Transparency Report

PricewaterhouseCoopers Limited (Gibraltar)

June 2026



Table of contents

01 Message from leadership 3

02 Our approach to quality 11

03 Our cultures and values 18

04 Our people 31

05 Our approach 37

06 Monitoring 43

07 PwC Network 48

08 Article 13 of the EU Regulation considerations 52

Message from leadership



I'm delighted to present our 2026 transparency report. This annual report explains to our stakeholders and wider society within Gibraltar how we are governed, what we expect from our people, as well as providing a candid overview of our activities and system of quality management. While PwC Gibraltar is a multidisciplinary firm, this report is primarily focused on our audit practice and related assurance services.

Our purpose and strategy

Our purpose is simple yet powerful: To build trust in society and solve important problems. We want to be a catalyst for change, and we seek to help our clients and our community navigate the many challenges they face.

Our strategy is built around three core priorities: Clients, People and Technology. It reflects the depth and breadth of our sector expertise, and our understanding of our clients' issues. We're investing, with clarity and intent, in our people and our capabilities, particularly in technology and artificial intelligence. We are harnessing the power of our network, as our clients face increasing challenges, in areas such as regulatory oversight, workforce transformation and technological change. Both public and private investment in these areas is critical for the future our economy.

Our Clients

Our clients are at the centre of everything we do. One of our greatest strengths lies in our ability to understand the challenges our clients are facing. We strive to understand their businesses, anticipate their needs, and provide bespoke solutions that add real value.

A core part of our strategy is to help clients build and sustain resilience and accelerate momentum, particularly given the current pace of change. To enable this, we continue to evolve our client experience through enabling our engagement leaders and teams to have broader, more strategic, future-focused conversations. These conversations begin with leveraging our deep client knowledge, industry expertise, a collaborative approach and our innovative AI transformation platform. In this world of constant reinvention, our clients rely on us to help protect and create value, now and in the future.

Our People

We believe our culture differentiates us from our competitors. Our firm remains locally owned and controlled, maintaining the strong connection to our history, culture and values.

Investment in our people is priority for us and is evident by the 5 new associates who joined us in FY26 and the continuing popularity of our summer intern programs. We are a proud training organisation. Some of the people we train will stay with us throughout their careers, but others will seek out opportunities in organisations in Gibraltar and beyond. This is welcomed, as I believe the training we provide and the culture we seek to instil, will contribute to the ultimate success of Gibraltar in this fast-evolving global economy.

Economies are being reshaped by AI and geopolitical events and there is no doubt that the need for transformation and levels of investment needed to deliver it are significant. This will include challenging ourselves to reimagine the future of our workforce. Our training programmes are designed to give our teams a deeper understanding of innovative new technologies such as AI and data analytics, and personal development covering cultural backgrounds, neurodiversity and personality differences, all aimed at improving how we communicate and support one another. We appreciate our diverse workforce and support social inclusion as a core part of our strategy, reflecting the richness of our workforce, which spans 14 nationalities.

Percentage of staff surveyed who report:

84%

The leader I work with actively demonstrates inclusive behaviours

89%

My team engages diverse perspectives and consults with specialists, as needed, to perform quality work

88%

I work on assignments that contribute to my development

...as reported in our Global People Survey

This is all underpinned by our purpose and values, where all our people feel empowered to contribute and innovate, and a culture where unacceptable behaviour is challenged. Through combining and promoting the right behaviours, embracing change and by living our values, we can cultivate a rich breadth of abilities that let us deliver unexpected insights and solve complex challenges facing our clients and society.

Our Technology

Sustainable growth of the Gibraltar economy will depend in part on our ability to adapt and innovate. By harnessing cutting-edge digital tools and fostering a culture of continuous learning, we will be better equipped to meet our clients' evolving needs while maintaining the highest standards of professional quality.

In FY26 I was proud of my team's contribution to the launch of the PwC Next Generation Audit software platform (Maestro) across our global network of firms. This technology not only enables us to identify risks more effectively but also provide greater assurance to our stakeholders. Our ongoing investment in technology ensures that we remain at the forefront of best practice in assurance delivery.

