Confidence in financial markets is built on trust. Through our commitment to quality and transparency, we are proud to support the continued strength and resilience of Hong Kong's financial services sector.

Lars Nielsen
Financial Services Group Leader

“Our people are at the heart of our organisation. We empower them to embrace challenge, use technology and innovation to drive impact, and take pride in the work they deliver for our clients.

Cathy Ng
People Partner



PwC Hong Kong Assurance Leadership Executive

“As technology and AI rapidly evolve, we embrace the challenge of helping our clients navigate change with transparency and trust—turning uncertainty into opportunities for growth.

Kristine Chung
Digital Assurance Leader





“We embrace technology-enabled transformation — empowering our people, strengthening quality and delivering greater value for our clients.

Agnes Chan
Operations Partner

“We support regulatory reforms that strengthen Hong Kong’s listing status and are committed to helping clients navigate these changes with expertise and integrity.

Eddie Wong
Capital Market and Accounting Advisory Services Leader





“We actively manage risk with care, discipline and foresight, enabling us to navigate complexity and consistently deliver quality.

Andrew Yuen
Risk Management Partner

“By embedding AI and advanced technologies across our assurance practice, we are empowering our people to focus on what matters most: professional judgement, trust and quality. Innovation is not changing our commitment to quality; it is strengthening our ability to deliver it consistently and at scale.

Chris Hewison
Strategy and Transformation Leader





“Hong Kong’s first five-year plan marks the beginning of a whole new chapter for the city. As businesses look beyond borders, Hong Kong has an important role to play in connecting capital, ideas and opportunities with quality solutions. We are committed to growing with our clients and unlocking their potential in the region.

Daniel Chan
Markets Leader

Over 120 years of history ...

1902

PwC has a long history in Hong Kong, starting off in 1902 when Arthur Lowe registers as Hong Kong's first professional accountant.

1962

Sanford Yung & Co. establishes in Hong Kong.

1965

Sanford Yung & Co becomes a member of Coopers & Lybrand International ("C&L").

1972

Arthur Andersen & Co. establishes an office in Hong Kong.

1974

Lowe, Bingham & Matthews ("LB&M") becomes a member of PW International ("PW").

1979-1994

Both C&L and PW enter Chinese mainland under the Open Door Policy.

1993

The first H-share IPO on the Main Board where the firm is the reporting accountant.

1998

International merger between PW and C&L results in formation of PwC Hong Kong.

2001

First H-share IPO of a Chinese mainland privately-owned enterprise on the Main Board where the firm is the reporting accountant.

2002

PwC Hong Kong celebrates 100 years in Hong Kong.

First international stock listing by a Chinese mainland bank with PwC Hong Kong as the reporting accountant.

2025

PwC unveils a new brand to demonstrate that it is a catalyst for momentum.

2026 onwards

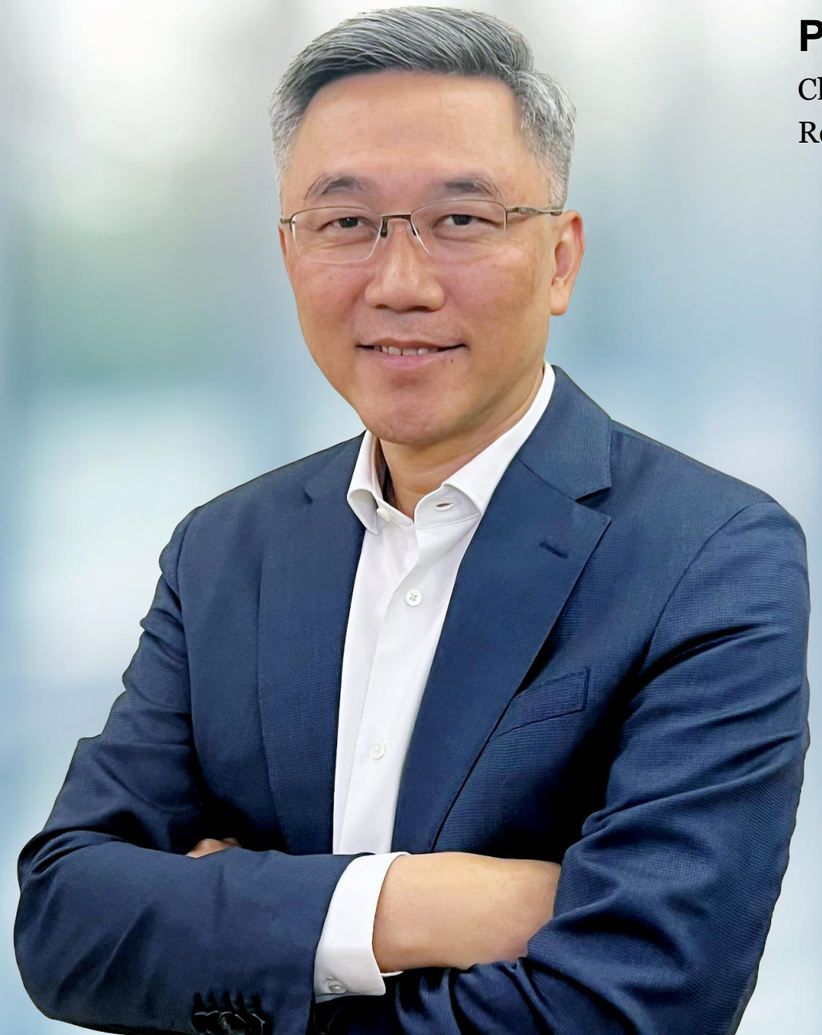
At PwC we are reimagining the way we deliver our audit globally, using AI-first technology that equips our auditors with the latest tools. Further details on our Next Generation Audit are included on page 36.



02

Our approach to quality

“We care deeply about the quality of our work. That’s why we all work together to maintain integrity of our controls and processes that underpin our quality.



Peter Li
Chief Risk &
Regulatory Officer

International Standard on Quality Management 1 (ISQM 1)

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

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

The firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and

Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.

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

A specific focus on audit quality across the PwC network

The PwC network's Assurance QMSE framework

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

To deliver services in an effective and efficient manner that meets the expectations of our clients and other stakeholders, the PwC network (as defined in section 7) has established the Quality Management for Service Excellence (QMSE) framework, which integrates quality management into how each firm runs its business and manages risk. The implementation and ongoing maintenance of the SoQM that follows the framework is the responsibility of PwC Hong Kong.

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

Overall quality objective

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

Integrated and aligned in the right way

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

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



To support these objectives, resources are made available across the PwC network to facilitate the continuous enhancement of quality. This includes having a strong quality infrastructure supported by the right people, underlying tools and technology at both the network level and within our firm, and a programme of continuous innovation and investment in our technology.

The PwC network's Global Assurance Quality (GAQ) organisation aims to support PwC firms in promoting, enabling, and continuously improving assurance quality through effective policies, tools, guidance and systems used to further promote and enhance quality and to build an appropriate level of consistency in what we do.

These elements have been integrated and aligned by the PwC network to create a comprehensive, holistic and interconnected quality management framework that each firm tailors to reflect our individual circumstances. Each firm is responsible for determining how these resources are applied within its own quality management system to meet the expectations of our stakeholders.

The Quality Management Process.

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

- Identifying risks to achieving the quality objectives;
- Designing and implementing responses to the assessed quality risks;
- Monitoring the design and operating effectiveness of the policies and procedures through the use of process-integrated monitoring activities such as Real-Time Assurance (RTA), as well as appropriate Assurance Quality Indicators (AQIs);
- Continuously improving the SoQM when areas for improvement are identified from the firm's monitoring activities, inspections and other relevant sources by performing root cause analyses and implementing remedial actions;
- Establishing a quality-related recognition and accountability framework to both set clear expectations of quality behaviours and outcomes and reinforce those expectations through consistent and transparent use in appraisals, remuneration, and career progression decisions.

This involves the integrated use of:

- AQIs to predict quality issues;
- RTA to prevent quality issues during the course of engagement execution;
- Root cause analysis to identify underlying causes and enable more effective remediation of quality issues; and
- A recognition and accountability framework to establish, communicate and reinforce clear expectations for quality behaviours, culture and actions.



Our firm's SoQM

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

Our focus on quality management is therefore not to apply prescribed rules but rather to design and implement risk responses which are fit for purpose to manage the risks we identify in our own risk assessment. These risk responses should achieve the quality objective, taking into consideration the conditions, events, circumstances, actions and/or inactions that may impact our SoQM.

Our annual assessment of our SoQM is aligned with our firm's financial year ended 30 June. Unless otherwise stated, the data in this Transparency Report is presented on the same basis.

Our risk assessment process

Our firm's SoQM helps us navigate and respond to the impact that identified risk factors have on our ability to achieve the overall assurance quality objective – to deliver quality audit engagements.

