



Building trust through assurance

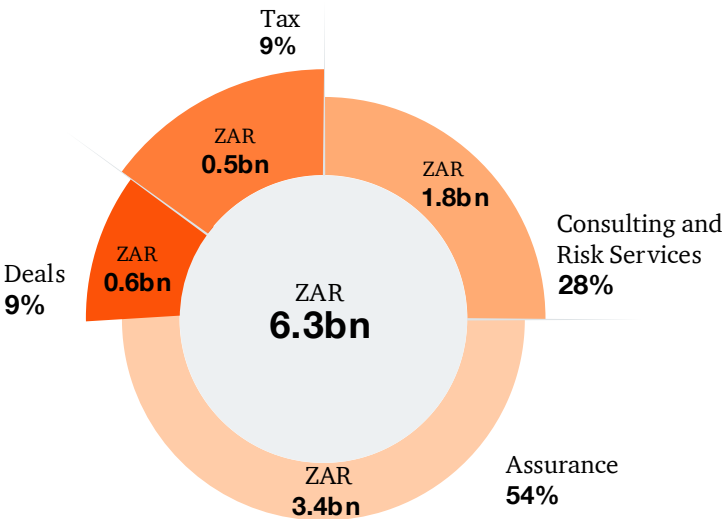
Transparency report for the year ended 30 June 2025



2025 Highlights

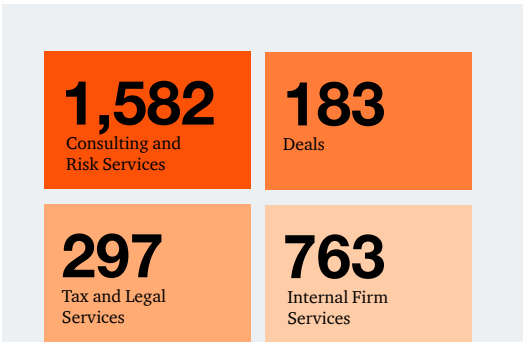
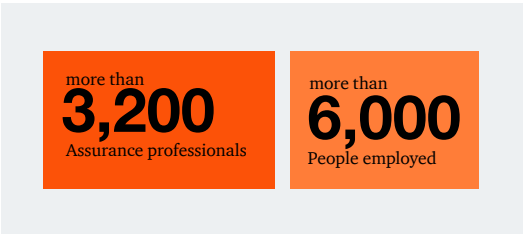
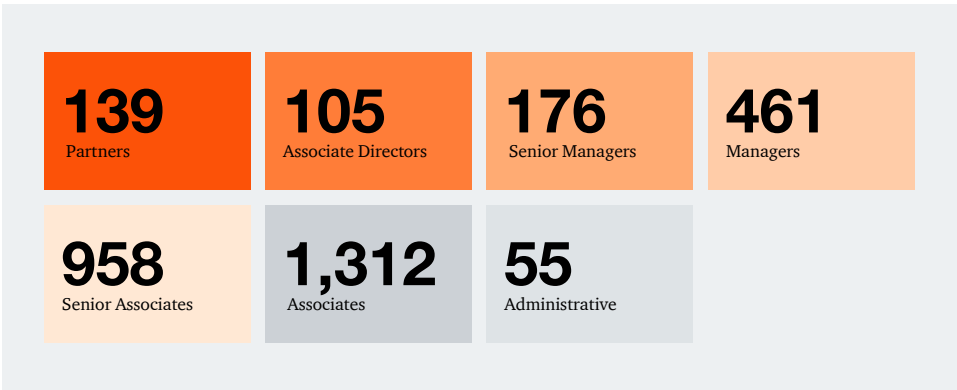
Assurance at a glance

Financial Results



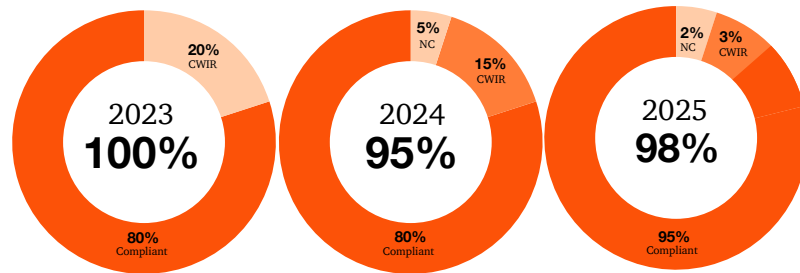
Our people

We employ more than 6,000 people including more than 3,200 Assurance professionals