The Next Era

A strong quality culture, reinforced by clear leadership and a robust tone from the top, is vital to our continued success. We are steadfast in our commitment to upholding the highest standards of professional behaviour and technical excellence. Continuous improvement is embedded in our processes, supported by regular training and rigorous quality reviews. Our leadership team sets the standard, championing a culture where ethical conduct and accountability are non-negotiable.

Although there are many challenges and uncertainties ahead, there will be many opportunities and possibilities to grasp. Through collaboration, acting and thinking differently, we can ensure that our clients are best placed to thrive.

Feel free to get in touch

Gibraltar and the wider world face exceptional challenges and rapid change. By building trust and working together, we can navigate the disruption ahead and seize the opportunities it creates.

If there are any aspects of this report or issues that you would like to discuss, please feel free to get in touch.

Barry Pillans
Territory Senior Partner



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Message from our Assurance Leader



Our Assurance practice is a vital part of our firm, representing 65% of our client-facing staff and contributing significantly, directly and indirectly, to our overall revenue.

It is at the heart of our mission to establish trust with our stakeholders. Quality remains our primary focus and is integrated deeply into our strategic approach.

As we reflect on FY26, we recognise that it's been another year filled with significant challenges, but also promising opportunities for our colleagues, clients, and the communities in which we operate.

The conflict in Ukraine remains unresolved. Political tensions in the Middle East and in the Strait of Hormuz have impacted adversely on global trade. The effects of these global challenges have also been felt locally.

The years long negotiations between the UK and the EU regarding Gibraltar's future relationship with the EU were finally concluded during the year and the agreement was implemented temporarily on 15 July 2026. As from that date, the Gibraltar-Spain border, physical barriers, fences, and routine passport and customs checks were completely dismantled as Gibraltar joined the Schengen area framework and an EU customs union.

The agreement still requires parliamentary ratification, but this is expected to occur in mid-December 2026. Once ratified, the uncertainty that we have lived with since the UK voted to leave the EU, will disappear. Without this uncertainty, investors can make strategic decisions with confidence and certainty related to inward investment into Gibraltar. In addition, we expect the challenges of recruitment to be eased. Skilled labour shortages have, up to now, remained a challenging issue, demanding innovative solutions and engagement to ensure that we continue to meet our clients' needs with continued exceptional services.

Despite a more challenging financial year compared with the previous reporting period, our commitment to quality has remained unwavering.

During the year, our Assurance practice underwent a Network inspection of our System of Quality Management, and an inspection of selected audit engagements. We are extremely pleased to report that the outcomes of these reviews were outstanding, providing strong independent validation of the effectiveness of our quality controls and the high standard of our audit work.

These results reflect the dedication of our people and our continued investment in quality, governance and professional excellence. Maintaining public trust through the consistent delivery of high-quality audits remains our highest priority, and the successful inspection outcomes provide confidence that we continue to meet that responsibility.

We are therefore pleased to present our FY26 Transparency Report, which reinforces our commitment to quality in our assurance services. The report provides insights into our procedures and systems that ensure excellence, along with details about how we cultivate a culture of quality firm wide. The Transparency Report provides detailed information about the public-interest entity audits we've conducted, offering insights into our audit and non-audit service revenue. By providing this transparency, we aim to affirm our commitment to maintaining the highest levels of integrity.

Blending our people with technology to deliver quality

We are committed to empowering our audit teams by continuing to equip them with cutting-edge technologies, innovative tools, and comprehensive support and guidance to achieve the optimal fusion of human expertise and technological advancement. Our goal is to redefine the audit experience, leveraging the best of both human insight and machine intelligence to deliver exceptional outcomes for our clients. Powerful platforms such as Halo, Aura, and Connect are pivotal in our journey toward the future, as we explore ways to further integrate technology and data to enhance secure communication and provide deeper insights to our audit clients.