Our SoQM includes the performance of a risk assessment over the quality objectives identified in the QMSE framework. We consider how and the degree to which a condition, event, circumstance, action or inaction may adversely affect the achievement of the quality objectives, which may result in:

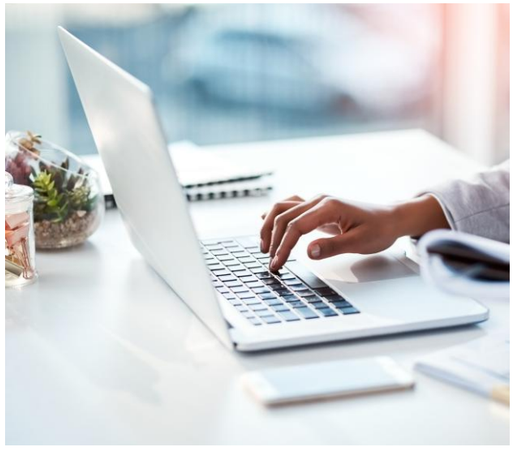
- New or changing quality risks to achieving one or more of the quality objectives;
- Changes to the risk assessment of existing quality risks;
- Changes to the design of the firm's SoQM, including the risk responses.

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

2026 key factors impacting the development of our SoQM

Every year, we assess relevant developments that have implications for the continuous enhancement of our SoQM. These include events, circumstances, and insights such as findings from audit engagement reviews, capital market uncertainties, heightened regulatory and public scrutiny and challenges faced by certain industry sectors. We are committed to integrating these developments into our quality management systems, ensuring we remain resilient and forward-looking.

Over the past year, we have continued to strengthen our SoQM. Key areas of focus have included:



Strengthening leadership and partner accountability

We have implemented a new Partner Quality Assessment (PQA) that gives greater weight to quality factors in performance evaluations. The assessment considers contributions to service standards, risk management and compliance with ethical, independence and professional training requirements. It is a key component of our partners' annual performance evaluations and directly affects their remuneration.

Ensuring appropriate workloads and adequate resources

We have reviewed and rebalanced partner portfolios and aligned staff resourcing with engagement risk assessments, proactive planning and the strategic phasing of audit work.

Enhancing audit planning, project management and coaching

We have delivered focused training on audit phasing, applying professional scepticism and judgement, and the application of our methodology, with particular emphasis on mitigating common issues. We have also reinforced our expectations of partners, directors and managers regarding the continuous direction, supervision and review of audit work.

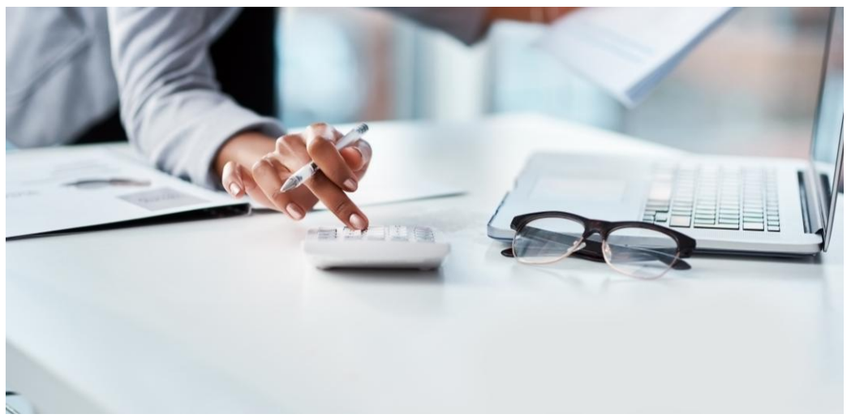
Our commitment to continuous improvement and enhancement of audit quality

At PwC, we see quality as more than a goal – it is a journey to which we are committed. With increasingly rigorous regulations, rising stakeholder expectations, as well as a complex business and economic landscape, we are committed to enhancing audit quality at every turn.

Our leadership is focused on delivering audit excellence and maintaining high standards of quality. We invest to advance our systems of quality management and control, ensuring our practices continually evolve and improve. Our vision is simple: to be recognised as the leading audit firm in Hong Kong, earning the trust and respect of our stakeholders through our steadfast commitment to quality.

Enhancing time recording

We have improved our time-recording processes and use accurate time data to support effective practice management, including budgeting, resource allocation, project phasing and workload distribution.



As our SoQM is a continuously evolving process, our firm's processes, procedures and risks are assessed and updated in response to significant changes throughout the year.



Our firm's System of Quality Management

Aim to Predict: Assurance Quality Indicators

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

Throughout this Transparency Report, we have provided insight into the policies and procedures we have designed, implemented and are operating to reduce the quality risks we have identified to an acceptable level.

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

- Culture and values – governance and leadership, relevant ethical requirements, acceptance and continuance of client relationships and specific engagements;
- Our people – human resources;
- Our approach – Intellectual and technological resources, engagement performance, information and communication.

Our monitoring and remediation process

In the section, on Monitoring, (see page 39), we have described the types of ongoing and periodic monitoring our firm has designed, implemented and operates to provide relevant and reliable information about our firm's SoQM and to help us take appropriate actions on identified deficiencies so that we can remediate them effectively and on a timely basis. To support this remediation, our firm operates a root cause analysis programme that is described further on page 41.

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

Statement on the firm’s system of quality management

Statement on the SoQM

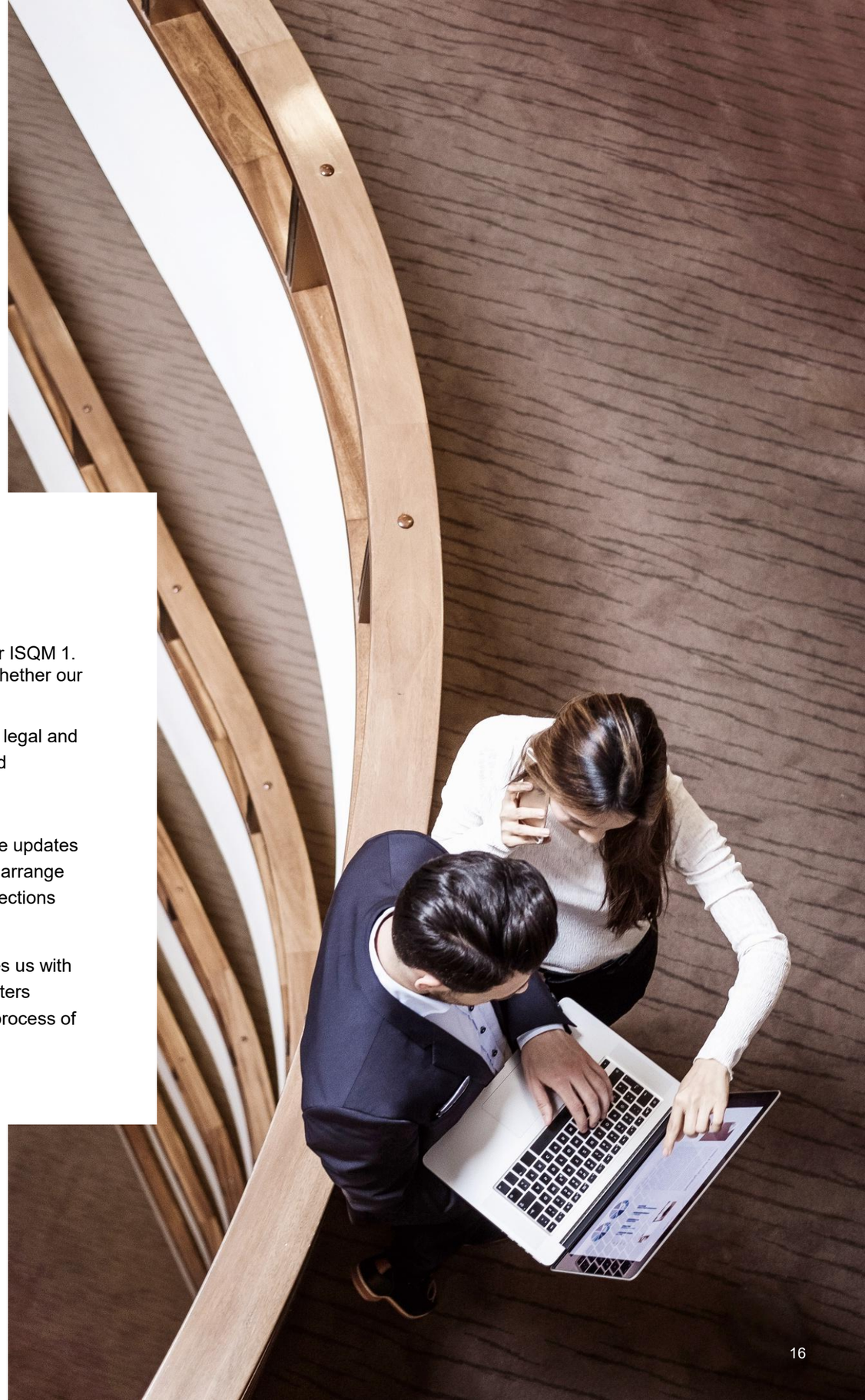
During the year, we completed our evaluation of the PwC Hong Kong firm’s system of quality management under ISQM 1. On behalf of PwC Hong Kong, the Assurance Leader and the Chief Risk & Regulatory Officer* have evaluated whether our firm’s SoQM provides us reasonable assurance that:

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

In April 2026 the firm’s regulator, the AFRC, issued a Statement of Disciplinary Action directing the firm to provide updates and reports regarding remedial actions in relation to certain monitoring controls forming part of our SoQM and to arrange additional training to address regulatory concerns identified by the AFRC. Our actions to address the AFRC’s directions are in progress, with a planned completion date no later than April 2027.