Audit Quality

Compliance rate of audit engagements selected for internal inspection

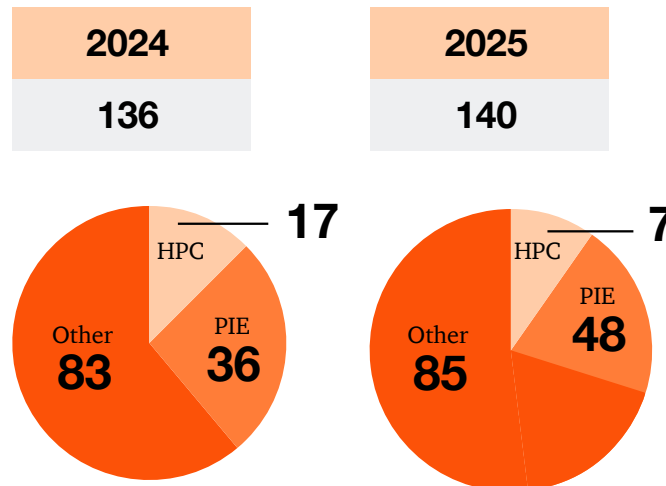


* Compliant with improvement required (CWIR)

** Non-Compliant (NC)

Real Time Assurance Reviews

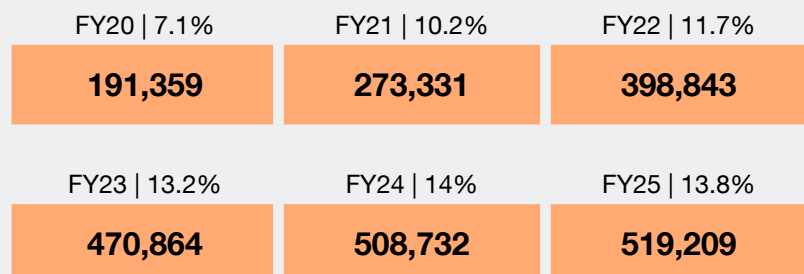
Number of audit engagements included in the real time assurance review programme



* Higher profile client (HPC)

** Public interest entity (PIE)

Audit hours performed by service delivery centres / centres of excellence (as a percentage of total audit hours)



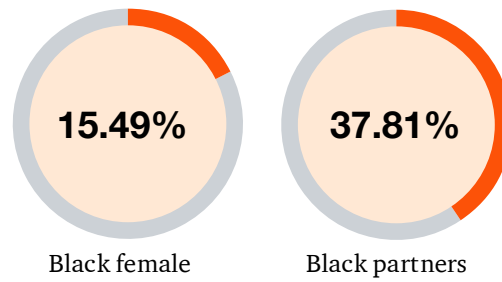
Audit partners' average years' experience at PwC:



Transformation

Retained a **AAA+** Level 1, **B-BBEE** contributor status for the period 1 July 2024 to 30 June 2025 – the highest rating possible, recognising the firm as a good **B-BBEE** contributor.

South Africa partners across all lines of service



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At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 136 countries with more than 364,000 people who are committed 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.



01

Message from leadership



Message from leadership

Our strategy, The Next Era for PwC Africa, addresses the fundamental changes in our world, including technological disruption, climate change, and geopolitical instability.

As industries evolve at unprecedented speed, PwC is helping clients stay ahead by delivering innovative, tech-enabled solutions that turn complexity into competitive advantage. From shaping agentic AI ecosystems to unlocking new sources of value, we are driving impact at scale across Assurance, Consulting and Risk Services, Tax and Legal Services and Deals.

In this next era, success hinges on anticipating change and transforming it into opportunity. PwC combines the power of AI, deep industry insight, and executional excellence to take our clients to the leading edge. With a spirit that is bold, optimistic, and collaborative, we're not just preparing for the future—we're helping shape it.

As an organisation driven by service excellence, we are deliberate in setting ambitious quality standards for ourselves. It's therefore not surprising that quality remains at the centre of our strategy. As such we remain committed to rigorous and objective self-evaluation and monitoring as a means to reinforce our foundation for audit quality.

While we proactively identify areas where improvements are required, our approach to maintaining the trust of our stakeholders is underpinned by our transparent commitment to continuous improvement which ensures that we reflect and learn from these outcomes.

Similar to building trust, delivering sustained outcomes requires us to work in an integrated way. Instead of taking a traditional technology-driven approach to transformation, PwC focuses on the outcomes that our efforts are seeking to achieve.

To deliver the agreed outcomes, we mobilise our expertise in areas including - among many others - strategy, digital and cloud services, value creation, people and organisation, tax, sustainability reporting, deals, business recovery services, legal and compliance.

Our strategy builds on our ongoing commitment to quality. Trust lies at the heart of everything we do at PwC, and is fundamental to fulfilling our firm's purpose. One of the ways we build trust is by being transparent. As auditors, we're also acutely aware of another trust driver: the quality of our external audits.



Dion Shango
Chief Executive Officer,
PwC Africa



Shirley Machaba
Chief Executive Officer,
PwC South Africa



Sizwe Masondo
Assurance Leader,
PwC South Africa

Our Transparency Report for 2025 provides insights into our quality management for service excellence and describes our policies, systems and processes for ensuring quality, responding to quality deficiencies, the results of key quality monitoring programs and reviews, and the way we foster a culture of quality at every level in the firm.

Each year, the expectations of our stakeholders grow, and the demand for information and insights from auditors increases. This is reflected in an unprecedented level of standard setting and changes in regulation – including that related to the use of technology and data in corporate reporting and auditing – which show no sign of slowing down. We recognise and accept our responsibility to lead change to meet those expectations because confidence in the role of auditors is critical.