In FY27 we will see the launch of the PwC Next Generation Audit software platform (Maestro) in our practice. This technology not only enables us to identify risks more effectively but will also provide greater assurance to our stakeholders. Our ongoing investment in technology ensures that we remain at the forefront of best practice and I am proud of our proactive role in advancing discussions around audit quality in Gibraltar. Our commitment remains steadfast in driving audit quality forward and contributing to the ongoing success of our clients and stakeholders. As we look ahead, we will continue to innovate and adapt, ensuring our methodologies remain at the forefront of industry standards and practices.

Colin Vaughan
Assurance Leader



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Assurance training

We continue to empower our audit teams by providing comprehensive professional development programs, including the latest audit training, classes, and guidance, all designed to enhance expertise and ensure assurance quality. By investing in our people's growth, we reaffirm our commitment to delivering high-quality assurance services to our clients.

Assurance Training Figures

Average hours achieved by partners and staff in FY26

59	59	118
Online	Classroom	Total

4,962
Total hours completed in FY26

Average hours achieved by partners and staff in FY25

54	35	89
Online	Classroom	Total

4,873
Total hours completed in FY25

Year in review

Partner and staff survey

100%
of our staff and partners participated in our Global People Survey

91%
of the respondents believe the people they work with demonstrate conduct consistent with PwC's Code of Conduct

Restatements

1
Number of financial statement restatements involving PIE audits due to material errors

Average retention rate by staff level

85% Managers/Senior Managers
90% Senior Associates
64% Associates

Total Turnover

FY26
£6,812k

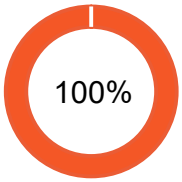
FY25
£7,496k

Turnover by Service (Article 13(2)(k))	FY26 (£,000)	FY25 (£,000)
Statutory Audits: Public Interest Entities & Subsidiaries	1,291	1,179
Audits: Other Clients	1,523	2,049
Non-Audit Services: Audit Clients	481	520
Non-Audit Services: Other Clients	3,517	3,748
Total Revenue	**6,812**	**7,496**

Audit quality reviews - external

Results from the most recent audit quality reviews - number of reviews, including total number resulting in non-compliance

- Compliant - 4
- Non-compliant - 0



26
years

Experience of our partners

Partners' average years of experience at PwC

Our approach to quality

International Standard on Quality Management 1 ("ISQM 1")

Since December 2023, all firms have been required to have designed and implemented the requirements of ISQM 1 and evaluate their System of Quality Management ("SoQM") under this new standard.

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 leaders 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

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

Integrated and aligned in the right way

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

- Governance and Leadership
- Relevant Ethical Requirements
- Acceptance and Continuance of Client Relationships and Specific Engagements
- Engagement Performance
- Resources
- Information and Communication

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 (AQIs);
- 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.

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.

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 reinforce quality behaviours, culture and actions.



Our risk assessment

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
- changes to the risk assessment of existing quality risks
- changes to the design of the firm's SoQM, including the risk responses

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

Our firm's system of quality management



Aim to Predict: Assurance Quality Indicators

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

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 43, 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 46.

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 effectiveness of the firm's SoQM

During the year, we completed our evaluation of the firm's SoQM under ISQM 1. On behalf of PricewaterhouseCoopers Limited (Gibraltar), Barry Pillans (Territory Senior Partner) and Colin Vaughan (Territory Assurance Leader) have evaluated whether our firm's SoQM provides us reasonable assurance that:

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

Based on all the relevant information of the firm's SoQM, as at 30 June 2026, we believe our SoQM provides us with reasonable assurance that the quality objectives of ISQM 1 noted above have been achieved.

Our cultures and values

Definition and culture

At PwC, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of more than 369,945 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 system of quality management ("SoQM"); to annually complete a SoQM performance assessment; and to communicate the results of these assessments to global leadership. These results are then discussed in detail with the leadership of each local firm and if they are not at the level expected, a remediation plan is agreed with local leadership taking personal responsibility for its successful implementation.