Based on all the relevant information on the firm’s SoQM, as at 30 June 2026, we believe that our SoQM provides us with reasonable assurance that the quality objectives noted above have been achieved, with the exception of the matters identified above that did not have a pervasive effect on our system of quality management and which are in the process of being remediated.

*Who is also the PwC Hong Kong Quality Control System Responsible Person as defined by the AFRC Ordinance.





03

Culture and values



Our culture and values

Definition and culture

At PwC, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of almost 370,000 people. This culture of quality emphasises that quality is the responsibility of everyone. Continuing to enhance this culture of quality is a significant area of focus for our global and local leadership teams, and one which plays a key part in the measurement of their performance.

Measurement and transparency

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

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

Strengthening our speak-up culture

Every team member should feel confident and supported in voicing concerns. Enabling open dialogue is essential for continuous improvement and helps prevent the recurrence of past errors.

We are continuing to implement the following changes to strengthen our speak-up culture:

Specifying the key behaviours in terms that are actionable for partners and staff, bringing clarity to what PwC Hong Kong expects and what partners and staff should expect from PwC Hong Kong;

Embedding these key behaviours in systems and processes including client selection, training, coaching and supervision, performance evaluation and promotion processes;



Defining measures to assess progress and inform further actions.

These actions will be business-led, with collaboration from functional teams.

Our firm’s commitment to quality

Leadership and tone at the top

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

Leadership plays an essential role in shaping a culture of audit quality and accountability. PwC Hong Kong’s leadership is dedicated to delivering audit quality through a culture of challenge, transparency and professional ethics. We make enhancements on a continual basis to ensure these are delivered consistently. This includes refining communication strategies, and evaluating and revising reward systems, including ensuring appropriate emphasis is placed on quality metrics.

Trust in what matters

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

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

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

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



> Trust is built on quality. Our role is to provide confidence in the information that matters most to businesses and their stakeholders.

John Ryan
Assurance Leader

When working with our clients and our colleagues to build trust in society and solve important problems, we are living our values on a daily basis. These are:



Act with integrity

Acting with integrity means speaking up for what's right, even when it's difficult, and delivering high-quality outcomes.

Care

PwC employees are encouraged to care for one another and their clients, support each other's growth, and recognise the value each person contributes.

Make a difference

This value involves staying informed, proactively seeking ways to improve the world, and creating a positive impact for colleagues, clients and society.





Work together

This value emphasises collaboration, sharing knowledge beyond boundaries, and integrating diverse perspectives to make work stronger.

Reimagine the possible

This principle involves challenging the status quo, innovating and learning from new ideas and experiences.

Our prioritised behaviours

Our values define who we are, what we stand for and how we behave. In FY26, we introduced three prioritised behaviours for PwC China, including Hong Kong: **Embrace Challenge, Drive Impact** and **Take Pride**. Developed with our people, these behaviours identify the actions that can have the greatest impact in advancing our strategy, building trust and enhancing quality across the firm.

Embrace Challenge is about curiosity, courage and resilience—leaning into complexity, learning through uncertainty and supporting one another to grow. This mindset is critical as we continue to navigate change.

Drive Impact is about the outcomes we achieve. We put quality at the heart of everything we do, collaborate with clients and colleagues, communicate openly and listen carefully to deliver distinctive outcomes that create lasting value for our clients and society.

Take Pride means recognising the importance of our work and the standards we uphold. By embracing challenges and driving impact, we can take pride in our people, our teams, our firm and the value we create for clients and society.

The Management Board launched the three prioritised behaviours across the firm, with local leadership reinforcing them within the audit and assurance Line of Service and individual business units. During FY26, we focused on raising awareness and integrating the behaviours into our everyday ways of working and key people processes, including performance self-assessments. This work will continue in FY27 as the behaviours become more deeply embedded across the firm, particularly within our audit and assurance practice.

The continued embedding of these behaviours supports a quality-first culture. They guide our people to deliver quality, collaborate effectively, demonstrate professionalism and build trust with clients and society.

This culture is reinforced by a clear tone from the top and regular communication to partners and staff about the firm's commitment to quality. Key messages from the Chair and CEO and the leadership team are reinforced by engagement partners, who model the expected behaviours in their interactions with clients and teams. We assess whether our people believe that leaders communicate the importance of quality clearly, whether they feel comfortable reporting ethical concerns and whether expectations regarding ethical behaviour are well understood.



Our people processes also reinforce this culture, from recruitment through to development, performance evaluation and reward. Our values express what we stand for, while the prioritised behaviours identify the actions on which we are placing particular emphasis. These are complemented by the PwC Professional, our career development framework, which sets out the capabilities required to thrive as a purpose-led and values-driven leader at every level.

The PwC Professional has five equally important attributes: Whole leadership, Business acumen, Technical and digital, Global and inclusive, and Relationships. Under Technical and digital, for example, our people are expected to adhere to quality standards and practices, work effectively in a digital environment and continually develop their technical capabilities.

Delivering services of the highest quality is core to our purpose and assurance strategy, which seek to strengthen trust and transparency in our clients' reporting, the capital markets and wider society.

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Reinforce: Recognition and Accountability Framework

Our Recognition and Accountability Framework (RAF) reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high-quality culture. Our RAF has been designed to:

- Set clear expectations for quality behaviours and outcomes
- To reinforce those expectations by holding partners and directors with engagement leader or supporting roles in client engagements, and those with roles responsible for other elements of the SoQM, accountable for quality behaviours and quality outcomes beyond compliance

Our RAF considers and addresses the following key elements:

- **Interventions and recognition**

  We have put in place interventions and recognition measures that promote and reinforce positive behaviours and drive a culture of quality.

- **Behaviours**

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

- **Quality outcomes**

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

- **Consequences and reward**

  We have implemented financial and non-financial consequences and rewards that are commensurate with outcome and behaviour and are sufficient to incentivise the right behaviours to achieve the quality objectives.

The primary input to partner and director performance evaluation is the newly introduced PQA, which summarises inputs on quality behaviours and outcomes, including contributions to service standards, risk management, compliance, and timely completion of required training. The is completed by all audit and assurance partners and engagement leaders. Inspection findings from regulatory or internal quality reviews are considered through application of the RAF. Sanctions for quality failings, and positive recognition for good quality work and behaviours, are proposed by our Assurance risk and quality function for confirmation by leadership and inclusion in the final annual partner and director performance outcomes.

The principles in the RAF also apply to all assurance staff below partners and directors. Their accountability for their performance is set out in the Assurance Expectations Framework.



Ethics, independence and objectivity

Ethics

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

01

Integrity

To be straightforward and honest in all professional and business relationships.

02

Objectivity

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

03

Professional competence and due care

To attain and maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current technical and professional standards and relevant legislation and acts diligently and in accordance with applicable technical and professional standards.

04

Confidentiality

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

05

Professional behaviour

To comply with relevant laws and regulations and avoid any conduct that the individual knows or, as a professional accountant, should know might discredit the profession.



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

In addition to the PwC Values and PwC Purpose, PwC Hong Kong has adopted PwC's Global Code of Conduct, network standards and related policies that clearly describe the behaviours expected of our partners and other professionals – behaviours that will enable us to build public trust. Because of the wide variety of situations that our professionals may face, our standards provide guidance under a broad range of circumstances, but all with a common goal - to do the right thing.