We spend considerable time, effort, and resources in helping to shape the future of corporate reporting and auditing in a way that builds trust in the capital markets.

We also continue to take appropriate measures to prepare our people and clients for changes in the environment in which we operate. This includes significant investments in the skills of our people and capabilities of our firm in areas including artificial intelligence and sustainability. It also includes significant investments to develop a platform to power the next generation audit – continuing to harness the power of our award-winning technology to drive audit quality and efficiency while maintaining an appropriate focus on establishing practices and controls to manage associated risks.

We are, as always, pleased to engage with you on our continued progress. At PwC, we know that future success hinges on having trust in what matters. Trust is vital to the health of our organisation, our profession, and our communities. Because of this, audit quality is – and always will be – our number one priority.

02

Our approach to quality



Our approach to quality

International Standard on Quality Management 1 (ISQM 1)

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

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

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

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

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

A specific focus on audit quality across the Network

The PwC Network's Assurance QMSE framework

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

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

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



Overall quality objective

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

Integrated and aligned in the right way

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

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

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

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

The Quality Management Process

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

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

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 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 Quality Management Process (QMP).

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

Our risk assessment process

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

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

A quality risk is one that has a reasonable possibility of occurring and individually, or in combination with other quality risks, could adversely effect 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 the attractiveness of the profession, increased scrutiny on public sector work, use of technology (including Generative AI) and socio-economic matters (including loadshedding and the economic slowdown).



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.



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 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 the performance of engagements. The following sections of the report cover the following ISQM 1 quality objectives:

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

Our monitoring and remediation process

In the section, Monitoring, found on page 46, we have described the types of ongoing and periodic monitoring our firm has designed, implemented and are operating to provide relevant and reliable information about our firm's SoQM and to help us take appropriate actions over any identified deficiencies so we can remediate those deficiencies effectively and on a timely basis. To support the timely and effective remediation of identified deficiencies, our firm has designed, implemented and are operating a root cause analysis program that is described further on page 49.

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

Statement on the firm's system of quality management

During the year, we completed our evaluation of the firm's system of quality management under ISQM 1. On behalf of PwC South Africa, our Senior Partner has evaluated whether our firm's SoQM provides us reasonable assurance that:

- The firm and its personnel fulfill 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 30 June 2025, we believe our SoQM provides us with reasonable assurance that the quality objectives of ISQM 1 noted above have been achieved.



03

Culture and values



Culture and values

Definition and culture

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

Measurement and transparency

For all our businesses, each PwC firm – as part of the agreement by which they are members of the PwC network – is required to have in place a comprehensive SoQM; to annually complete a SoQM performance assessment; and to communicate the results of these assessments to global leadership. These results are then discussed in detail with the leadership of each local firm and if they are not at the level expected, a remediation plan is agreed with local leadership taking personal responsibility for its successful implementation. As the services that our network provides change and develop, and the needs and expectations of our stakeholders also change, the PwC network is continually reviewing and updating the scale, scope and operations of our PwC firms' SoQMs and investing in programmes to enhance the quality of the services that the PwC network provides.

Our firm's commitment to quality

Leadership and tone at the top

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

Trust in what matters

Today companies are judged on far more than financial outcomes. A company's performance in areas like ESG and cybersecurity, can affect its reputation, staff retention, access to capital, and ultimately enterprise value. That's why we're evolving our assurance offering to provide confidence not just in companies' financial statements but in their broader impact. We call this 'trust in what matters.' We apply rigorous standards to analyse companies' performance on issues such as climate and diversity. This helps companies demonstrate their progress, enabling these firms to build trust, enhance their corporate reputations, and grow enterprise value.

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

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



Act with integrity

- Speak up for what is right, especially when it feels difficult
- Expect and deliver the highest quality outcomes
- Make decisions and act as if our personal reputations were at stake



Make a difference

- Stay informed and ask questions about the future of the world we live in
- Create impact with our colleagues, our clients and society through our actions
- Respond with agility to the ever changing environment in which we operate



Care

- Make the effort to understand every individual and what matters to them
- Recognise the value that each person contributes
- Support others to grow and work in the ways that bring out their best



Work together

- Collaborate and share relationships, ideas and knowledge beyond boundaries
- Seek and integrate a diverse range of perspectives, people and ideas
- Give and ask for feedback to improve ourselves and others



Reimagine the possible

- Speak to challenge the status quo and try new things
- Innovate, test and learn from failure
- Have an open mind to the possibilities in every idea

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 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 objective
- **Interventions/recognition:** We have put in place interventions and recognition that promotes and reinforces positive behaviours and drives a culture of quality
- **Consequences/reward:** We have implemented financial and non-financial consequences and rewards that are commensurate to outcome and behaviour and sufficient to incentivise the right behaviours to achieve the quality objectives

Ethics, independence and objectivity

Ethics

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



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



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



Professional Competence and Due Care – to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practise, legislation and techniques and act diligently and in accordance with applicable technical and professional standards.