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

Our firm's commitment to quality



Leadership and tone at the top

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

Trust in what matters

Today, companies are judged on far more than financial outcomes. A company's performance in areas like ESG, cybersecurity, can affect its reputation, staff retention, access to capital, and ultimately enterprise value. That's why we're evolving our assurance offering to provide confidence not just in companies' financial statements but in their broader impact.

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

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

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

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

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 leaders. 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.

As mentioned previously, to help the firm put this strategy into effect, the PwC Network has established the QMSE framework which introduces an overall quality objective for the Assurance practice that is supported by a series of underlying quality management objectives. Our SoQM must be designed and operated so that these objectives are achieved with reasonable assurance. The achievement of these objectives is supported by a QMP established by our firm and Assurance leadership, business process owners, and partners and staff.

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 all partners and staff accountable for quality behaviours and quality outcomes beyond compliance. Our RAF considers and addresses the following key elements:

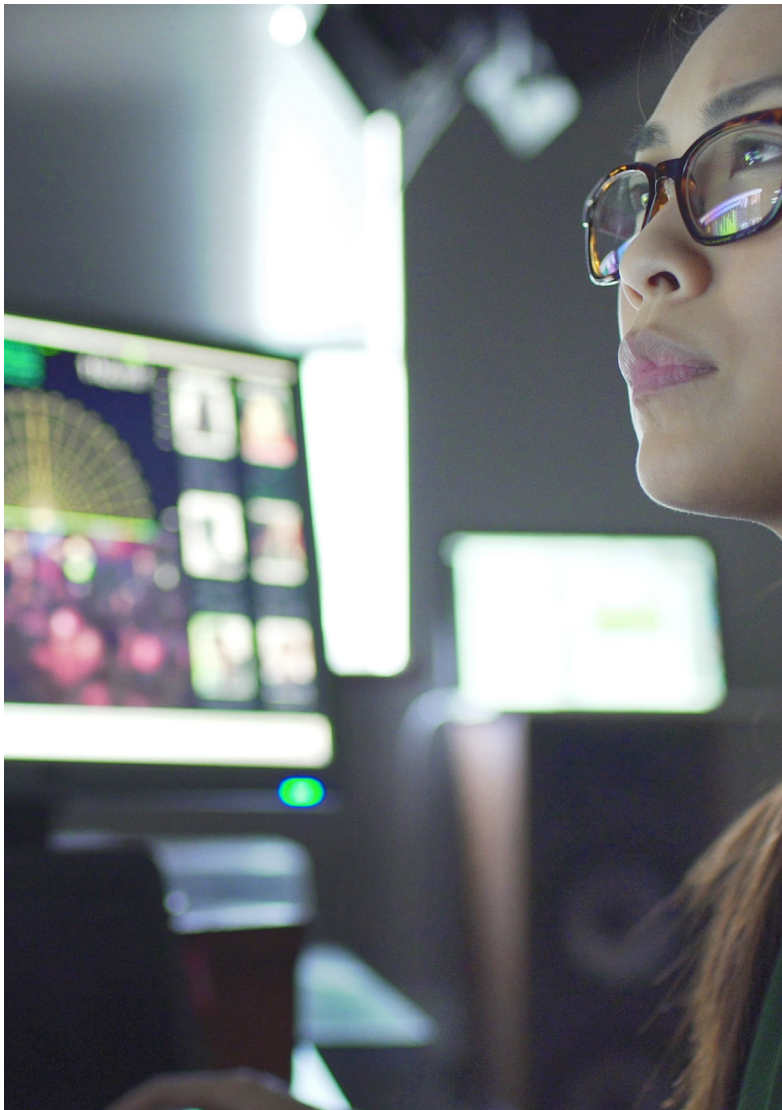
- Quality outcomes: We provide transparent quality outcomes to measure the achievement of the quality objectives. Our quality outcomes take into account meeting professional standards and the PwC Network's and our firm's standards and policies.

- 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.

The firm approves the content of the local RAF annually amongst the Board of Directors and hold individuals accountable against the RAF on an annual basis as part of performance and quality monitoring.



