



Transparency Report

October 2025



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Message from leadership





Welcome to our 2025 Transparency Report

This report describes how PricewaterhouseCoopers AG (and where applicable, PwC Switzerland, as this term is defined on page 40) is governed. Although we work in many different disciplines, the main focus here is on our audit practice and related services. For this reason, the report also contains a separate message from our Assurance Leader, Andrin Bernet, who talks about our audit work in greater detail.

At PwC, we are committed to delivering audit services of the highest quality and have made this a key strategic priority. We are constantly looking for ways to enhance the quality of our audit services and are committed to implementing any measures that will help us to improve them.

In a world of incredible innovation and growing complexity and uncertainty, we are called upon to provide a broader, more in-depth range of audit and assurance services than ever. There is an urgent need for a framework of trust in many different areas of business and our lives. Artificial intelligence, quantum computing and the cloud are examples of disruptive digital technologies bringing unprecedented opportunity. We help clients to capitalise on this opportunity in the face of uncertainty and disruption by providing a reliable foundation of trust. In addition to financial assurance, we also aim to give stakeholders the assurance they need with regard to sustainability and other aspects of ESG, the cloud and digital transformation. By helping build a framework of trust in both the technologies and the organisations that develop and deploy them, we can help to harness these exciting new developments for the betterment of society and the profitability of businesses.

At PwC, our purpose is to build trust in society and solve important problems. We are a network of firms in 136 countries with 364,782 people who are dedicated to delivering quality in assurance, advisory and tax services. We are committed to driving a strong culture of quality and excellence that is core to our purpose.

We continue to believe that building trust requires transparency, accountability and stakeholder engagement. In the year under review, we have maintained our commitment to providing high-quality services drawing on our expertise in audit, tax and compliance. We have further developed our portfolio of specialist capabilities in topical areas such as cybersecurity, data privacy and artificial intelligence.

At PwC, quality assurance transcends mere reporting and compliance. It is embedded in a holistic system that includes organisational culture, leadership, standards, skilled professionals, strict controls, customised technology solutions and effective governance. This combination defines how PwC works, whether we are providing assurance or consulting services to clients for tangible results.

Our true strength lies in our people and their diverse skills within our multidisciplinary practice. We invest in our people, offering in-depth training and opportunities for personal and professional growth.

With a chairman who has an auditing and accounting background and a CEO from the world of consulting, we in PwC Switzerland's leadership reflect this diversity of skills and perspectives. We will continue to harness these multidisciplinary capabilities while respecting the boundaries between our audit and non-audit work – boundaries crucial to our objectivity, independence and ultimately our ability to build trust in business and society.



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Sebastian di Paola

Chairman of the Board of Directors,
PwC Switzerland



A handwritten signature in black ink, appearing to read 'G. Baldinger' in a cursive script.

Gustav Baldinger

Delegate of the Board of Directors and
Territory Senior Partner,
PwC Switzerland

Message from our Assurance Leader

PwC has been in the audit and assurance business for more than 175 years, and as one of the world's largest independent auditors we have experienced and indeed shaped some of the most important developments in our profession. The story continues. In this, the latest chapter, we are called upon to provide assurance far beyond routine financial validation. Clients now expect us to contribute deeper insights, actionable recommendations and tangible value that enrich their ability to make the right decisions – also in crucial areas such as sustainability, artificial intelligence and the cloud. One of the ways we are tackling this challenge is by applying the latest technology to the way we ourselves work. Tech-enabled audit transformation, including the targeted use of artificial intelligence in the process, enables us to deliver greater value and deeper insights while minimising disruption to business operations and resources. A welcome side effect of our efforts to digitally transform our business is that it makes us a credible sparring partner for clients embarking on their own process of transformation. Our aim is to provide opinions that can be trusted. Earning this trust requires unrelenting transparency and integrity. This is only possible if we are able to change in response to constantly evolving developments in areas ranging from business and technology to politics and regulation.

In this Transparency Report, we describe the hard work we at PricewaterhouseCoopers AG are putting into building trust, maintaining the quality of our audit work and adapting to the rapidly changing requirements of our profession, society and the economy at large. The report includes information on the policies, systems and processes we have put in place to ensure quality, the findings of key quality monitoring programmes and reviews, and our efforts to nurture and protect a culture of quality, transparency and integrity at all levels. It also contains information on the organisations we have audited and the total revenue generated by our audit and non-audit services.

I would like to reiterate the commitment I made in last year's Transparency Report, shortly after taking on the role of Assurance Leader at PwC Switzerland. I am more dedicated than ever to making sure that our audit practice retains and builds trust by helping to set and maintain even higher standards of transparency, integrity and quality in business and society at large.

This requires not only investment in people and technology, but also means investing in relationships that have always been key to PwC's ability to provide reliable, relevant assurance. Amid today's focus on transformation, digitisation and sustainability; uncertainty is high and many organisations are in experimentation mode. Drawing on our audit expertise and in-depth knowledge of business, industries and regulations, we act as an independent partner to help clients maintain perspective and objectivity. Our own transformation – including significant investment in artificial intelligence – mirrors what many clients are facing, giving us credibility not just through expertise, but also to our shared experience of growth and uncertainty on the path to successful change.

Our credibility includes the willingness and ability to talk about sensitive topics and ask critical questions. I believe that in view of the growing disruption that awaits us, clients will increasingly value objective, courageous providers of assurance who work with integrity. We'll be working hard to fulfil this role.