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



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



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

PwC South Africa 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.



Compliance with anti-money laundering legislation and professional requirements

At PwC, we do not provide any service, or enter into any business relationship, that could entail any individual, or the firm, being involved in direct or indirect money laundering activities. We have policies and procedures in place that establish our client's identity in accordance with the PwC policy. All knowledge or suspicion of money laundering is reported to the firm's nominated individual in accordance with our reporting procedures.



Anti-bribery

We are opposed to bribery in any form. The PwC Code of Conduct makes it clear that it is unacceptable for our people to solicit, accept, offer, promise or pay bribes whether directly or through a third party. Policies, training and procedures designed to prevent bribery are in place.



Reportable irregularity requirements

Audit engagement leaders who have reason to believe that they have identified a reportable irregularity, as defined in section 1 of the Auditing Professions Act of 2005, are required to consult with Risk Management and the Office of General Counsel.

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 South Africa has a designated partner (known as the 'Partner Responsible for Independence' or 'PRI') with appropriate seniority and standing, who is responsible for implementation of the PwC Global Independence Policy including managing the related independence processes and providing support to the business. The partner is supported by a team of independence specialists. The PRI reports directly to the Head of Risk and Quality, a member of the firm's management team.

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;

Business relationships, including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on purchasing of goods and services acquired in the normal course of business; and

Non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services (SOPS), which provide practical guidance on the application of the policy in respect of non-audit services to audit clients and related entities;

Acceptance of new audit and assurance clients, and the subsequent acceptance of any non-assurance services to be provided to those clients.

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

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

PwC South Africa supplements the PwC Network Independence Policy as required by local regulations, including the independence requirements of the Companies Act of 2008, the Independent Regulatory Board for Auditors, the United States Securities and Exchange Commission and those of the Public Accounting Oversight Board of the United States, where they are more restrictive than the Network's policy



Independence-related systems and tools

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

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



Independence training and confirmations

PwC South Africa provides all partners and practice staff with annual or on-going training in independence matters. Training typically focuses on milestone training relevant to a change in position or role, changes in policy or external regulation and, as relevant, provision of services.

Partners and staff receive computer-based training on PwC South Africa's independence policy and related topics. Additionally, face-to-face training is delivered to members of the practise on an as-needed basis by PwC South Africa's independence specialists and risk and quality team.

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 assurance engagements.

Engagement Leader, Quality Review Partner and Key Audit Partner rotation policy

We adhere to the rotation requirements of the independence rules published by IESBA, the SEC and the Companies Act of 2008 as applicable to a particular audited entity.

For entities that are subject to the requirements of Section 92 of the Companies Act of 2008, engagement leader tenure is set at five years, with a minimum two-year cooling-off period.

Lead audit engagement partners and quality review partners on audit engagements subject to the independence rules of the United States SEC are rotated every five years, followed by a five-year cooling-off period. There are also separate rotation requirements applicable to other partners who play a significant role on SEC audits.

For entities that meet the IESBA, IRBA or our internal definition of Public Interest Entity (PIE), the tenure for the engagement leader, quality review partner and key audit partners involved in the audit is set at seven years, with the cooling-off period being determined as set out below.

Where the engagement leader, quality review partner or key audit partners has served cumulative years in the same role:

Role	Time on period	Cooling-off period (consecutive years)
Engagement leader	7 years	5 years
Quality Review Partner (QRP)	7 years	3 years
Other Key Audit Partner	7 years	2 years

Where the engagement leader, quality review partner and key audit partners have served cumulative years in a combination of roles, different cooling off periods apply in terms of the IESBA code.

The engagement leader and quality review partner on engagements relating to a non-PIE high-profile client have a seven-year tenure, with a two year cooling-off period. For all other non-PIE entities our policy sets tenure for the engagement leader, quality review partner and key audit partner at ten years, with a two-year cooling-off period.

Key Audit Partners will include the statutory auditor designated by the firm as being primarily responsible for carrying out the statutory audit of the PIE, including at the level of the group, the statutory auditor who signs the audit report and, in the case of a group audit, the statutory auditor designated at the level of material subsidiaries.

Independence monitoring and disciplinary policy

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

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

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



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

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

In the past financial year, 369 partners and staff were subject to personal independence compliance testing to monitor compliance with the firm's policies. Exceptions are taken seriously, including staff and partner sanctions in terms of the RAF.

Considerations in undertaking the audit

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

Client and Engagement Acceptance and Continuance

PwC South Africa 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). 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.