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:

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

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

3. 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.

4. 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.

5. 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 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 Gibraltar 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, we have 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, we provide 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 www.pwc.com/ethics.

Finally, the Organisation for Economic Co-operation and Development (OECD) provides guidance, including the OECD Guidelines for Multinational Enterprises (the OECD Guidelines), by way of non-binding principles and standards for responsible business conduct when operating globally. The OECD Guidelines provide a valuable framework for setting applicable compliance requirements and standards.

Although the PwC Network consists of firms that are separate legal entities which do not form a multinational corporation or enterprise, PwC's network standards and policies are informed by and meet the goals and objectives of the OECD Guidelines.



Objectivity and Independence

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

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

The independence requirements of the United States Securities and Exchange Commission (SEC) are, in certain instances, more restrictive than the Global Independence Policy. Given the reach of these requirements and their impact on PwC firms in the network, the 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. The firm 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 PRI is supported by an appropriately sized team and reports directly to the TSP. Both the TSP and PRI are members of the firm's Board of Directors and leadership 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;
- 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 procedures 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.

The firm supplements the PwC Global Independence Policy as required by EU Audit Regulation, which was previously enshrined into Gibraltar law, where they are more restrictive than the network's policy.

Independence-related systems and tools

As a member of the PwC Network, the firm 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;

- Independence Assessment Centre of Excellence (IACoE) is part of the Global Independence strategy and has been implemented to support independence assessment processes. A key component of this strategy is the Independence Assessment (IA) application, which standardises and automates the independence assessment processes across the network. The IA application leverages the network's data to streamline and enhance the efficiency of independence assessments. This allows PwC firms to accurately assess the possible Independence risks surrounding new audit clients;

- 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.

The firm also has a number of Gibraltar-specific systems which include:

- A rotation tracking database which monitors compliance with Gibraltar audit rotation policies for the firm, engagement leaders and other key audit partners involved in an audit; and
- A territory breaches register, which includes all Gibraltar breaches that have no cross-border implications.

Independence training and confirmations

The firm provides all partners and specific 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 the firm's independence policy and related topics. Additionally, face-to-face training is delivered to members of the practice on an as-needed basis by Gibraltar's independence 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 an annual checkpoint compliance confirmation and periodic and ad-hoc engagement level confirmations.

Independence monitoring and disciplinary policy

The firm 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, at a minimum, partners, directors and managers 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 monitoring and testing are reported to the firm's management on a regular basis with a summary reported to Gibraltar leadership on an annual basis.

Independence monitoring and disciplinary policy

The firm has a Recognition and 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 systems and processes and for additional guidance and training.

Considerations in undertaking the audit

Our principles for determining whether to accept a new client or continue serving an existing client are fundamental to delivering quality, which we believe goes hand-in-hand with our purpose to build trust in society. We have established policies and procedures for the acceptance of client relationships and audit engagements that consider whether we are competent to perform the engagement and have the necessary capabilities including time and resources, can comply with relevant ethical requirements, including independence, and have appropriately considered the integrity of the client.

We reassess these considerations in determining whether we should continue with the client engagement and have in place policies and procedures related to withdrawing from an engagement or a client relationship when necessary. The policies and processes we have in place emphasise risk and quality considerations such that financial and operational priorities do not lead to inappropriate judgements about whether to accept or continue a client relationship.

Client and Engagement Acceptance and Continuance

The firm 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 appropriate 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 clients and engagements.

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

People Strategy

Our people strategy was developed in support of our broader business strategy, The Next Era. We are focused on being the world's pre-eminent 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.

During the year we implemented a multidirectional feedback tool and responded to feedback by providing our people with clarity on promotion and remuneration.

We have also continued to invest in our people by increasing the resources of our Human Capital department. We have added two dedicated staff members to expand the support we provide our employees.

We remain committed to listening to feedback and will continue to prioritise wellbeing through firm-wide initiatives, whilst also focusing on developing our future leaders as a key strategic priority for the coming year.