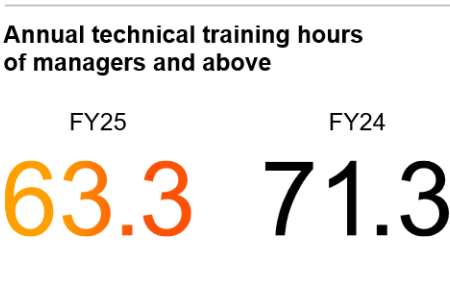
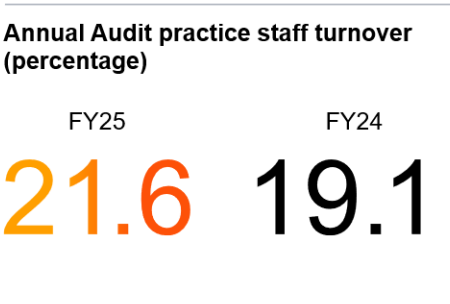
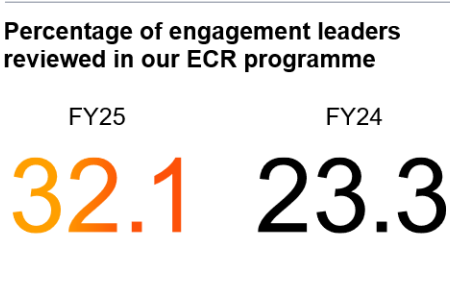
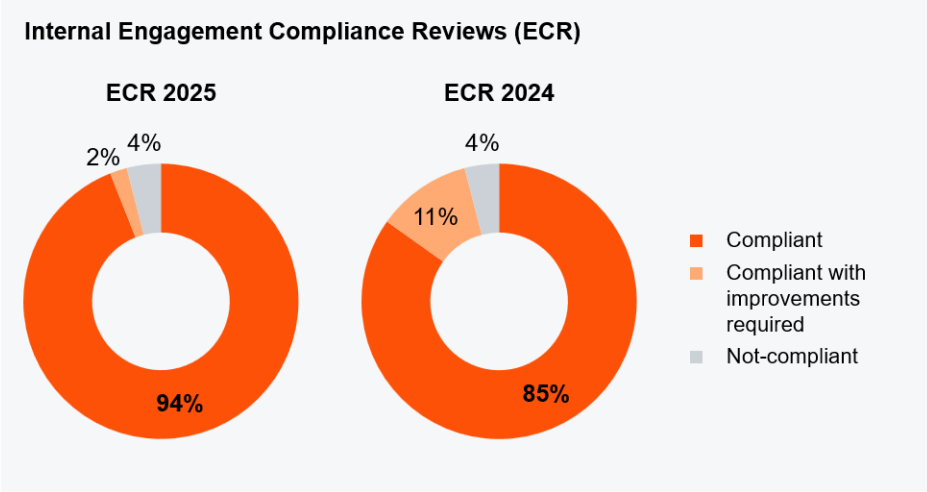
Our commitment to transparency includes making PricewaterhouseCoopers AG's inspection results public and disclosing our performance against other key quality benchmarks. As in previous years, you will find a selection of these results in this Transparency Report.



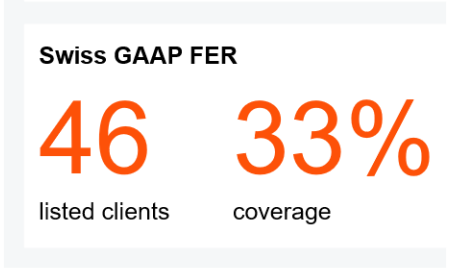
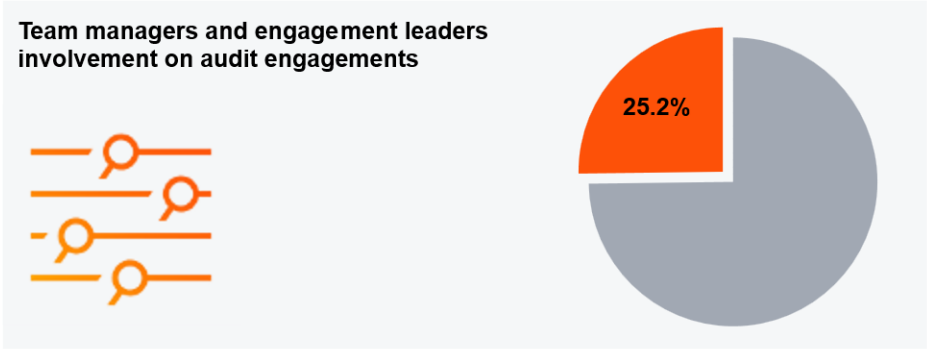
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Andrin Bernet
Assurance Leader,
PwC Switzerland

Year in review



2025 Partner and staff survey



Our approach to quality





Our approach to quality

International Standard on Quality Management 1 (ISQM 1)

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

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

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

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

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

A specific focus on audit quality across the Network

The PwC Network's Assurance QMSE framework

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

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

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

Overall quality objective under the QMSE framework

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 which 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

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

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

The quality management process

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

- identifying risks to achieving the quality objectives;
- designing and implementing responses to the assessed quality risks;
- monitoring the design and operating effectiveness of the policies and procedures through the use of process-integrated monitoring activities such as real-time assurance as well as appropriate Assurance Quality Indicators;
- continuously improving the SoQM when areas for improvement are identified by performing root cause analyses and implementing remedial actions, and
- establishing a quality-related recognition and accountability framework to both set clear expectations of expected quality behaviours and outcomes, and reinforce those expectations through consistent and transparent use in appraisals, remuneration and career progression decisions.

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

Our firm's system of quality management

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

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

Our risk assessment process

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

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

- New or changing quality risks to achieving one or more of the quality objectives
- Changes to the 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 that individually, or in combination with other

quality risks, could adversely affect the achievement of one or more quality objectives.

2025 key factors impacting our SoQM

This year, we have seen various factors impact our SoQM but in particular, some of the more meaningful conditions, events, circumstances, actions and/or inactions that have necessitated changes to our SoQM include: geopolitical environment and related economic sanctions and tariffs, development and implementation of sustainability reporting and assurance services, impact of emerging technology such as Artificial Intelligence and alternative delivery models/strategy.

Aim to predict: Assurance Quality Indicators

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

Our quarterly AQI dashboard covers broad categories of factors that may be related to audit quality. Indicators are calculated both at firm and engagement level, and cover dimensions such as independence, availability of resources, training or direction and the supervision of audits.

Our monitoring and remediation process

In the section, 'Monitoring', found on page 32, we have described the types of ongoing and periodic monitoring our firm has designed, implemented and are operating to provide relevant and reliable information about our firm's SoQM and to help us take appropriate actions over any identified deficiencies so we can remediate those deficiencies effectively and on a timely basis. To support the timely and effective remediation of identified deficiencies, our firm has designed, implemented and is operating a root cause analysis program that is described further on page 35.

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.

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 and help us to achieve reasonable assurance over the firm's SoQM.

As mentioned above, some of our policies and procedures are provided by the PwC Network which we have assessed to determine that these resources are appropriate for use as part of our SoQM and in performing engagements.

Statement on the effectiveness of the firm's SoQM

During the year, we completed our evaluation of the firm's SoQM under ISQM 1. On behalf of PwC Switzerland, the Territory Senior Partner and the Assurance Leader have evaluated whether our firm's SoQM provides us 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.