Upon hiring or admittance, PwC Hong Kong provides an overview of the PwC Code of Conduct and the expected behaviours for all partners and staff, who should follow these expectations throughout their professional careers at our firm. As part of the values and expectations in the PwC Code of Conduct, they also have a responsibility to report and express concerns, and to do so fairly, honestly, and professionally when dealing with a difficult situation or when observing conduct inconsistent with the PwC Code of Conduct. In addition, every partner and staff member is required to complete new hire training during their onboarding process, which covers ethics and compliance with network standards, including ethics and the PwC Code of Conduct.

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

The PwC Code of Conduct and the ethics reporting channel are available on-line for all internal and external stakeholders at https://www.pwc.com/ethics. All reports of suspected misconduct are investigated.

PwC Hong Kong has adopted an accountability framework to address behaviours that fall short of the PwC Code of Conduct. Where a breach is substantiated, appropriate and proportionate actions are taken, which may range from training and formal warnings to consequences for remuneration or career progression, up to and including termination of employment.

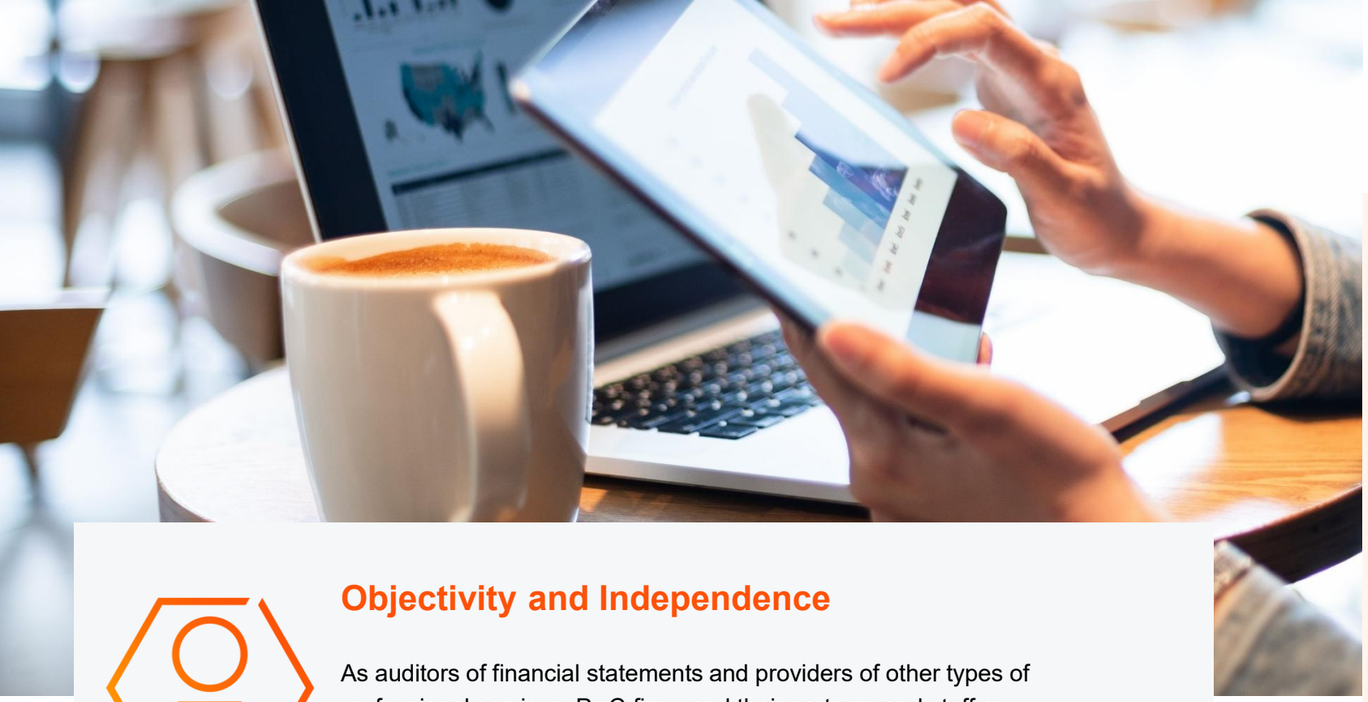
Finally, the Organisation for Economic Co-operation and Development (OECD) provides guidance, including the OECD Guidelines for Multinational Enterprises (the "OECD Guidelines"), by way of non-binding principles and standards for responsible business conduct when operating globally. The OECD Guidelines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



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Integrity is more than a principle. It is how we make decisions and take responsibility every day - actions that build trust and shape a culture where others do likewise.

Jessica Li
Ethics and Business Conduct Leader



Objectivity and Independence

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

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

The independence requirements of the United States Securities and Exchange Commission (SEC) are, in certain instances, more restrictive than the Policy. Given the reach of these requirements and their impact on PwC firms in the network, including PwC Hong Kong, the Policy identifies key areas where an SEC requirement is more restrictive. Provisions that are specifically identified as applicable to SEC restricted entities must be followed in addition to, or instead of, the Policy in the associated paragraph. PwC Hong Kong has a designated partner (known as the ‘Partner Responsible for Independence’ or ‘PRI’) with appropriate seniority and standing, who is responsible for the implementation of the Policy, including managing the related independence processes and providing support to the business. The partner is supported by a team of about fifty independence specialists. Significant independence matters are reported to the firm’s leadership for attention, and the PRI reports directly to the Chief Risk & Regulatory Officer, a member of the firm’s Management Board.

Independence policies and practices

The Policy covers, among others, the following areas:

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

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

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

PwC Hong Kong supplements the Policy to include the auditor independence requirements of the Hong Kong Institute of Certified Public Accountants (HKICPA), the People’s Republic of China Ministry of Finance, the China Institute of Certified Public Accountants, the United States Securities and Exchange Commission and those of the Public Company Accounting Oversight Board of the United States and of the EU Audit Regulation where they are more restrictive than the network’s Policy.



Independence-related systems and tools

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

- The Central Entity Service (CES) contains information about PwC audit and assurance clients and their related entities (including PwC audit and assurance clients that are Public Interest Entities and SEC restricted entities) as well as their related securities. CES assists in determining the independence restriction status of PwC clients before entering into a new non-audit service or business relationship. The data in this system also feeds our Assure Portfolio and the Authorisation for Services systems;

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

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

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

PwC Hong Kong also has a number of Hong Kong-specific systems and processes which include:

- A system that clears joint business relationships ('JBR') from an independence perspective. JBR is used to facilitate PwC Hong Kong's compliance with JBR requirements for new and existing joint business relationships. It assists independence specialists in gathering information to assess, from an independence perspective, the permissibility of proposed joint business relationships and in monitoring the continued permissibility of previously approved existing joint business relationships.

- Rotations of audit engagement leaders and other key audit partners are monitored to ensure compliance with PwC Hong Kong's audit rotation policies.

- In addition, PwC Hong Kong utilises the network's centres of excellence, which adopt standardised processes to perform the independence assessment and monitoring of joint business relationships and approval of non-audit services for certain categories of clients.



Independence training and confirmations

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

All partners and practice staff are required to complete an annual compliance confirmation, whereby they confirm their compliance with relevant aspects of the Policy and PwC Hong Kong independence requirements, 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. Separately, these annual confirmations are supplemented by periodic engagement-level independence confirmations from all partners and staff who provide audit or non-audit services to audit clients of PwC Hong Kong.



> An audit opinion is only as valuable as the independence of the auditor who signs it. Protecting that independence is the first commitment we make on every engagement.

Alex Cheng
Partner Responsible for Independence

Independence monitoring and disciplinary policy

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

- Testing of independence controls and processes.
- Personal independence compliance testing of partners and practice staff as a means of monitoring compliance with independence policies.
- An annual assessment of our firm's adherence to the PwC network's standard relating to independence.

The results of PwC Hong Kong's monitoring and testing are reported to the firm's senior management on a regular basis with a summary reported to them on an annual basis. PwC Hong Kong has an Independence Accountability Framework and supporting independence policies and mechanisms in place that promote compliance with independence policies and processes, and that require any breaches of independence requirements to be reported to the relevant parties and addressed according to the firm's policies and procedures.

This would include discussion with the client's audit committee regarding the nature of a breach, an evaluation of the impact of the breach on the independence of PwC Hong Kong and the need for actions or safeguards to maintain objectivity.

All breaches are taken seriously and investigated as appropriate. The investigations of any identified breaches of the Policy also serve to identify the need for improvements in PwC Hong Kong's systems and processes and for additional guidance and training.







Considerations in undertaking the audit

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

Client and engagement acceptance and continuance

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

Engagement teams

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

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

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

Client Committee

- To support quality-focused, risk managed growth, the Client Committee comprises leaders from markets, risk, business and finance, with delegated authority to make opportunity acceptance decisions for large and, in some cases, potentially higher risk engagements.





04

Our people

“Our people strategy is fundamental to audit quality. We are investing in our people’s skills, development and wellbeing while reinforcing the behaviours that enable them to exercise sound professional judgement and consistently deliver high-quality work.