In terms of recruitment, we hire candidates who have diverse backgrounds and appropriate skills; have a questioning mindset and intellectual curiosity; and demonstrate courage and integrity. Our hiring standards include a structured interview process with behavioural-based questions built from The PwC Professional framework, assessment of academic records and background checks.



The PwC Professional

The PwC Professional framework defines the behaviours expected of all our people, regardless of role, business unit or grade. It sets out the capabilities and attributes that help us deliver consistently high-quality outcomes while living our purpose, strategy and values in everything we do. The framework provides a common language for performance, development and leadership across the firm, helping our people understand not only what is expected of them, but also how success should be achieved.

Built around the principles of **Trusted Leadership** and **Distinctive Outcomes**, the framework encourages individuals to act with integrity, build meaningful relationships, demonstrate sound judgement and take personal accountability for their actions. It emphasises the importance of collaboration, inclusion and continuous learning, recognising that the best results are delivered when diverse perspectives and expertise are brought together.

The framework also promotes a strong client and stakeholder focus, encouraging our people to understand the broader context in which they operate, adapt to changing circumstances and deliver work that creates lasting value. By demonstrating these behaviours consistently, our people strengthen trust with clients, colleagues, regulators and the wider community.

Ultimately, the PwC Professional framework supports our purpose of building trust in society and solving important problems by helping our people lead with integrity, work collaboratively, embrace innovation and deliver outcomes that make a positive and sustainable impact.

Audit Quality Measure
Average staff retention rate

Global People Survey observations

The firmwide respondent rate for the Gibraltar firm was 94%, with all audit partners and staff completing the survey. The survey covers a wide range of topics and themes. Below are some examples of the survey questions and results:

- 79% of respondents answered favourably to the question “At PwC, I feel comfortable discussing or reporting ethical issues and concerns”.
- 89% of respondents answering favourably to “My team engages diverse perspectives and consults with specialists, as needed, to perform quality work”.
- 80% favourable response for the question “I have the opportunity to develop and apply new skills”.



Inclusion and diversity

At PwC, we are 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.

Recruitment

We aim to recruit, train, develop and retain the best and the brightest people 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.

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. Our dedicated Coaches ensure that each employee has the guidance appropriate to their personal career journey. Coaches work with their people to tailor goals, portfolios and development plans.

Resourcing in our audit department is based around objective assessments of client needs and budgets, ensuring that each engagement team can provide maximum value to our clients. We continually act on feedback to streamline our resourcing process and staff projects accordingly.

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 allowing for upward, downward and peer-to-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. Our Coaches and management team utilise feedback to identify areas of development for our people, ensuring our firm's talent is continually evolving.

Our staff have access to a dedicated, AI-enabled training platform to continually upskill themselves on a multitude of applicable skills and behaviours.

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. In FY26 the firm continued to benefit from Empowered Flexibility working arrangements. Empowered Flexibility allows our people to complete their contractual hours in fewer days, offering improved work-life balance and higher job satisfaction. In FY26, the firm required 60% of working time per week to be spent at the office or a client site, with up to 40% allowed for remote work, including flexible start and finish times and attending to personal commitments during the working day.This arrangement enhances productivity and helps retain and attract talent by empowering staff to work in a way that best suits them, their teams, and clients.

Career progression

We use The PwC Professional framework, our global career progression framework, which sets out clear expectations at all staff levels. The framework underpins all elements of career development and helps our people develop into well-rounded professionals and inclusive 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 Coach 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. We are responsible for analysing and communicating results locally, along with clearly defined actions to address feedback.



Learning and education

Professional Development

We are committed to putting the right people in the right place at the right time. Throughout our people's careers, they are presented with career development opportunities, classroom, virtual classroom and on-demand learning, 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.

We recognise that professional credentials strengthen our commitment to quality and integrity through consistent examination and certification standards. By maintaining training integrity and continuously upskilling our people, we ensure they remain current with industry standards and best practices. Supporting our people in balancing their professional development and personal commitments strengthens our people experience and is central to our 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 meets regularly with all department training managers to discuss the department training requirements, and the training managers ensure that all mandatory accounting training is completed. Our Learning & Education Leader will also consider what additional training is appropriate - formal and/or informal - to address any additional specific local needs.