Based on all the relevant information of the firm's SoQM, as at 31 March 2025, we believe our SoQM provides us with reasonable assurance that the quality objectives of ISQM 1 noted above have been achieved.

Our culture and values



Our culture and values

Definition and culture

Act with integrity



At PwC, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of 364,782 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.

Make a difference



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.

Care



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

Work together



Our firm's commitment to quality

Leadership and tone at the top

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

Reimagine the possible



2025 Partner and staff survey

88%

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

88%

of the respondents believe the people they work with demonstrated conduct consistent with PwC's Global Code of conduct.

80%

of the respondents shows favourable in the overall Quality Behaviours Index.

Trust in what matters

Today, companies are judged on far more than financial outcomes. A company's performance in areas such as ESG, emerging technologies, artificial intelligence (AI) and cyber security can affect its reputation, staff retention, access to capital and ultimately enterprise value.

That is why we continue to develop our assurance offering to provide confidence – not only in companies' financial statements, but also in their broader impact.

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

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

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

- Act with integrity
- Make a difference
- Care
- Work together
- Reimagine the possible

Quality culture and behaviours

Achieving high-quality audit is fundamentally linked to our culture, which is rooted in behaviours that shape how we interact and communicate. These behaviours are integrated into our professional framework, guiding our daily operations and reinforcing our commitment to quality. Open communication and leading by example are crucial for effectively identifying risks, addressing potential issues, and driving innovation. Professional scepticism is a cornerstone of our approach, ensuring thorough evaluation and maintenance of the highest standards.

We foster an environment where every team member feels safe, valued, and empowered to grow and learn. Through practices like effective coaching and active listening, we support our staff in managing their well-being while advancing their professional development, emphasizing the importance of each member of our team.

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





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, which applies to all staff and partners, has been designed to both set clear expectations of expected quality behaviours and outcomes, and reinforce those expectations by holding partners, including non-partner engagement leaders accountable for quality behaviours and quality outcomes beyond compliance. Our RAF considers and addresses the following key elements:

- **Quality outcomes:** We provide transparent quality outcomes to measure the achievement of the quality objectives. Our quality outcomes take into account meeting professional standards and the PwC Network and our firm's standards and policies
- **Behaviours:** We have set expectations of the right behaviours that support the right attitude to quality, the right tone from the top and a strong engagement with the quality objectives
- **Interventions/recognition:** We have put in place interventions and recognition that promote and reinforce positive behaviours and drive a culture of quality
- **Consequences/reward:** We have implemented financial and non-financial consequences and rewards that are commensurate to outcome and behaviour and sufficient to incentivise the right behaviours to achieve the quality objectives

Ethics, independence and objectivity

Ethics

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

- i. **Integrity:** to be straightforward and honest in all professional and business relationships.
- ii. **Objectivity:** to not allow bias, conflict of interest or undue influence of others to override professional or business judgments.
- iii. **Professional competence and due care:** to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practice, legislation and techniques, and act diligently and in accordance with applicable technical and professional standards.
- iv. **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.
- v. **Professional behaviour:** to comply with relevant laws and regulations and avoid any actions that discredit the profession.

Our network standards are applicable to all network firms and cover a variety of areas including ethics and business conduct, independence, anti-money laundering, anti-trust/fair competition, anti-corruption, information protection, firms' and partners' 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 existing partners and staff undertake annual mandatory training, as well as submitting annual compliance confirmations, as part of the system to support appropriate understanding of the ethical requirements under which we operate. Partners and staff uphold and comply with the standards developed by the PwC Network and leadership in PwC Switzerland monitors compliance with these obligations.

In addition to the PwC Values (Act with Integrity, Make a difference, Care, Work together, Reimagine the possible) and PwC Purpose, PwC Switzerland 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 Switzerland provides an overview of the PwC Global Code of Conduct and the expected behaviours for all partners and staff, who should follow these expectations throughout their professional careers at our firm. As part of the values and expectations in the Code, they also have a responsibility to report and express concerns, and to do so fairly, honestly and professionally when dealing with a difficult situation or when observing conduct inconsistent with the Code. In addition, every partner and staff are required to complete new hire training, which covers the ethics and compliance network standards, including ethics and the Code of Conduct.

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

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

PwC Switzerland has adopted an accountability framework to facilitate remediation of behaviours that are inconsistent with the Code of Conduct.

Finally, the Organisation for Economic Co-operation and Development (OECD) provides guidance, including the OECD Guidelines for Multinational Enterprises (the OECD Guidelines), by way of non-binding principles and standards

for responsible business conduct when operating globally. The OECD Guidelines provide a valuable framework for setting applicable compliance requirements and standards. Although the PwC Network consists of firms that are separate legal entities which do not form a multinational corporation or enterprise, PwC's network standards and policies are informed by and meet the goals and objectives of the OECD Guidelines.

Throughout their professional careers, partners and staff must live by the values expressed in the PwC Code of Conduct. When dealing with a difficult situation or observing behaviours inconsistent with the Code of Conduct, they have a responsibility to report and express concerns, and to do so fairly, honestly and professionally. All firms in the PwC Network have appropriate mechanisms to report issues, and so does PwC Switzerland, which has a helpline that is available for internal and external reporters for both disclosed and anonymous reporting.

Objectivity and independence

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

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

The independence requirements of the United States Securities and Exchange Commission (SEC) are, in certain instances, more restrictive than the Global Independence Policy. Given the reach of these requirements and their impact on PwC firms in the network, the 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 Switzerland has a designated partner (known as the 'Partner Responsible for Independence' or 'PRI') with appropriate

seniority and standing, who is responsible for implementation of the PwC Global Independence processes and providing support to the business. The partner is supported by a team of independence specialists. The PRI reports directly to the Territory Senior Partner (TSP).

Independence policies and practices

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

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

In addition, there is a network risk management policy governing the independence requirements related to the rotation of key audit partners.

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

PwC Switzerland supplements the PwC Global Independence Policy as required by the Swiss independence requirements of the Swiss Code of Obligations, the Swiss Federal Auditor's Act, the Swiss Financial Market legislation as well as the Independence Guidelines of EXPERTsuisse, where they are more restrictive than the network's policy.