Relationship checks, independence assessments and conflicts of interest

Before accepting a new engagement we perform:

- Checks to identify relevant relationships – these checks are performed by a dedicated relationship checking team within Risk Management. Where potential conflicts of interest are identified, we either decline to accept an engagement or we put in place arrangements to make sure that the potential conflicts of interest are appropriately managed, including, where appropriate, the use of restricted access rooms to work in; and
- In the case of new audit clients, an independence assessment – this is a comprehensive assessment which, depending on the nature and complexity of either the relationship or the structure of the prospective audit client, is either performed by a dedicated team within Risk Management or by the prospective engagement team with advice from Risk Management. The assessment covers all aspects of independence in relation to a new potential client. This enables us to identify existing relationships including business relationships, non-audit services and firm arrangements and determine whether:
 - those relationships that are prohibited by the Ethical Standards can be terminated before we are appointed as auditor. Where this is possible, the non-audit service providers in the PwC network are instructed to terminate the service prior to our appointment and confirm that they have done so. If we are unable to terminate the non-audit service before our potential audit appointment, we then decline the audit appointment; and
 - for those relationships that are permissible and can continue after our appointment as auditor, create any threat to our independence and objectivity. Where threats are identified and appropriate safeguards could be put in place, these are discussed and agreed with those charged with governance prior to appointment. Where the threats to our independence and objectivity are insurmountable, we decline the audit appointment.

04

Our people





Our people

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

The PwC Professional

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

Inclusion and diversity

At PwC, we're an organisation that fosters a culture of belonging and equity where our diverse workforce can thrive and feel like they belong. We do this by delivering on our Inclusion First strategy, which is centred on action, accountability and advocacy, in each of our member firms, across the PwC network. We embrace and encourage differences and help our people actively develop the skills to work and lead inclusively with our focus on gender equity, disability inclusion, LGBT+ inclusion and social inclusion. Underpinning this is ensuring our systems and behaviours are inclusive.

Career progression

PwC South Africa 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.

Global People Survey

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

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.

Recruitment

PwC South Africa aims to recruit, train, develop and retain the best and the brightest staff who share in the firm's strong sense of responsibility for delivering high-quality services. Our hiring standards include a structured interview process with behaviour-based questions built from The PwC Professional framework, assessment of academic records, and background checks.

Feedback and continuous development

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

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.

Professional Development

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

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

Continuing education

We, and other PwC 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 supports our primary training objective of quality, while providing practitioners with the opportunity to strengthen their technical and professional skills, including professional judgement while applying a sceptical mindset.

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

Average hours of formal learning achieved by Audit Partners and staff



05

Our approach



Our approach

As a member of the PwC network, PwC South Africa 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.





Tools and technologies to support our audit

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

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

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

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

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

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.

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 supervision and review responsibilities as part of the normal course of the audit.



Supporting engagement performance

Evolving delivery model

We continue to evolve the way we deliver our services so our people give our clients an even better experience, improve the quality of what we do and create economic capacity to invest in the future.

We use both on and offshore resources at Service Delivery centres and Centres of Excellence to simplify, standardise, automate, and centralise portions of the audit.



Direction, coaching and supervision

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



Consultation culture

Consultation is key to ensuring audit quality. While we have formal protocols about mandatory consultation, in the pursuit of quality, we regularly consult more than the minimum requirement.

For example, our engagement teams routinely speak with experts in areas such as taxation, risk, valuation, actuarial and other specialities as well as individuals within our National Office.

The firm has policies setting out the circumstances under which consultation on accounting, auditing and risk management matters is mandatory. The firm's technical experts track new developments in relevant areas and provide updates to the appropriate professional staff. Our consultative culture also means that our engagement teams regularly consult with each other on an informal basis, as well as with experts and others, often in situations where consultation is not formally required. Within Assurance, we use a consultation database that has been specifically designed to aid the enquiry and consultation process.



National office

Our National Office comprises technical accounting, auditing, and financial reporting specialists as well as 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

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



Engagement Performance & Quality (EPQ)

EPQ is the PwC branded approach to audit process improvement. It aims to improve the underlying processes and execution with the goal of getting it right the first time, thereby reducing waste and improving efficiency. The EPQ framework and guiding principles provide the foundation for how we think, solve problems and make improvements to the processes we work within each day.

What EPQ achieves

- **Improved Client & People Experience:** Enhanced service excellence and people experience – with less disruption and distraction, fewer late surprises and improved transparency;
- **Enhanced Quality:** More quality built in upfront – resulting in better prepared team members and decreased rework on the back end during busy periods;
- **Improved Efficiency:** More standardisation – resulting in reduced variation and uncertainty, less waste and more efficient processes, leading to improved margins; and
- **Smoother Workflow:** Improved phasing throughout the year – with better project management, improved coordination and more streamlined execution.



Quality Review Partners (QRP)

We appoint a Quality Review Partner (QRP) to conduct engagement quality control reviews of the audits of listed clients, and other clients where the risk is considered to warrant such appointment. QRPs are experienced individuals who are independent of the core engagement team; they receive training when appointed as a QRP and their skills, capacity and experience are assessed on an annual basis thereafter.

QRPs are appointed to an engagement based on their experience and expertise. The QRP is responsible for reviewing key aspects of the audit including independence, significant risks and the team's responses to these risks, judgements, uncorrected misstatements, documentation of work done in the areas reviewed, the financial statements, communication with those charged with governance and the appropriateness of the audit report to be issued. QRPs are involved throughout the audit process so that their input is timely. The QRP will seek to challenge the audit team in the judgements they have made and work done. Their review is completed and any matters raised are resolved to the QRP's satisfaction in advance of the audit report date.