Cathy Huang
Chief People Officer



Our people

People strategy

Our people strategy supports our broader business strategy, Transform Today, Build Tomorrow. We aim to equip our people with the agility, skills and confidence to succeed in a rapidly changing world. Our priorities include supporting the wellbeing of our people and enabling effective delivery; developing inclusive leaders for a shifting world; and enabling our workforce for today’s realities and tomorrow’s possibilities.

We invest in our people and align our workforce with the firm’s future needs, creating an environment in which individuals are encouraged to learn, experiment and take ownership of their development. We are building capabilities in areas including AI and digital technology, leadership and emerging technologies. Grounded in quality, integrity and trust, our approach enables our people to deliver meaningful outcomes for clients, support the firm’s sustainable growth and uphold our values.

The PwC Professional

The PwC Professional, our career progression framework, sets out the capabilities our people need to develop and the behaviours they are expected to demonstrate at every level. By embedding these capabilities and behaviours in how we work, we enable our people to build trust, collaborate effectively with colleagues, clients and other stakeholders, and deliver distinctive outcomes.

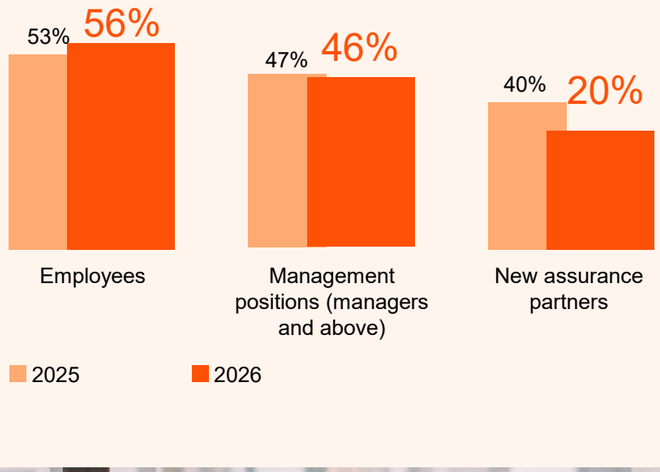
PwC China and Hong Kong’s three prioritised behaviours—Embrace Challenge, Drive Impact and Take Pride—complement the PwC Professional framework.

Inclusion and diversity

We're an organisation that fosters a culture of belonging and equity where our diverse workforce can thrive and feel like they belong. We do this by embedding an Inclusion First approach into every stage of the employee lifecycle, ensuring that inclusion is a lived experience across all our member firms and throughout the PwC network.

With people from over 20 different nationalities in our audit and assurance practice, we value and embrace diversity. We support our people in developing the skills to work and lead inclusively, with a focus on gender equity, disability inclusion, LGBT+ inclusion and fostering an inclusive culture. This commitment is underpinned by inclusive systems and behaviours.

Gender diversity (females)



Career progression

PwC Hong Kong uses the PwC Professional, our career progression framework, which sets out clear expectations at all staff levels across five key dimensions. The framework underpins all elements of career development and helps our people develop into well-rounded professionals and leaders with the capabilities and confidence to produce high-quality work, deliver an efficient and effective experience for our clients, execute our strategy, and support our brand. Our annual performance cycle is supported by continuous feedback conversations and regular check-ins with the individual's Team Leader and Career Coach to discuss their development, progression and performance. In FY26, we have incorporated our prioritised behaviours into the annual performance evaluation form, reinforcing our sustained commitment to upholding high-quality work delivery and driving continuous impact to the market.

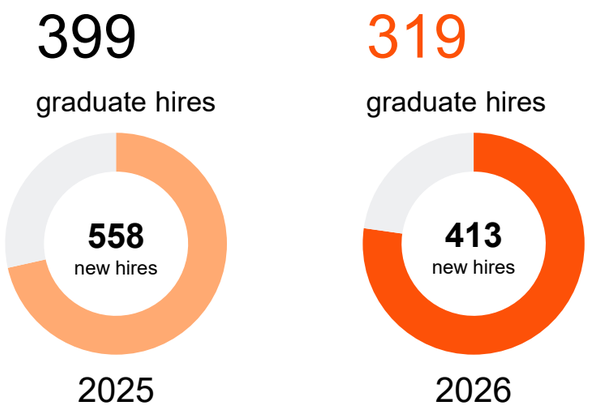
Feedback and continuous development

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

Recruitment

PwC Hong Kong aims to recruit, develop and retain talented, future-ready people who have the right skills and share the firm's strong sense of purpose and responsibility for delivering high-quality services. We have refreshed our campus recruitment events to highlight our investment in AI and emerging technologies and introduced on-site interviews to identify candidates with the right skills and attributes. We have also organised dialogues that connect students with our people and alumni, using their real-world experiences to inspire young talent and provide insight into the diverse career and development opportunities available in our audit and assurance practice.

Our robust hiring process includes a structured interview with behaviour-based questions based on the PwC Professional framework, assessment of academic records, work and internship experience and pre-onboarding background checks. In FY26, the audit and assurance practice recruited 413 new people, including 319 university graduates. In addition, we recruited interns and collaborated with universities on placement initiatives, including apprenticeship programmes, to strengthen our flexible workforce and develop an early pipeline of talent.



Retention

Turnover in the public accounting profession is often high because, as accounting standards and regulations change, accountants are in demand and the development experience we provide makes our staff highly sought after in the external market. Our voluntary turnover rate fluctuates based on many factors, including the overall market demand for talent.

We continue to strengthen our practice structure and talent mix, ensuring that our partner and staff composition supports our business priorities and meets stakeholder expectations. This ongoing focus on building the right capabilities and improving how we are structured helps our audit and assurance practice remain agile and resilient, while maintaining a strong commitment to audit quality and effective risk management.

We regularly review our employee offering to remain competitive in the market and responsive to the needs of our people.

In FY26, we increased starting salaries as part of our consistent investment in our people and talent, strengthening our ability to attract high-quality talent and sustain the delivery of quality services to our clients.

We also enhanced premiums for key professional qualifications and continued to differentiate compensation based on performance, contribution and career progression, supporting a transparent, fair and high-performance culture.

To support our culture transformation and focus on quality, we also enhanced the Life Awards Programme. Through digital badges and reward points, our people can recognise colleagues who demonstrate our prioritised behaviours – Embrace Challenge, Drive Impact and Take Pride, helping to reinforce lasting cultural change.

To build stronger connections across our audit and assurance practice, business units are encouraged to hold annual social events, such as welcome gatherings, holiday celebrations and post-peak season activities. We also support smaller team-building activities that strengthen relationships and encourage collaboration.

Our Team Leaders and Career Coaches are central to turning these initiatives into sustained team outcomes. We have strengthened the support and resources available to our people managers to help them set clear expectations, hold regular development and wellbeing conversations, recognise good behaviours, manage workloads and address issues early. Applied consistently, these practices give people greater clarity, timely feedback and access to the support they need, strengthening trust, engagement and wellbeing. Over time, this should contribute to measurable outcomes such as stronger employee engagement, improved retention, more effective collaboration and the consistent delivery of high-quality work. We will monitor these indicators through employee feedback, people data and team performance measures to assess impact and identify areas for further improvement.

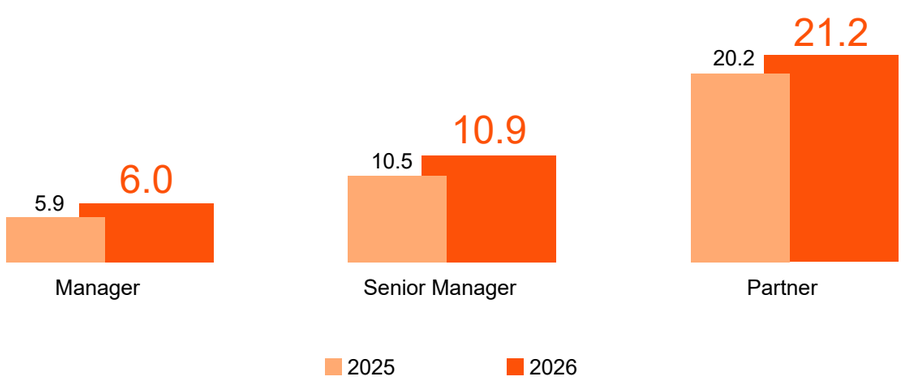


Team selection, experience and supervision

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

In FY26, average tenures for managers, senior managers and partners are 6.0 (FY25: 5.9), 10.9 (FY25: 10.5) and 21.2 (FY25: 20.2) years.