Independence-related systems and tools

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

- The Central Entity Service (CES) which contains information about corporate entities including all PwC audit clients and their related entities (including all public interest audit clients SEC and EU-restricted entities) as well as their related securities. CES assists in determining the independence restriction status of clients of the PwC firm and those of other PwC firms before entering into a new non-audit engagement services or business relationship. This system also feeds the tools Independence Checkpoint and the Authorisation for Services system;
- ‘Independence Checkpoint’ which facilitates the pre-clearance of publicly traded securities by all partners and managerial practice staff before acquisition and is used to record their subsequent purchases and disposals. Where a PwC firm wins a new audit client or there is a change in the restriction status of a security, this system automatically informs those holding relevant securities of the requirement to sell the security where required;
- Authorisation for Services (AFS) which is a global system that facilitates communication between a non-audit services engagement leader and the audit engagement leader, regarding a proposed non-audit service, documenting the analysis of any potential independence threats created by the service and proposed safeguards, where deemed necessary, and acts as a record of the audit partner’s conclusion on the permissibility of the service;
- Joint Business Relationships (JBR) which is a global system used to clear joint (close) business relationships from an independence perspective. JBR is used to facilitate PwC firms’ compliance with JBR requirements for new and existing joint business relationships. It assists independence specialists in gathering information to assess, from an independence perspective, the permissibility of proposed joint business relationships and in monitoring the continued permissibility of previously approved existing joint business relationships;
- My Compliance Dashboard (MCD) which is a global compliance system that facilitates annual compliance confirmations, engagement independence confirmations and reporting; and
- Global Breaches Reporting System, which is designed to be used to report any breaches of external auditor independence regulations (e.g. those set by regulation or professional requirements) where the breach has cross-border implications (e.g. where a breach occurs in one territory which affects an audit relationship in another territory). All breaches reported are evaluated and addressed in line with the Code or relevant independence regulations and the applicable local legislation.

PricewaterhouseCoopers AG also has a number of Swiss-specific systems, which include:

- A rotation tracking system which monitors compliance with PricewaterhouseCoopers AG’s audit rotation policies for PricewaterhouseCoopers AG’s engagement leaders and other key audit partners involved in an audit.
- A tracking system which monitors PricewaterhouseCoopers AG’s compliance with the notification requirement of the Swiss Federal Audit Oversight Authority in relation to the ratio between fees for audit and non-audit engagements.
- A self-developed digital tool that builds a workflow for the practice and the firm’s relevant risk management functions in order to facilitate and safeguard processes and controls, which include the following:
 - Recording and assessing the permissibility of directorships of partners and staff in external organisations. If approved, the directorships are reviewed on a yearly basis.
 - The performance of various personal independence compliance testing, whereby randomly selected partners and directors have to demonstrate compliance.

PricewaterhouseCoopers AG also uses the Network’s centres of excellence, which adopt standardised processes, such as monitoring joint business relationships and approving non-audit services for certain client categories.

Independence training and confirmations

PwC Switzerland provides all partners and staff with annual or ongoing training in independence matters. Training typically focuses on milestone training relevant to a change in position or role, changes in policy or external regulation and, as relevant, provision of services. Partners and staff receive computer-based training on PwC Switzerland'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 Switzerland's independence specialists and risk and quality teams.

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

Engagement level confirmations are triggered and obtained automatically via the Independence Confirmation Tracker – a tool developed and deployed by PwC Switzerland.

Independence monitoring and disciplinary policy

PricewaterhouseCoopers AG 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:

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

The results of PwC Switzerland's monitoring and testing are reported to the firm's management on a regular basis with a summary submitted to them on an annual basis.

PwC Switzerland has an Accountability Framework and supporting disciplinary policies and mechanisms in place that promote compliance with independence policies and processes and that require any breaches of independence requirements to be reported and addressed.

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

Considerations in undertaking the audit

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

Client and engagement acceptance and continuance

PwC Switzerland 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). The Acceptance facilitates a determination by the engagement team, business management and risk management specialists of whether the risks related to an existing client or a potential client are manageable, and whether or not PwC should be associated with the particular client and its management. More specifically, this system enables:

Engagement teams:

- to document their consideration of matters required by professional standards related to acceptance and continuance;
- to identify and document issues or risk factors and their resolution, for example through consultation, by

adjusting the resource plan or audit approach or putting in place other safeguards to mitigate identified risks or by declining to perform the engagement; and

- to facilitate the evaluation of the risks associated with accepting or continuing with a client and engagement.

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

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



Our people



Our people

People strategy

Our people strategy focuses on creating an exceptional people experience throughout the entire talent cycle, particularly during key moments for candidates, employees and leaders. The people strategy aims to build awareness and engagement around trusted leadership, provide a consistently high service experience and ensure that the organisation is equipped with the right mix of skills and capabilities for both current and future needs. This approach is designed to deliver a distinctive client experience and drive the growth agenda by building a diverse and inclusive workforce.

The Evolved PwC Professional



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

Inclusion and diversity



At PwC, we are an organisation that fosters a culture where everyone is included, everyone belongs and everyone can thrive—because we believe inclusion is about each of us. This means we embrace our differences. It means we develop the skills needed to work and lead inclusively. And it means we cultivate a rich breadth of abilities that let us deliver unexpected insights and solve complex challenges facing business and society.

We do this by delivering on our Inclusion First strategy, which helps our people develop the skills needed to value differences and to think, act and lead inclusively. The foundation to allow us to realise the full potential of our people, while fostering a stronger culture of belonging, is by embedding inclusion in our systems and behaviours. This supports our environment where individuality is embraced and valued by our people. Our Inclusion First approach also focuses on the following additional dimensions of diversity: gender inclusion, disability inclusion and LGBTQIA+ inclusion.

Talent Acquisition



PwC Switzerland aims to recruit, train, develop and retain the best and the brightest staff who share in the firm's strong sense of responsibility for delivering high-quality services. Our hiring standards include a structured interview process with behaviour-based questions built from the PwC Professional framework, an assessment of academic records and background checks. Throughout the firm, PwC Switzerland recruited 702 new people in FY25, including 415 university graduates, interns and apprentices.

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. We also take the personal preferences of our employees into consideration, if possible, when staffing for engagements with the aim of supporting individual development and increasing retention.

Feedback and continuous development



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

Career progression



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

Retention



Turnover in the public accounting profession is often high because as accounting standards and regulations change, accountants are in demand and the development experience we provide makes our staff highly sought after in the external market. Our voluntary turnover rate fluctuates based on many factors, including the overall market demand for talent. Ensuring a great people experience and talent development is a top priority at PwC Switzerland – and embedded accordingly in our KPI framework. Feedback from our people, be it from new joiners, as part of our Global People Survey or from leavers, is systematically collected and analysed, and areas for improvement are identified.