Confidentiality and information security

Confidentiality and information security are key elements of our professional responsibilities. Misuse or loss of confidential client information or personal data may expose the firm to legal proceedings, and it may also adversely impact our reputation. We take the protection of confidential and personal data 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 controls and monitoring to embed an effective three lines of defence model. This model has enabled us to strengthen our information security organisation, align to 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 having a role to play in safeguarding personal data. We have continued to build our extensive General Data Protection Regulation Program, and are committed to embedding good data management practices across our business. This includes updated data management practices to comply with both the General Data Protection Regulation Program and the Protection of Personal Information Act 4 of 2013.

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.

Failure to protect information could potentially harm the individuals whose information PwC firms hold, lead PwC firms to suffer regulatory sanctions or other financial losses, and impact the PwC reputation and brand. The Information Security Policy (ISP) outlines the minimum security requirements with which every PwC firm must comply. PwC firm compliance with the ISP is measured through quarterly data-driven assessments as well as a yearly evidence based assessment for each PwC firm. Deviations that result from the assessment are prioritised for remediation per timelines agreed with firm leadership.

PwC South Africa is required to adhere to the ISP requirements and complete an annual, evidence based assessment to demonstrate compliance. The CISO approved assessment undergoes a detailed and standardised Quality Assessment (QA) process performed by a centralised, objective Network Information Security Compliance team. The Member Firm is assessed against the required controls through analysis of available data. In coordination with Member Firm stakeholders, the data is reviewed for quality to ensure an accurate assessment of the Member Firm's security posture. Deviations that result from the ISP Compliance Programme assessment process are prioritised for remediation utilising a risk based approach and per timelines agreed with leadership.

All partners and staff are required to keep any personal data and other confidential information, including information relating to clients, PwC firms and partners and staff, confidential unless permission to disclose the information is obtained from the client and/or other appropriate parties or there is a legal or professional duty to disclose the information. This also applies after a client relationship has ended in the case of client confidential information. We are permitted to disclose such information to other personnel only where there is a legitimate business purpose to do so. We do not use confidential client information or personal data for any purpose other than that for which it was intended and where it is disclosed to other parties request that they apply that same principle.

Our policies and procedures include:

- encryption of all the firm's laptops, PCs and memory sticks;
- secure and managed apps for data accessed by mobile devices;
- software restricting the use of removable media;
- access to engagement files – both electronic and hard copy paper files – is restricted to those with a 'need to know';
- regular backup of data on individual laptops and PCs;
- clear-desk policy, both in our offices and at client sites;
- securing hard copy files when they are not in use;
- remote access to our network via a secure virtual private network, or equivalent technology; policies on the transmission of data by email outside of the organisation; and
- restricted access to operational areas of PwC South Africa and our buildings.

The firm has incident reporting and response procedures that seek to minimise the impact of any data loss which arises. These procedures include notifying clients when it is known that their data is at risk and, where appropriate and feasible, taking corrective action.

PwC's information security policies and procedures aim to make sure that:

- | | |
|---|--|
| 1 | information is protected from internal and external threats; |
| 2 | confidentiality, availability and integrity of information is maintained; |
| 3 | statutory regulatory and contractual obligations are met; and |
| 4 | access to confidential information is granted only for justified business needs. |

06

Monitoring



Monitoring

Monitoring of Assurance quality

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

Responsibility for appropriate quality management lies with the leadership of PwC South Africa. 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.

To achieve this, we set ambitious quality standards and prioritise rigorous self-evaluation. While we occasionally identify areas for improvement, we strive to meet client expectations and enhance stakeholder trust through our transparent and honest commitment to continuous improvement. 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 Quality Assurance (RTA) programme designed to provide preventative monitoring that helps coach and support engagement teams get the 'right work' completed in real-time, during the audit.

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

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

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

Additionally, the PwC Network undertakes periodic reviews to evaluate certain elements of PwC firms' SoQMs. 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.

In addition to the firm's internal quality monitoring processes, we are subject to periodic external inspections by the Independent Regulatory Board for Auditors (IRBA). As part of their inspection cycle, the IRBA conducts a comprehensive review of the firm's quality management system every three years, along with annual thematic and risk-based engagement-level inspections. Furthermore, the firm is also overseen by the Public Company Accounting Oversight Board (PCAOB), which employs a risk-based approach when selecting issuer audits for review.

The internal and external 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. Partners are remunerated based on their level of responsibility, the firm's performance, and individual performance. Partners are evaluated based on their contributions to people, quality and profitable growth. Partner accomplishments are measured based on the partner's relative performance against established goals.