Training on updates to IFRS standards is delivered through a combination of internal PwC resources, such as Viewpoint, Aura, Connect, and Workbench, and external sources including ACCA, ICAEW, the Gibraltar Society of Accountants, our local regulator. Additionally, we have as our internally developed local training programme.

Mandatory training attendance

100%

of partners and staff have completed all mandatory training attendance in FY26

Our approach

As a member of the PwC Network, we have access to and use 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.

People

Data and technology can help reveal insights, but it takes an inquisitive person with well-rounded business knowledge to understand what those insights mean. We recruit professionals with these capabilities, people who can deliver the highest quality outcomes in terms of client service and compliance.

Technology

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

Consultation

The firm has policies setting out the circumstances under which consultation on accounting, auditing and risk management matters is mandatory. Our engagement teams consult with appropriate groups in areas such as taxation, risk, valuation, actuarial and other specialities. We also have protocols to consult with specialist and dedicated teams in respect of technical accounting, auditing, and financial reporting matters as well as risk and quality. The firm's Risk and Quality team track new developments in relevant areas and provide updates to the appropriate professional staff. Our strong consultative culture also means that our engagement teams regularly consult with each other on an informal basis, as well as with experts, often in situations where consultation is not formally required.

Supervision and Review

The engagement leader and senior engagement team members supervise the audit, review the work done, coach the team and maintain audit quality. Our audit software, Aura Platinum, is designed to help audit team members track the progress of the engagement and therefore make sure that all work has been completed, the work is reviewed by the relevant individuals including the engagement leader and, where relevant, the Engagement Quality Control Reviewer (known in PwC Audit as the Quality Review Partner (QRP) and that all matters arising have been appropriately addressed.

The engagement leaders have the overall responsibility for the direction, supervision and review of work on the engagement, ensuring that conclusions are reached and documented in a proper and timely manner and taking overall responsibility for managing and achieving quality on the engagement.

Quality Review Partners (QRP)

Specific audit engagements are assigned a QRP as part of the Member Firm's SoQM as required by professional standards and/or legislation/regulation. 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 those risks, and specific accounting, auditing, and financial reporting and disclosure issues.



Tools and technologies to support our audit

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.

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 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.

ChatPwC

is our secure generative AI assistant used to help teams research, summarise and analyse information, and to draft and review materials. It operates under PwC's governance, privacy and security controls, with access restrictions, usage logging and guardrails to protect confidentiality and support responsible use.

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.

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.

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.



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.

Confidentiality and information security

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 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, fines 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 our legal obligations, industry good practice and improve our internal control frameworks.

The firm’s policies and procedures are supported by ongoing compliance monitoring. An incident response procedure is also in place.

Supporting engagement performance

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, coach the team and maintain audit quality. Engagement teams utilise Aura which has capabilities to effectively monitor the progress of the engagement to determine that all work has been completed and reviewed by appropriate individuals, including the engagement leader.
Consultation culture	Consultation is key to ensuring 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 specialities. We also have protocols to consult with specialists and dedicated teams in respect of technical accounting, auditing, and financial reporting matters as well as risk and quality. We regularly consult more than the minimum requirement.
Quality Review Partners (QRP)	Specific audit engagements are assigned a QRP as part of the Member Firm's System of Quality Management ("SoQM") as required by professional standards and/or legislation/ regulation. 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 those risks, and specific accounting, auditing, and financial reporting and disclosure issues.
Evolving delivery model	We continue to evolve the way we deliver our services so our people give our clients an even better experience, further enhance the quality of what we do and create economic capacity to invest in the future. We use delivery centres to streamline, standardise, automate, and centralise portions of the audit.
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 a central function, such as risk management.