Average Tenures (in years)

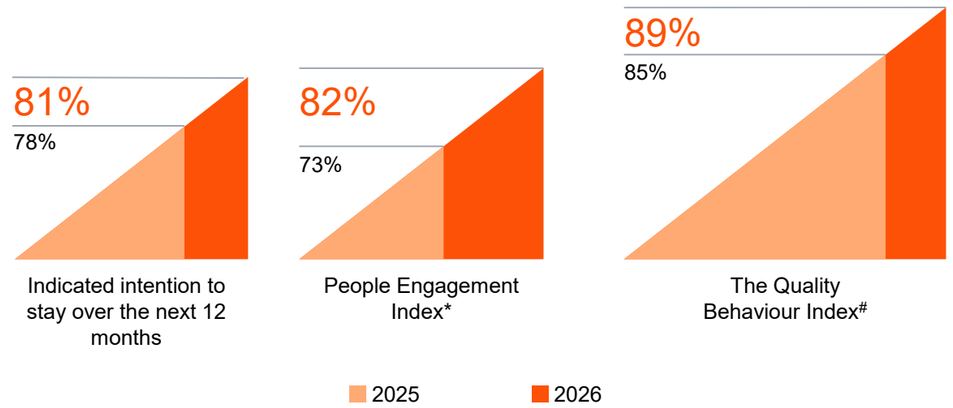


Global People Survey

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

Our FY26 people experience metrics show year-on-year improvement across key indicators, including retention intent (+3 pts), engagement (+9 pts), and the Quality Behaviour Index (+4 pts). These results reflect our continued focus on strategic investment in our people and our commitment to sustainable high performance.

Global People Survey



*People Engagement Index measures individual employee's experience working at PwC.
#The Quality Behaviour Index measures the collective perception of behaviours that contribute to quality work.

Learning and Education



Professional development

Investing in our people's development and professional growth is central to our people strategy. It strengthens our firm's long-term performance and demonstrates our steadfast commitment to quality. By building the skills, experience and capabilities of our people, we enable them to respond to the evolving needs of our clients, deliver consistently high-quality outcomes and contribute to the sustained success of our firm.

We support the professional and personal development of our people at every stage of their careers through a holistic approach, creating a strong and adaptable workforce for the future. This combines practical, on-the-job experience with coaching, collaboration and knowledge sharing, complemented by formal learning opportunities, including in-person and virtual classroom sessions and online courses.

Achieving professional credentials supports our firm's commitment to quality through consistent examination and certification standards. We complement this with personalised development pathways that help our people prioritise and manage their time effectively while preparing for professional qualification examinations.

Continuing education

Across PwC, network-led formal training provides a consistent foundation for professional development. The curriculum covers essential topics, including the PwC audit approach and tools, key areas of audit risk and opportunities to enhance audit quality. Delivered through a combination of in-person and virtual classroom sessions and eLearning, these programmes support our primary objective of quality while strengthening practitioners' technical and professional capabilities, including professional judgement and the application of a sceptical mindset. In addition to technical training, we provide learning and development opportunities that equip our people with a broad range of skills and capabilities, from AI and other emerging technologies, to leadership and business skills such as communication and coaching.

The programmes are designed to provide flexibility for local delivery. PwC Hong Kong therefore supplements globally developed training with technical and non-technical content tailored to the specific needs of the local environment.

All PwC Hong Kong partners and staff are expected to uphold the highest standards of ethics and integrity when completing learning activities. Mandatory training helps ensure that our people remain current with the latest technical developments, have the skills required to perform their assignments effectively and meet applicable continuing professional development requirements. Timely completion of mandatory training is also considered in annual performance evaluations.

PwC Hong Kong uses a learning management system to monitor the training status of partners and staff.

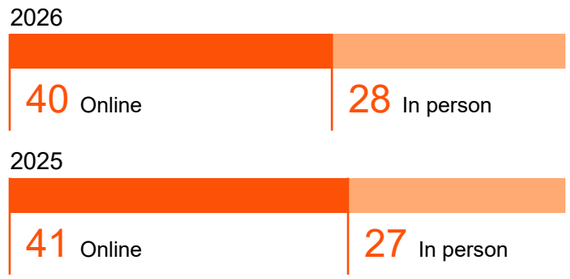
PwC Hong Kong also maintains current reference materials that are accessible to all partners and staff in the audit and assurance practice. These resources cover audit guidance, procedures and methodology and include a library of local and international accounting, auditing and ethical standards. Regular communications on emerging technical and regulatory matters further help our partners and staff keep their knowledge up to date.

Our training investment in people

Number of CPD hours required for the audit and assurance practice

The HKICPA requires all members to complete at least 120 hours of relevant professional development activity in each rolling three-year period, of which 60 hours shall be verifiable. Moreover, all members are required to complete at least 20 hours of relevant professional development activity in each year.

Average technical training hours achieved by partners and staff for FY26 and FY25



Total technical training hours completed

FY26 87,948 hours

(FY25: 100,025 hours)

Mandatory training attendance: 100% (2025: 100%) of partners and staff have completed all mandatory training in FY26.



05

Our approach

“AI and technology amplify our capabilities, but our people remain at the core — asking, challenging, and applying professional judgement.



Royal Gao
Assurance Technology Leader

Our approach

PwC Hong Kong uses a range of leading-edge methods, processes, technologies, and approaches to ensure continuous improvement in the performance and quality of our audit engagements.

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

The quality and effectiveness of audit is critical to all of our stakeholders. At PwC Hong Kong, we are committed to enhancing audit effectiveness by investing significantly in our team’s skills, refining methodology, leveraging leading-edge technology and ensuring we devote ample time and resources. We track internal indicators and processes that monitor the effectiveness of our risk and quality processes, delivering timely information about our audits and identifying areas for improvement. Details of these indicators and processes can be found in the Monitoring of Assurance Quality section. Additionally, we engage with our stakeholders to understand their expectations of us, while addressing the findings of regulatory inspections on the quality of our work.

People

Data and technology can help reveal insights, but it takes an inquisitive person with well-rounded business knowledge to understand what those insights mean. We recruit professionals with these capabilities - people who can deliver the highest quality outcomes in terms of client service and compliance. Our forward-looking approach ensures we attract individuals who are not only equipped for current demands but also to drive the future of quality in our industry.

Technology

As technological change accelerates, our clients want to trust their information with organisations that don’t merely keep up but lead the way. We’ve made a global commitment to offer leading audit technology, and we’ve invested heavily in tools to match our approach. The result is higher quality and more insightful outcomes for our clients.

Tools and technologies to support our audit

Our technology

Aura

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

Connect

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

Count

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

Halo

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

Acquisition Hub and Halo Platform

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

Halo for Crypto

Halo for Crypto supports the engagement team in obtaining sufficient appropriate evidence over crypto asset-related balances and transactions. The Halo solution provides substantive evidence to establish that an entity has access to the digital wallets containing its crypto asset transactions and balances. The application can also securely extract blockchain transactions from public addresses to independently and reliably gather corroborating information about blockchain transactions and balances.

PwC Confirmations

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

AI-Assisted Disclosure Checking

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

DocumentBot

DocumentBot automates document generation to provide a streamlined and simplified experience for drafting engagement letters, audit reports, and technical memos.

ChatPwC

ChatPwC is an AI solution designed to drive innovation, efficiency, and impact across the PwC network. It is an intelligent assistant that leverages generative AI technology in a secure environment. Users can engage in diverse conversations and address a vast range of topics. Its GenAI capabilities assist in automating tasks and put information, data, and insights into the users' hands faster. A prompt library is available, which includes widely used prompts to provide quick solutions at scale.

Our Next Generation Audit

In FY26, PwC firms continued to advance our investment in the Next Generation Audit (NGA) programme, driving a fundamental transformation in how PwC delivers audits across technology, methodology, processes, and ways of working. At the heart of this transformation is our AI-native assurance platform and its ecosystem of integrated digital tools. Built from the ground up with AI at their core, they integrate human judgement, technology, and AI to deliver a more digitised and seamless assurance experience for our clients.

Reliability and auditability of audit technologies

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

Confidentiality and Information Security

Confidentiality and information security are key elements of our professional responsibilities. Misuse or loss of confidential client information or personal data may expose the firm to legal proceedings, and it may also adversely impact our reputation and brand. We take the protection of confidential and personal data very seriously. By applying the Information Security Controls Standard, it is the policy of the PwC network that the information assets of the firm be protected from internal or external threats, whether deliberate or accidental, such that:

- Data subject rights are respected;
- Confidentiality of information is maintained;
- Integrity of information can be relied upon;
- Information is available when the business needs it;
- Relevant statutory, regulatory, and contractual obligations are met;
- The PwC brand is protected.