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

Learn: Root cause analysis

We perform analyses to identify potential factors contributing to our firm's audit quality so that we can take actions to continuously improve. Our primary objectives when conducting such analyses are to understand what our findings tell us about our SoQM and to identify how our firm can provide an effective environment for our engagement teams to deliver a quality audit. We look at quality findings from all sources including our own ongoing monitoring of our SoQM as well as Network inspection of our SoQM, audits both with and without deficiencies—whether identified through our own internal inspections process or through external inspections and other inputs such as our Global People Survey and financial statement restatements and accounting errors—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, amongst others. Potential causal factors are identified by evaluating engagement information, performing interviews, and reviewing selected audit working papers to understand the factors that may have contributed to audit quality.

In addition, the data compiled for audits both with and without engagement-level findings is compared and contrasted to identify whether certain factors appear to correlate to audit quality. 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.



07

PwC Network



PwC Network



PricewaterhouseCoopers International Limited

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services.

Together, these firms form the PwC network. 'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

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

For these reasons, the PwC network consists of firms which are separate legal entities. The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC network are members in, or have other connections to PricewaterhouseCoopers International Limited (PwCIL), an English private company limited by guarantee. PwCIL does not practise accountancy or provide services to clients.

Rather its purpose is to facilitate coordination between member firms in the PwC network. Focusing on key areas such as strategy, brand, and risk and quality, the Network Leadership Team and Board of PwCIL coordinates the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual PwC firms where appropriate. Member firms of PwCIL can use the PwC name and the resources and methodologies of the PwC network. In addition, member firms may request the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

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

Dion Shango, Africa Senior Partner, is a member of the Strategy Council and maintains our relationships with the Network Leadership Team.

PwC South Africa operates in the form of a dual structure, namely PricewaterhouseCoopers Incorporated, a registered company, and the PricewaterhouseCoopers South African Firm, which is a partnership.



08

Legal and Governance Structure



Africa Governance Board

- 12 members (including six from the South Africa Governing Board)
- Four scheduled meetings per annum (and ad-hoc meetings if required)
- Term of office: Four years.

PwC South Africa is part of the South Market Area of PwC Africa, and together with the firms in the East and West Market Areas, falls under the governance arrangements of PwC Africa. These governance arrangements are exercised by the Governance Board, constituted in terms of the Africa joint venture agreement, which details its powers and duties.

The members are elected by the partners in each of the three market areas making up PwC Africa. The Chairman of the Governance Board is elected by the members of the Governance Board. It has several committees that wact in accordance with the delegated authority of the Governance Board. The committees are accountable to the Governance Board and report to the members at each board meeting.

South Africa Governing Board

- 11 members (elected by South Africa partners)
- Four scheduled meetings per annum (and ad-hoc meetings if required)
- Term of office: Four years
- The CEO is an ex-officio member of the board

The Governing Board is constituted in terms of the PwC South Africa firm's partnership agreement, which details its rights and responsibilities. Other than the Chief Executive Officer, none of the members serve as members of the firm's Leadership Team.

The chairperson of the Governing Board is elected by the members of the Governing Board.

The chairperson at 30 June 2025 of the Governing Board was Anastacia Tshesane. It has several committees that act in accordance with the delegated authority of the Governance Board. The committees are accountable to the Governance Board and report to the members at each board meeting.

Public Interest Body

PwC South Africa has a Public Interest Body. The body consists of four Independent Non-Executive members. The purpose of the Public Interest Body ('PIB') is to enhance stakeholder confidence in the public interest aspects of the firm's activities. It does this through the involvement of Independent Non-Executives ('INEs'). The PIB considers a wide range of issues, with a particular focus on matters of public interest. The members of the PIB are: Professor Mervyn King (Chair), Dr. Snowy Khoza, Mandla Mchunu and Zuleka Jasper.

Management Committee

- Members appointed by the Chief Executive Officer
- Eight scheduled meetings per annum
- Term of office: Four years

The Management Committee is accountable for the firm's results and its principal responsibilities include creating, directing and overseeing strategy implementation, developing succession plans for leadership roles and ensuring regular and ongoing partner communication on the progress and performance of the firm.



South Africa Governing Board (at 30 June 2025)

Management committee (at 30 June 2025)