Global People Survey



Each PwC firm participates in an annual Global People Survey, administered across the network to all our partners and staff. PwC Switzerland is responsible for analysing and communicating results locally, along with clearly defined actions to address feedback. PwC Switzerland generally has a high participation rate in the Global People Survey. In 2025, 88% of our partners and staff provided their feedback, resulting in an overall People Engagement Index of 76% and a Quality Behaviours Index of 80%.

Experience of our partners

Partners' average years of experience at PwC

23.1 years

Annual Audit practice staff turnover (percentage)

FY25	FY24
21.6	19.1

Annual technical training hours of managers and above

FY25	FY24
63.3	71.3

Professional development

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

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

Continuing education

We, and other PwC firms, are committed to delivering quality assurance services around the world. To maximise consistency in the network, the formal curricula, developed at the Network level, provide access to training materials covering the PwC audit approach and tools as well as areas of audit risk and areas of focus for quality improvement.

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

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

The Assurance training comprises several technical update training courses and various e-learning programmes for partners and experienced staff. The trainings focus on technical innovation and deal with topics such as risk management, independence, regulatory updates, audit methodology, accounting and transformation/upskilling. In addition, we deliver core training for less experienced staff to undertake the work assigned to them and develop their professional skills.

Last but not least, if any partner or staff member has a specific training need that cannot be covered by internal training, PwC Switzerland supports that individual in completing appropriate training offered by an external provider.

Our approach





Our approach

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

The PwC audit

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

As a member of the PwC Network, PricewaterhouseCoopers AG has access to and uses PwC Audit, a common audit methodology and process. This methodology is based on the International Standards on Auditing (ISAs), with additional PwC policy and guidance provided where appropriate. PwC Audit policies and procedures are designed to facilitate audits conducted in compliance with all ISA requirements that are relevant to each individual audit engagement. Our common audit methodology provides the framework to enable PwC firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements. For the smaller client segment in which certain thresholds are not met, the local standard for limited statutory examination is used to conduct the work.

Tools and technologies to support our audit

Our technology

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

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

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

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

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

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

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

Halo for Crypto supports the engagement team in obtaining sufficient appropriate evidence of the 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 gather corroborating information about blockchain transactions and balances independently and reliably.

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

Our Next Generation Audit

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

There have been significant investments across the PwC Network into Generative AI as we seek to reimagine how we further enable our people by leveraging the power of AI. We are focused on promoting a culture of responsible usage of AI while supporting ongoing interest and quickly evolving potential use cases for AI including Generative AI.

Reliability and auditability of audit technologies

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

Confidentiality and information security

Confidentiality and information protection as well as privacy are key elements of our professional responsibilities. Misuse or loss of confidential client information or personal data may expose the firm to legal proceedings. It also adversely impacts our reputation. We take the protection of confidential information and personal data very seriously.

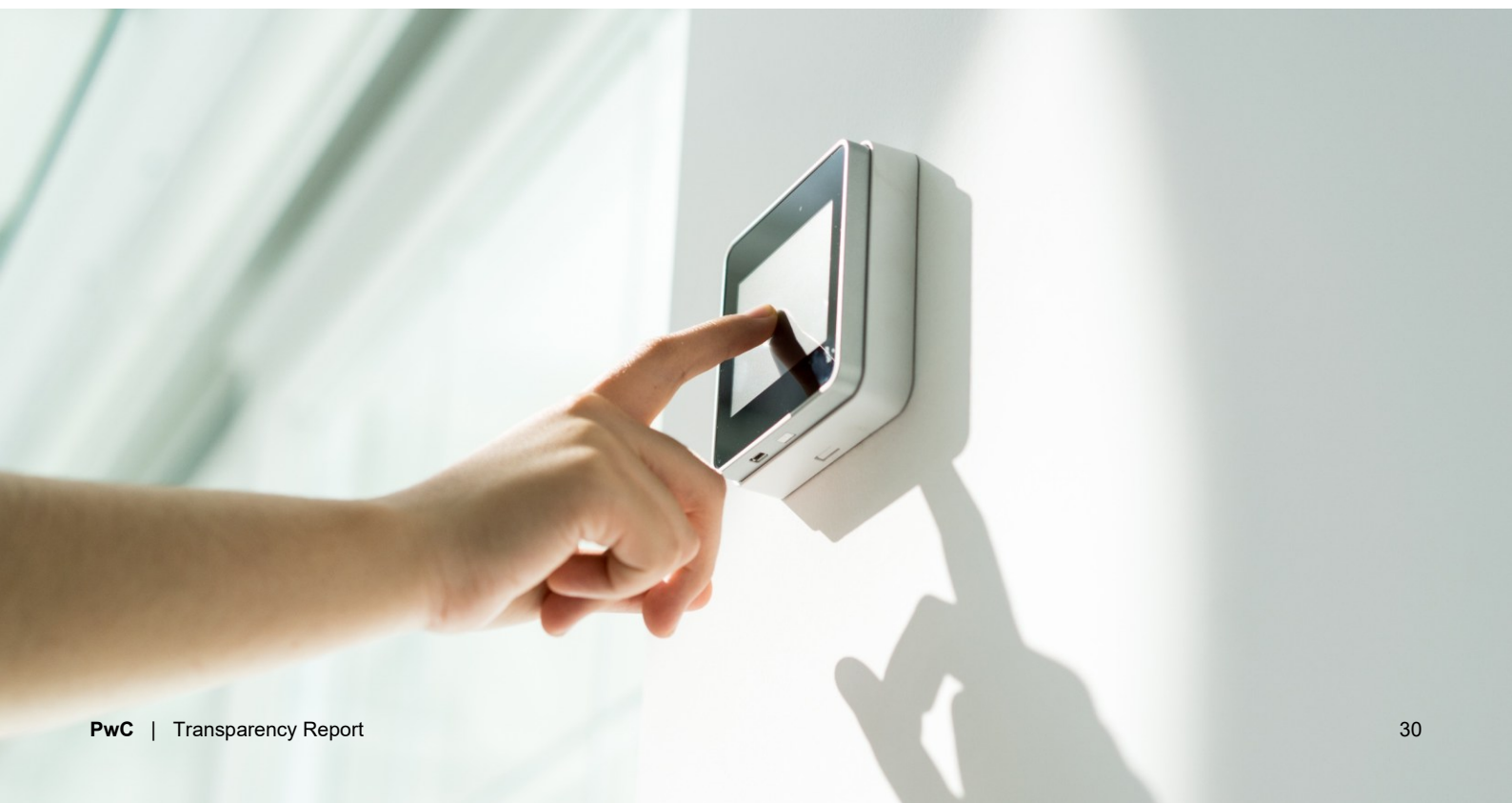
Our focus on our clients requires a holistic and collaborative approach to reducing security, privacy and confidentiality risks with significant investment in appropriate organisation, controls and monitoring to embed an effective 'three lines of defence' model. This model has enabled us to strengthen our information security and privacy organisation, align with industry good practice and improve our internal control frameworks.