Specifically, it covers the following areas:

- PwC personnel responsibilities - areas affecting personnel security within the firm, such as employee vetting, terms and conditions of employment, confidentiality agreements, and user awareness training;
- Confidentiality agreements - Where permitted by law and in accordance with local firm policy, confidentiality agreements (for example non-disclosure agreements) may be implemented and signed by PwC staff and third-party suppliers;
- Data protection - Data must be identified based on data classification and confidentiality requirements and must be protected with use of encryption where appropriate (for example, at rest, during transmission) and consider compliance with local and applicable international laws.



Data privacy

The firm maintains a robust and consistent approach to the management of all personal data, ensuring compliance with applicable data protection law. Everyone in our organisation plays a role in safeguarding personal data, fostering a culture of accountability.

The firm has continued to strengthen our comprehensive data privacy and protection programme supplementing the Network Data Policy with Supplementary Guidance, including practical procedures and training, to ensure consistent handling of personal data. We respect the privacy and confidentiality of information of our clients, our people, and business partners by implementing robust security measures, such as access controls, and regular risk assessments.

We are also committed to embedding good data management practices across our business. Our PwC Code of Conduct outlines local policies covering legal and professional obligations, including data protection. All partners and staff are required to confirm their compliance with these policies annually. We remain committed to embedding best-practice data privacy management across our business and continuously enhancing our processes to address evolving regulatory requirements and risks.

Information Security

Information security is a high priority for the PwC network. Our firm is accountable to our people, clients, suppliers and other stakeholders to protect information that is entrusted to us.

Failure to protect information could potentially harm the individuals whose information our firm holds, lead our firm to suffer regulatory sanctions or other financial losses, and impact the PwC reputation and brand. As such, our firm complies with the Information Security Policy, which outlines the minimum security requirements for all PwC firms.

Our data centres in Hong Kong are ISO/IEC 27001:2022 certified. They are annually reviewed for their IT security control effectiveness by an independent certification body. This demonstrates our commitment to maintaining a robust information security management system across our locations in Hong Kong.

Supporting engagement performance



Evolving delivery model

We continue to evolve the way we deliver our services, so our people give our clients an even better experience, further enhance the quality of what we do and create economic capacity to invest in the future. We use Service Delivery Centres (SDC) to streamline, standardise, automate, and centralise portions of the audit.

Direction, coaching and supervision

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

Consultation culture

Consultation is key to maintaining high audit quality. We have formal protocols on consultation in the pursuit of quality. For example, our engagement teams consult with appropriate groups in areas such as digital assurance, taxation, valuation, actuarial and other specialties, as well as individuals within our technical support functions.

Technical support

We have specialists supporting our engagement teams, including technical accounting, auditing, and financial reporting groups, as well as risk management. These specialists play a vital role in keeping our policies and guidance in these areas current by tracking new developments in accounting and auditing and providing those updates to professional staff.

Quality Review Partner (QRP)

Specific audit engagements are assigned a QRP (also referred to as an Engagement Quality Control Reviewer) as part of the member firm's SoQM, as required by professional standards. These independent individuals possess the necessary experience, technical knowledge, and sufficient time to be involved in the most critical aspects of the audit. For example, they may advise on the engagement leader's conclusion regarding independence compliance and provide an objective quality check for significant judgements made during the planning, performing and reporting phases in the engagement, covering accounting, auditing, and financial reporting and disclosure matters.

Differences of opinion

Protocols exist to resolve any situations where a difference of opinion arises between the engagement leader and either the QRP or specialists in our technical support functions.



06

Monitoring

Monitoring



Monitoring of audit and assurance quality

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

Responsibility for appropriate quality management lies with the leadership of PwC Hong Kong. This includes the design and operation of an effective SoQM that is responsive to our specific risks to delivering quality audit and assurance engagements, using the network's QMSE framework.

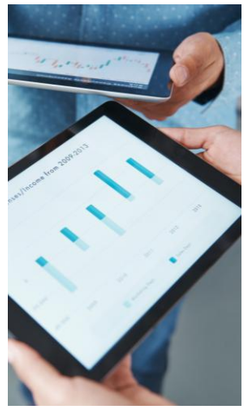
The overall quality objective under the QMSE framework is to have the necessary capabilities in our firm and to deploy our people to consistently use our methodologies, processes and technology in the delivery of audit and assurance services in an effective and efficient manner to fulfil the valid expectations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

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

Aim to prevent: Real-Time Assurance

We have developed an RTA programme designed to provide preventative monitoring that helps coach and support engagement teams in completing the 'right work' in real time, during the audit. The objective of the RTA programme is to provide engagement teams with feedback on the execution of our audit methodology and to support our firm to continuously enhance and monitor quality. It helps our engagement teams embrace a learning mindset and encourages sharing of good practices as well as identified areas for improvement, so that the wider practice can benefit from this programme. In FY26, 100 engagements were selected for the RTA programme (FY25: 87).

The selection criteria of engagements for the RTA programme are revisited every year, taking into consideration engagements with specific risks or within specific industries. Reviewers include nominated partners and senior managers from our practice business and risk & quality function, depending on the types of RTA programme being conducted. Furthermore, the focus areas are updated where necessary to address key findings identified in recent engagement reviews and other inspections.



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

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

Reviews are led by experienced assurance partners, supported by objective teams of partners, directors, senior managers and other specialists. ECR reviewers are sourced from within PwC China and from other PwC firms, to provide appropriate expertise or objectivity.

Review teams receive training to support them in fulfilling their responsibilities and utilise a range of checklists and tools developed at the network level when conducting their inspection procedures. The network inspection team supports review teams by monitoring the consistent application of guidance on classification of engagement findings and engagement assessments at PwC Hong Kong.

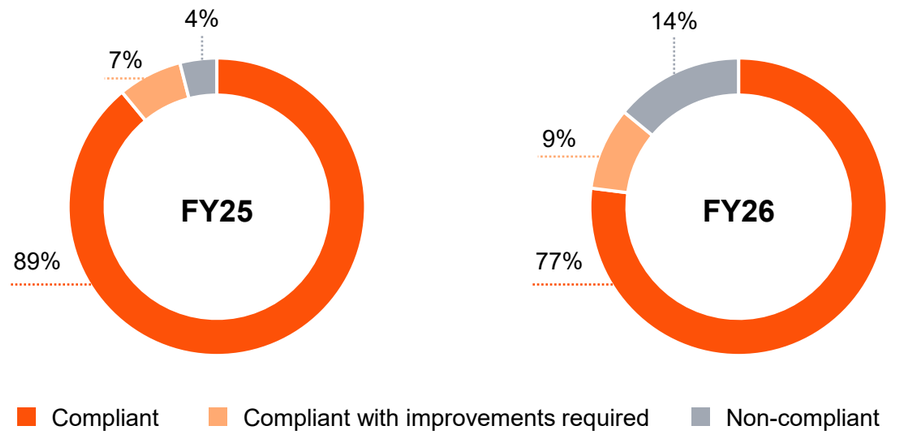
Additionally, the PwC network undertakes periodic reviews to evaluate certain elements of PwC firms' SoQM. The network also looks at the PwC firm leadership's own assessment of the effectiveness of their SoQM and their determination of whether the overall quality objective has been achieved.



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

Assurance engagement leaders of our firm receive information on the results of the network inspection programme. This information is intended to help them assess the scope of the audit work they need to perform and the extent to which they can rely on work performed by other PwC firms in connection with the audit of a client's consolidated financial statements.

ECR Results — audit and non-audit engagements



28	FY25 Total number of engagements
35	FY26 Total number of engagements

While the percentage of non-compliant engagements in ECR has increased in FY26, none of the findings required a restatement or withdrawal of audit or non-audit assurance opinions. The causal factors identified through the root cause analysis have been reflected in our quality improvement plan.

Learn: root cause analysis

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

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

In addition, the data compiled for audits both with and without engagement-level findings is compared and contrasted to identify whether certain factors appear to correlate to audit quality. Examples of this data include hours incurred on the audit, the number of years of experience of the key engagement team members, the number of years the key engagement team members have been on the engagement, the number of other audits that the key engagement team members are involved in, etc.

Our goal is to understand how quality audits may differ from those with engagement-level findings, and to evaluate how these learnings may be used to continuously improve all of our audits. We evaluate the results of these analyses to identify enhancements that may be useful to implement across the practice.



External inspections

As a registered Certified Public Accountants (CPA) firm and Public Interest Entity auditor, PwC Hong Kong is subject to an annual inspection by the AFRC in Hong Kong under the Accounting and Financial Reporting Council Ordinance. In the 2025 AFRC Inspection of Public Interest Entity (PIE) engagements, five out of six files reviewed were rated AQR 1 or 2 'Good or Limited improvements required'. One file was rated AQR 3 'Improvements required'. No significant finding was raised for the two files in relation to non-PIE engagements. None of the findings required the re-issuance of the auditor's report or a restatement.