Anastacia Tshesane
Chair



Ahmed Chohan



Alsue du Preez



Nicolette Jacobs



Eben Gerrits



Jayshila Mistri



Philani Maphanga



Trevor White



Frank Mosupa



Shirley Machaba
Chief Executive Officer



Taruna Naidoo
Chief Ethics Officer



Sizwe Masondo
Core Assurance Leader



Richard Jacobs
Core Assurance Chief Operating Officer



Vicki Myburgh
Risk and Quality Leader



Johannes Grosskopf
Chief Operating Officer



Corlia Volschenk
People Leader



Alinah Motaung
Deputy People Leader



Marcia Mokone
Transformation, Inclusion and Diversity Leader



Mbai Rashamuse
Tax and Legal Services Leader



Keith Ackerman
Consulting and Risk Services Leader



Jan Groenewald
Deals Leader

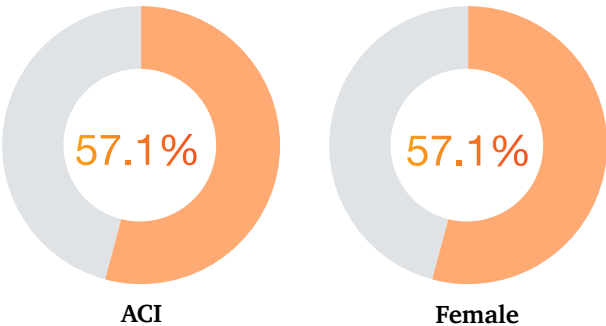
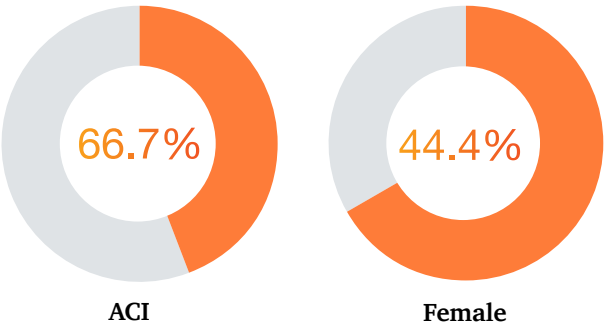


Hannelie Gilmour
Consulting Leader



Kesh Naidu
Consulting and Risk Services – Clients and Markets Leader

The management committee’s 4 year term commenced on 1 July 2023



Appendix

List of EEA Member State statutory audit firms/ auditors by country within our network as of 30 June 2025.

Member State	Name of firm	Member State	Name of firm
Austria	PwC Wirtschaftsprüfung GmbH, Wien	Ireland	PricewaterhouseCoopers
Austria	PwC Wirtschaftsprüfungs- und Steuerberatungsgesellschaft GmbH, Linz	Ireland	PricewaterhouseCoopers (Northern Ireland) LLP
Austria	PwC Tax & Audit Services Wirtschaftsprüfung und Steuerberatung GmbH, Graz	Italy	PricewaterhouseCoopers SpA
Austria	PwC Österreich GmbH, Wien	Latvia	PricewaterhouseCoopers SIA
Belgium	PwC Bedrijfsrevisoren bv/Reviseurs d'entreprises srl	Liechtenstein	PricewaterhouseCoopers GmbH, Ruggell
Bulgaria	PricewaterhouseCoopers Audit OOD	Lithuania	PricewaterhouseCoopers UAB
Croatia	PricewaterhouseCoopers d.o.o	Luxembourg	PricewaterhouseCoopers, Société coopérative
Croatia	PricewaterhouseCoopers Savjetovanje d.o.o	Malta	PricewaterhouseCoopers
Cyprus	PricewaterhouseCoopers Limited	Netherlands	PricewaterhouseCoopers Accountants N.V.
Czech Republic	PricewaterhouseCoopers Audit, s.r.o.	Norway	PricewaterhouseCoopers AS
Denmark	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab	Norway	PwC Assurance AS
Estonia	AS PricewaterhouseCoopers	Norway	PwC Assurance II AS
Finland	PricewaterhouseCoopers Oy	Poland	PricewaterhouseCoopers Polska sp. z. o.o.
France	PricewaterhouseCoopers Audit	Poland	PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
France	PricewaterhouseCoopers France	Portugal	PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda
France	M. Antoine Priollaud	Romania	PricewaterhouseCoopers Audit S.R.L.
Germany	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft	Slovakia (Slovak Republic)	PricewaterhouseCoopers Slovensko, s.r.o.
Germany	Wibera Wirtschaftsberatung Aktiengesellschaft Wirtschaftsprüfungsgesellschaft	Slovenia	PricewaterhouseCoopers d.o.o.
Greece	PricewaterhouseCoopers Auditing Company SA	Spain	PricewaterhouseCoopers Auditores, S.L.
Hungary	PricewaterhouseCoopers Könyvvizsgáló Kft.	Sweden	PricewaterhouseCoopers AB
Iceland	PricewaterhouseCoopers ehf	Sweden	Öhrlings PricewaterhouseCoopers AB

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. 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. PwC South Africa's total revenues for the year ended 30 June 2025 amounted to approximately 320.6 million Euros, comprising revenue from Core Assurance services of 173.2 million Euros, Consulting and Risk Services of 90.0 million Euros, Deals services of 30.0 million Euros, and Tax and Legal services of 27.4 million Euros. This represents the revenues of PwC South Africa converted at the average exchange rate for the year ended 30 June 2025. PwC South Africa acts as auditor for two entities (Thungela Resources Limited and Valterra Platinum Limited.) with transferable securities listed on a UK regulated market. The audit fees approximate 0.9 million Euros and 1.4 million Euros respectively. Non-audit fees approximated 0.1 million and 0.3 million Euros respectively. The fees have been converted at the average exchange rate for the year ended 30 June 2025.





Thank you

At PwC, we help clients build trust and reinvent so they can turn complexity into competitive advantage. We're a tech-forward, people-empowered network with more than 364,000 people in 136 countries. Across audit and assurance, tax and legal, deals and consulting we help clients build, accelerate and sustain momentum. Find out more at www.pwc.com.

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