Data Privacy

The firm maintains a robust and consistent approach to the management of all personal data, with everyone in our organisation playing a role in safeguarding personal data. We have continued to build on our extensive privacy programme to comply with applicable data protection laws and are committed to embedding good data management practices throughout our business.

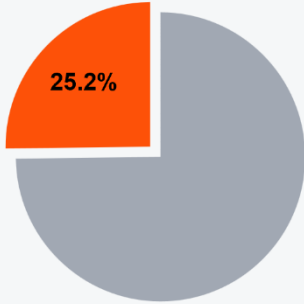
Information Security

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.



Supporting engagement performance

Team managers and engagement leaders involvement on audit engagements



Evolving delivery model

We continue to evolve the way we deliver our services, so that our people can 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 delivery centres to streamline, standardise, automate and centralise portions of our audits.

Direction, coaching and supervision

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

Consultation culture

Consultation is key to maintaining audit quality. We have formal protocols about mandatory consultation in the pursuit of quality. For example, our engagement teams consult with appropriate groups in areas such as taxation, risk, valuation, actuarial and other specialists as well as individuals within our Assurance Risk & Quality Organisation.

Quality review partners (QRPs)

Specific audit engagements are assigned a QRP as part of the member firm's system of quality management as required by professional standards. These partners, who have the necessary experience and technical knowledge, are involved in the most critical aspects of the audit. For example, they may advise on matters of firm independence, significant risks and a team's responses to these risks, as well as specific accounting, auditing, and financial reporting and disclosure issues.

Assurance Risk & Quality Organisation

Our Assurance Risk & Quality Organisation comprises specialists in accounting, auditing and financial reporting, as well as in risk and quality. 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.

Differences of opinion

There are protocols to resolve the situations in which a difference of opinion arises between the engagement leader and either the QRP, another assurance partner or central functions such as the Assurance Risk & Quality Organisation. These protocols include the use of technical panels consisting of partners who are independent of the engagement.

FY25 coverage of our listed clients in our financial statements review programme

IFRS

47 **68%**
listed clients coverage

Swiss GAAP FER

46 **33%**
listed clients coverage

Monitoring

A close-up, profile view of a man with a beard and glasses, looking intently at a computer screen. The screen displays a complex interface with various charts, graphs, and lines of code, suggesting a data monitoring or development environment. The lighting is dim, with the screen's glow illuminating the man's face and the surrounding area.

Monitoring

Monitoring of Assurance quality: internal

We recognise that quality in the 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 of our Assurance strategy.

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

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

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

Aim to prevent: Real-Time Assurance

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

Our RTA programme consists of quality review procedures and tools used to assess engagements during the performance phase. Such procedures include reviews of selected engagements and/or focused audit areas. Our RTA programme is supported by experienced practice professionals and the use of technology tools to standardise analysis to support the selection of engagements and focus areas. This programme supports our audit quality initiatives by providing additional coaching to engagement teams and enables shareable practices to be identified.

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

Real-time reviews

Number of engagements reviewed by our regular RTA programme in FY25

37 audit engagements

Percentage of engagement leaders reviewed in our ECR programme

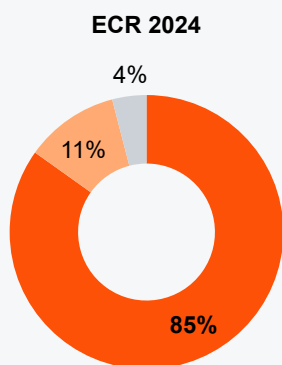
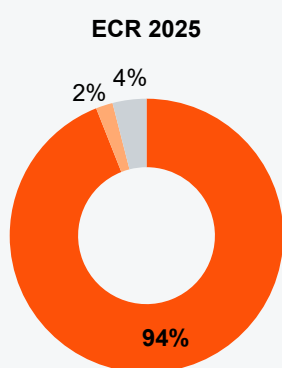


During the 2025 ECR programme cycle, 36 audit (2024: 27) and 17 non-audit (2024: 18) engagement files were selected and reviewed.

Overall, the results of the 2025 Swiss quality review confirmed that the firm runs effective internal quality controls when managing its audit engagements and that the firm’s quality control system for the Assurance practice has been suitably designed.

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. Based on a rotation schedule, engagement leaders are subject to an ECR within a three- to five-year cycle.

Audit quality reviews – internal inspections



■ Compliant
■ Compliant with improvements required
■ Not-compliant

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

Additionally, the PwC Network undertakes periodic reviews to evaluate certain elements of PwC firms’ systems of quality management. The Network also looks at the 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 who are responsible for group audits involving cross-border work receive information on the results of the network inspection programme, designed for their use in assessing the scope of audit work they determine needs to be performed and their reliance on work performed by PwC firms in connection with their audit of a client’s consolidated financial statements.

Learn: Root cause Analysis (RCA)

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 external inspections, and other inputs such as our financial statement restatements, to help identify possible distinctions and learning opportunities.

For individual audits, an objective team of root cause specialists identifies potential factors contributing to the overall quality of the audit. We consider factors relevant to technical knowledge, supervision and review, professional scepticism, engagement resources and training, among other things. 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 the hours incurred on the audit, whether key engagement team members are in the same geography as the client, the number of years that key engagement team members have been on the engagement, the number of other audits that engagement leaders are involved in and whether the engagement was subject to a pre-issuance review under our RTA programme, among other data points.

Our goal is to understand how quality audits may differ from those with engagement-level findings and to evaluate how these learnings may be used to continuously improve all of our audits. We evaluate the results of these analyses to identify enhancements that may be useful to implement across the practice. We believe these analyses contribute significantly to the continuing effectiveness of our quality management. Our RCA is supported by several resources with the appropriate skills and time, with roles and responsibilities clearly defined, and the involvement and support of our Assurance leadership team.

Monitoring of assurance quality: external

Local regulator:

PricewaterhouseCoopers AG is subject to regulatory oversight by the Swiss Federal Audit Oversight Authority (FAOA), which annually reviews the quality control processes of PricewaterhouseCoopers AG and individual engagements to ensure high-quality audits in the public interest.