Zero

findings required the re-issuance of the auditor's report or a restatement.



07

PwC network



PwC network

Global network

PricewaterhouseCoopers International Limited

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

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

For these reasons, the PwC network consists of firms which are separate legal entities. The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC network are members in, or have other connections to, 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.

The governance bodies of PwCIL are:

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. Please refer to the following page on the PwC Global website for a list of the current members of the Global Board.

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.

Network Leadership Team

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

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.

The Territory Senior Partner (TSP) who is also the Chair and CEO, is a member of the Strategy Council and maintains our relationships with the Network Leadership Team.

Total turnover achieved by statutory auditors and audit firms from EU/EEA Member States that are members of the PwC network resulting, to the best extent calculable, from the statutory audit of annual and consolidated financial statements is approximately EUR 3 billion. This represents the turnover from each entity's most recent financial year converted to Euros at the exchange rate prevailing as of 30 June 2026.

A list of PwC network audit firms and statutory auditors in European Union/European Economic Area Member States as at 30 June 2026 can be found in the Appendix 2.





08

Legal and governance structure



Legal and governance structure

Legal structure and ownership

PricewaterhouseCoopers (“PwC Hong Kong”) is a partnership wholly owned by its partners and established under the laws of Hong Kong SAR. PwC Hong Kong is a Certified Public Accountants (CPA) firm and a Public Interest Entity (PIE) Auditor registered with the AFRC under the Accounting and Financial Reporting Council Ordinance (Cap. 588) (AFRCO) and may undertake and carry out statutory audits and PIE engagements in Hong Kong. There were 102 partners of PwC Hong Kong as at 30 June 2026. Partners have equal voting rights except for partners in their first four years of partnership, who have one quarter of one vote (and contribute a correspondingly reduced amount of capital).

Governance structure of the firm

Management Board

The TSP is ordinarily elected for a period of four years, with the appointment overseen by the firm’s Governance Board. The firm’s current TSP was appointed by its Governance Board.

The TSP has responsibility for the strategic direction and the overall management of the firm, and is supported by a Management Board, the members of which are appointed by the TSP and which has responsibility for the overall management and monitoring of the operational and financial performance of the firm. The firm’s Assurance Leader is a member of the Management Board.

Quality is a regular item on the Management Board meeting agenda.

Hong Kong Assurance Leadership Executive

The Hong Kong Assurance Leadership Executive is led by the Hong Kong Assurance Leader and consists of the Assurance Business Unit Leaders and Hong Kong Assurance partners responsible for People, Risk Management, Transformation, Operations and Markets. The Hong Kong Assurance Leadership Executive meets at least monthly, with quality as a standing agenda item. The meetings are chaired by the Hong Kong Assurance Leader.



Governance Board

The role of the firm’s Governance Board includes representing all partners as a body and advising the TSP of issues of concern to the partners; reviewing and sanctioning the firm’s capital requirements and allocations, the distributions of net income and other remuneration pursuant to the partner income system; confirming that due process has been adopted in requiring the mandatory withdrawal of a partner; and approving such mandatory withdrawal.

The TSP is an ex officio member of the firm’s Governance Board. The other members are elected for a four-year term and may only serve as members for a maximum of two consecutive terms.

> We continue to evolve our governance to meet the changing needs of our firm and stakeholders, strengthening oversight, accountability and transparency while maintaining a clear focus on long-term value.

George Cheng
Chair of the Governance Board

Committees of the firm’s Governance Board:

Risk Committee

The Risk Committee has a role in assisting the firm’s Governance Board in the effective discharge of its responsibilities in relation to the firm’s risk management framework, and assessment and recommendations on enterprise-wide risks, including operational and reputational risks.

Finance Committee

The Finance Committee has a role in assisting the firm’s Governance Board in the effective discharge of its responsibilities in relation to oversight of the financial performance, financial risks and conduct of the firm.

Remuneration Committee

The Remuneration Committee has a role in overseeing partners’ remuneration, developing remuneration policies, and ensuring partner income pay structures are fair and transparent.

Election Committee

The Election Committee conducts the nomination, selection and election processes to elect members of the firm’s Governance Board.

Admissions Committee

The Admissions Committee assists in the consideration of candidates for admission as new partners.

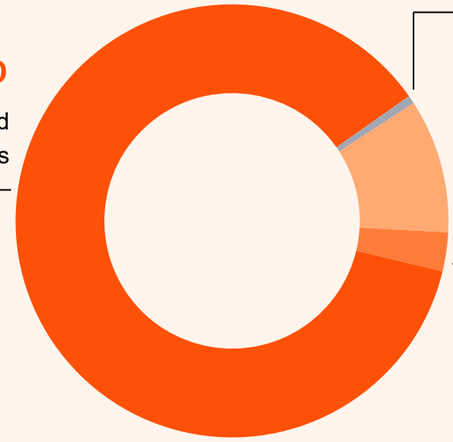
Engagement Committee

The Engagement Committee is responsible for overseeing the firm’s relationship with its partners, particularly on matters of communication, feedback and partner concerns. Its role is typically to ensure that partner views are heard and considered at the firm’s Governance Board level, that engagement is handled in a consistent and constructive way, and that the firm presents its strategy, governance, performance and key decisions clearly to the partners.

Financial information

09

Revenue disclosures required by Article 13 Item 2(k) are as follows:



0.6%
Non-Audit Services Revenues earned by UK Public Interest Entities audit clients

86.4%
Audit Revenues earned by all other audit clients

10.0%
Non-Audit Services Revenues earned by all other clients

3.0%
Audit Revenues earned by UK Public Interest Entities audit clients

Note: Mandarin Oriental International Limited was delisted in January 2026. As its audit report for the year ended 31 December 2025 was issued following its delisting, revenue relating to Mandarin Oriental International Limited has not been included in the UK Public Interest Entities revenue categories above.

Partners’ remuneration



10

Each partner’s remuneration comprises three interrelated components:

Responsibility income

Determined by the partner's engagement portfolio.

Equity unit income

Determined by the firm's overall financial performance.

Performance income

Determined by the partner's achievement of objectives set out in the annual partner performance plan.

Each partner’s performance income is determined by assessing achievements against an individually tailored balanced scorecard of objectives, based on the partner’s roles and responsibilities, and against performance and compliance with firmwide policies and expectations, including quality. There is transparency among the partners over the process of determining the final income allocation on a summary basis.

Partners are remunerated out of the profits. Audit partners are not permitted to be incentivised, evaluated or remunerated for the selling of non-audit services to their audit clients.

The final allocation and distribution of profit to individual partners is approved by the Management Board, once their performance has been assessed and subject to the firm’s results. The Remuneration Committee of the firm’s Governance Board approves the process and oversees its application.

Appendix 1 — Public interest audit clients

During the period covered by this Transparency Report, PwC Hong Kong has issued audit reports for Jardine Matheson Holdings Limited, DFI Retail Group Holdings Limited and Hongkong Land Holdings Limited that have transferable securities listed in London.

Note: Mandarin Oriental International Limited, which was included in the prior year disclosure, was delisted in January 2026. Its audit report for the year ended 31 December 2025 was issued following its delisting. Accordingly, Mandarin Oriental International Limited has not been included in the above disclosure.



Appendix 2 — EU entities

The table on the right is a list of statutory audit firms/auditors by country within our network as of 30 June 2026 (Article 13.2.(b) items (ii) and (iii)):



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

Member State	Name of firm
Iceland	PricewaterhouseCoopers ehf
Ireland	PricewaterhouseCoopers
	PricewaterhouseCoopers (Northern Ireland) LLP
Italy	PricewaterhouseCoopers SpA
Latvia	PricewaterhouseCoopers SIA
Liechtenstein	PricewaterhouseCoopers GmbH, Ruggell
Lithuania	Uždaroji akcinė bendrovė „PricewaterhouseCoopers” (also known as PricewaterhouseCoopers UAB)
Luxembourg	PricewaterhouseCoopers Assurance, Société coopérative
Malta	PricewaterhouseCoopers
Netherlands	PricewaterhouseCoopers Accountants N.V.
Norway	PricewaterhouseCoopers AS
Poland	PricewaterhouseCoopers Polska sp. z. o.o.
	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
Portugal	PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda
Romania	PricewaterhouseCoopers Audit S.R.L.
Slovakia (Slovak Republic)	PricewaterhouseCoopers Slovensko, s.r.o.
Slovenia	PricewaterhouseCoopers d.o.o.
Spain	PricewaterhouseCoopers Auditores, S.L.
Sweden	PricewaterhouseCoopers AB
	Öhrlings PricewaterhouseCoopers AB



pwchk.com

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