In Autumn 2024, PricewaterhouseCoopers AG was subject to an inspection by the FAOA, which focused on the following areas:

- firm review (i.e. review of registration conditions and several firm-wide processes)
- audit engagements: The FAOA inspected 17 files in both areas (the financial and regulatory audit).

The final inspection reports were issued in April 2025 by the FAOA, and none of the comments included in these reports represented an issue that would impair PricewaterhouseCoopers AG's ability to provide companies with audits conducted in accordance with professional standards.

In June 2025, PricewaterhouseCoopers AG received the official announcement from the FAOA regarding its 2025 inspection, which started in October 2025.

Foreign regulators:

PricewaterhouseCoopers AG is subject to periodic regulatory oversight by the Public Company Accounting Oversight Board (PCAOB), which conducts its inspection jointly with the FAOA.

Based on PricewaterhouseCoopers AG's licence as an auditing firm under the free movement of services, it is also regularly inspected by the Financial Market Authority (FMA).

These inspections normally take place every three years. The last ones were conducted in 2023.

PwC Network

PwC Network

PricewaterhouseCoopers International Limited

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

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

For these reasons, the PwC Network consists of firms which are separate legal entities. The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC Network are members in, or have other connections to PricewaterhouseCoopers International (PwCIL), an English private company limited by guarantee. PwCIL does not practise accountancy or provide services to clients. Rather its purpose is to facilitate coordination between member firms in the PwC Network. Focusing on key areas such as strategy, brand, and risk and quality, the network leadership team and Board of PwCIL coordinates the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual PwC firms where appropriate. Member firms of PwCIL can use the PwC name and the resources and methodologies of the PwC Network. In addition, member firms may request the resources of other member firms and/or secure the provision of professional services by other PwC firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of the PwC Network as put forward by PwCIL.

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

own acts or omissions and not those of PwCIL or any other PwC firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions.

The governance bodies of PwCIL are:

- **Global Board**, which is responsible for the governance of PwCIL, the oversight of the network leadership team and the approval of network standards. The Board does not have an external role. The Board is comprised of elected partners from PwC firms around the world and one or more external independent directors. Please refer to the following [page on the PwC Global website](#) for a list of the current members of the Global Board.
- **Network leadership team**, which is responsible for setting the overall strategy for the PwC Network and the standards to which the PwC firms agree to adhere.
- **Strategy Council**, which is made up of the leaders of the largest PwC firms and regions of the network, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy.
- **Global leadership team**, which is appointed by and reports to the Network Leadership Team and the Chairman of the PwC Network. Its members are responsible for leading teams drawn from PwC firms to coordinate activities across all areas of our business.

Sebastian di Paola, current Chairman of the Board of Directors of PricewaterhouseCoopers AG, was elected Chair of the Global Board of PwCIL, effective as of 1 July 2025. To maintain our high standards of governance and independence, Sebastian di Paola will step down from his roles as Chairman of PricewaterhouseCoopers AG and Chair of the Europe Partner Council no later than 1 January 2026.

Gustav Baldinger, TSP of PwC Switzerland, is a member of the Strategy Council.

PwC Network firms and total turnover

Member state	Name of firm
Austria	PwC Wirtschaftsprüfung GmbH, Wien
Austria	PwC Wirtschaftsprüfungs- und Steuerberatungsgesellschaft GmbH, Linz
Austria	PwC Tax & Audit Services Wirtschaftsprüfung und Steuerberatung GmbH, Graz
Austria	PwC Österreich GmbH, Wien
Belgium	PwC Bedrijfsrevisoren bv/Reviseurs d'enterprises srl
Bulgaria	PricewaterhouseCoopers Audit OOD
Croatia	PricewaterhouseCoopers d.o.o
Croatia	PricewaterhouseCoopers Savjetovanje d.o.o
Cyprus	PricewaterhouseCoopers Limited
Czech Republic	PricewaterhouseCoopers Audit, s.r.o.
Denmark	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Estonia	AS PricewaterhouseCoopers
Finland	PricewaterhouseCoopers Oy
France	PricewaterhouseCoopers Audit
France	PricewaterhouseCoopers France
France	M. Antoine Priollaud
Germany	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
Germany	Wibera Wirtschaftsberatung Aktiengesellschaft Wirtschaftsprüfungsgesellschaft
Greece	PricewaterhouseCoopers Auditing Company SA
Hungary	PricewaterhouseCoopers Könyvvizsgáló Kft.
Iceland	PricewaterhouseCoopers ehf
Ireland	PricewaterhouseCoopers
Ireland	PricewaterhouseCoopers (Northern Ireland) LLP
Italy	PricewaterhouseCoopers SpA
Latvia	PricewaterhouseCoopers SIA
Liechtenstein	PricewaterhouseCoopers GmbH, Ruggell
Lithuania	PricewaterhouseCoopers UAB
Luxembourg	PricewaterhouseCoopers, Société coopérative
Malta	PricewaterhouseCoopers
Netherlands	PricewaterhouseCoopers Accountants N.V.
Norway	PricewaterhouseCoopers AS
Norway	PwC Assurance AS
Norway	PwC Assurance II AS
Poland	PricewaterhouseCoopers Polska sp. z. o.o.
Poland	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
Sweden	Öhrlings PricewaterhouseCoopers AB

Total turnover achieved by statutory auditors and audit firms from EEA Member States that are members of the PwC Network resulting, to the best extent calculable, from the statutory audit of annual and consolidated financial statements are approximately 3 billion Euros. This represents the turnover from each entity's most recent financial year converted to Euros at the exchange rate prevailing as of 30 June 2025.

Public interest audit clients listed on an EU/UK-regulated market

The list of audit clients below shows the legally required information only.

During the period covered by this Transparency Report, PricewaterhouseCoopers AG prepared audit reports for public interest audit clients incorporated outside the EU, which have or had bonds or equity securities listed on an EU/UK-regulated market.

EU/UK

Audit client	Listed at
Cavotec SA	Nasdaq Stockholm
Eurofima Europäische Gesellschaft für die Finanzierung von Eisenbahnmaterial	Bolsa de Madrid (BME), Deutsche Börse, Luxembourg Stock Exchange, London Stock Exchange (LSE)
GeNeuro SA	Euronext Paris
Oculus Holding AG	Nasdaq Iceland
Multitude AG	Börse Frankfurt, Other Swedish stock exchanges
DSM-FIRMENICH AG	Amsterdam Exchange (AEX)



Legal and governance structure



Legal and governance structure

Legal structure and ownership of PricewaterhouseCoopers AG

PricewaterhouseCoopers AG, Zurich, a Swiss corporation, is one of the operating companies of the PwC group of companies in Switzerland and Liechtenstein (in this Transparency Report referred to as “PwC Switzerland”). The company provides a range of assurance and consulting services. Its business is organised in four lines of service: Assurance; Tax, Legal and Workforce; Advisory; and Internal Firm Services.

As of 30 June 2025, all shares of PricewaterhouseCoopers AG were held by PwC Management Switzerland GmbH (‘PwC Management’), which itself is held by PricewaterhouseCoopers Holding GmbH, Zurich (‘PwC Holding’).

As of 30 June 2025, PwC Holding was held by PwC Partner, Gustav Baldinger, Sebastian di Paola & Co. KmG (‘PwC Partnership’), a limited partnership (‘Kommanditgesellschaft’) as defined in the Swiss Code of Obligations.

The members of the PwC Partnership are the ultimate holders of PricewaterhouseCoopers AG. They all have an employment contract with PricewaterhouseCoopers AG and are commonly referred to as ‘partners’.

The partners’ meeting of the PwC Partnership is responsible, among other things, for electing the Chairman and the Territory Senior Partner. The Territory Senior Partner acts as CEO of PwC Switzerland. Each partner has one vote at the partners’ meeting.

On 30 June 2025, there were 200 partners in the four lines of service:

- 67 Assurance partners
- 62 Tax, Legal and Workforce partners
- 63 Advisory partners
- 8 Internal Firm Services partners

PricewaterhouseCoopers AG currently operates in 12 offices: Aarau, Basel, Bern, Geneva, Lausanne, Lugano, Lucerne, Neuchâtel, St. Gallen, Winterthur, Zug and Zurich.

Governance structure of PricewaterhouseCoopers AG



**Sebastian
di Paola**



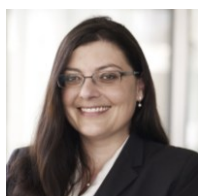
**Gustav
Baldinger**



**Sandra
Boehm**



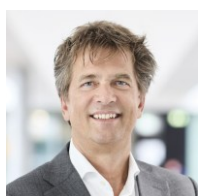
**Andrin
Bernet**



**Claudia
Benz**



**Julie
Fitzgerald
Wieland**



**Dieter
Wirth**



**Dominik
Hotz**

Board of Directors

As of 1 July 2024, the Board of Directors of PricewaterhouseCoopers AG comprises:

- Sebastian di Paola (Chairman)
- Gustav Baldinger (Delegate)
- Sandra Boehm (Member)
- Andrin Bernet (Member)
- Claudia Benz (Member)

Sebastian di Paola will step down from his role as Chairman of PricewaterhouseCoopers AG no later than 1 January 2026 due to his new role in PwCIL.

The Board of Directors bears the mandatory responsibilities set out in the Swiss Code of Obligations and meets at least six times per year.

Operating Board

The management of the firm is delegated to the Operating Board if not within the competence of the Board of Directors. The Operating Board is responsible for the overall management of the firm.

As of 1 July 2024, the Operating Board comprises:

- Gustav Baldinger (CEO)
- Sandra Boehm (COO/CFO)
- Julie Fitzgerald (Leader Finance Transformation and Growth & Markets)
- Dieter Wirth (Leader Tax, Legal and Workforce)
- Andrin Bernet (Assurance Leader)
- Dominik Hotz (Advisory and Consulting Leader)
- Claudia Benz (Quality & Regulatory Leader)

Swiss Oversight Board

The Swiss Oversight Board has an oversight role and acts in the interests of the partnership as a whole. Its responsibilities are defined in the partnership agreement of the PwC Partnership and include the monitoring of the Operating Board's performance.

The Swiss Oversight Board comprises ten members, including the Chairman, who is Sebastian di Paola.

The members are elected by the partners for a period of three years.

Financial information

An analysis of the gross fee revenues of PwC Switzerland for the financial year ending 30 June 2025 is shown below (amounts in CHF m):

Financial information	FY25	FY24
Audit revenues earned by EU/EEA public interest entity audit clients	2	53
Audit revenues earned by all other audit clients	347	312
Non-audit services revenues earned by EU/EEA public interest entity audit clients	0	18
Non-audit services revenues earned by all other clients	725	760
Total	1,074	1,143

Gross fee revenue includes fees earned by partners and staff of other PwC firms working on PwC Switzerland mandates as well as invoices incurred by PwC and invoiced to clients. The figure excludes value-added tax.

Remuneration

Partners are remunerated solely by PricewaterhouseCoopers AG, except for the annual interest on partners' capital, which is paid by PwC Partner, Gustav Baldinger, Sebastian di Paola & Co. KmG. Audit partners are not incentivised, evaluated or remunerated for the selling of non-audit services to their audit clients. The individual remuneration of the partners is based on the partner evaluation and income system, which is applied to all partners.

The partners' remuneration comprises three interrelated components:

- responsibility income – reflecting the partner's current responsibilities
- performance income – reflecting how a partner has performed
- equity income – reflecting the firm's overall profitability

The weighting of the above criteria varies depending on roles and responsibilities.

The Operating Board determines the individual partners' compensation once their performance has been assessed and the annual financial statements have been approved. Each partner's performance remuneration is determined by assessing achievements against an individually tailored balanced scorecard of objectives in the dimensions of client, people and firm, based on the partner's role. These objectives include ensuring that we deliver quality services and maintain our independence and integrity.

After consultation with the Swiss Oversight Board, the Board of Directors of PricewaterhouseCoopers AG approves the necessary compensation regulations and guidelines as proposed by the Operating Board. Responsibility for the annual partner remuneration process lies with the Operating Board. The Swiss Oversight Board oversees the process and the correct application of the regulations.



We have prepared this Transparency Report, in respect of the financial year ended 30 June 2025, in accordance with the requirements of Article 13 of the EU regulation no. 537/2014.

PricewaterhouseCoopers AG and PwC Switzerland are referred to throughout this report as 'the firm', 'we', 'our' and 'us'.

©2025 PricewaterhouseCoopers AG. All rights reserved. In this document, 'PwC' refers to PricewaterhouseCoopers AG and PwC Switzerland, and may sometimes refer to the PwC Network. Each member firm is a separate legal entity. Please see [ww.pwc.com/structure](https://www.pwc.com/structure) for further details.