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 the Gibraltar firm. 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 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. Our firm's monitoring programme is based on a consistent network-wide inspections programme for Assurance based on professional standards relating to quality control, including ISQM 1, as well as network policies, procedures, tools and guidance. This programme incorporates the use of Key Performance Indicators and hot file reviews conducted by seasoned professionals, who provide additional coaching to engagement team and identify shareable practices.

We continue to monitor our processes and controls in respect of RTA and we amend and evolve these to ensure we continue to meet our objectives in supporting engagement teams.

Audit Quality Measures

- Total number of ECRs
- Number of ECRs rated as Compliant, Compliant with Improvement Required, Non-Compliant
- ECRs rated as Compliant, Compliant with Improvement Required, Non-Compliant related to total number of ECRs (%)
- Financial statement restatements involving PIE audits due to material errors

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.

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.

In Gibraltar, each signer is subject to an ECR at least once every three years, unless a more frequent review is required based on the profile of that signer's client engagements or due to local regulatory requirements.

Audit Quality Measures

- Total number of file reviews by external regulators
- Number of file reviews by other external regulators resulting in non-compliance (or equivalent)

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

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

Assurance engagement leaders of our firm receive information on the results of the network inspection programme, 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.

Quality assurance review by our regulator

In accordance with applicable regulatory requirements, each Member Firm may also be reviewed periodically by national and international regulators and/or professional bodies.

In this respect, the firm is subject to periodic review by the Gibraltar audit regulator, the Gibraltar Financial Services Commission ("GFSC"). In November 2024, the GFSC carried out and concluded their latest review of the Gibraltar Member Firm and a sample of our audit engagement files were included in the scope of their review. The overall quality of the firm, including its audit work, was found to be appropriate. Some minor findings were identified for improvement, but these did not detract in any significant way from the overall quality achieved. The next GFSC review is expected in 2027. The latest GFSC annual report, including the audit regulatory report can be found here.

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 PwC Network inspections 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 skills and behaviours, technical knowledge, supervision and review, professional scepticism, engagement resources, and training, amongst others. Potential causal factors are identified by evaluating engagement information, data analysis, performing interviews, and reviewing selected audit working papers to understand the factors that may have contributed to audit quality.

In addition, the data from audits with and without engagement-level findings are analysed to identify whether any factors appear to correlate to audit quality. Examples of this data include the hours incurred on the audit, the number of years the key engagement team members have been on the engagement, industry experience, the number of other audits that the engagement leaders are involved in, whether the engagement was subject to a real time assurance review (RTR) and the timing of when the audit was performed.

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 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.



PwC Network

PricewaterhouseCoopers International Limited ("PwCIL")

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

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

For these reasons, the PwC Network consists of firms which are separate legal entities. The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC Network are members in or have other connections to PwCIL, an English private company limited by guarantee. PwCIL does not practise accountancy or provide services to clients. Rather its purpose is to facilitate coordination between member firms in the PwC Network. Focusing on key areas such as strategy, brand, and risk and quality, the Network Leadership Team and Board of PwCIL 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.

Legal and governance structure

Governance structure

PricewaterhouseCoopers Limited is registered as an audit firm licensed and is regulated by the Gibraltar Financial Services Commission (“GFSC”). Its trading name is PricewaterhouseCoopers.

PricewaterhouseCoopers Limited (the “firm” or “member firm”) is a limited liability company incorporated in Gibraltar and governed by Gibraltar law and is a subsidiary of PwC Holdings Limited.

PwC Holdings Limited, together with its trading subsidiaries, make up what is known as “PwC Gibraltar”.

The shareholders of PwC Holdings Limited are the partners - known as Equity Partners - of the PricewaterhouseCoopers Gibraltar Partnership, all of whom are professionals active within the practice. These individuals ultimately own PwC Gibraltar.

The governance structure of the firm is made up of two elements; the Territory Senior Partner (“TSP”) and the Board of Directors (the “Board”). The Board meet at regular intervals to discuss strategy and to monitor the firm’s progress against that strategy. Since the combining of our Tax and Advisory services, the firm has been comprised of two core lines of service: Assurance and Tax.

Each member of the Board is actively involved in the management of the firm, and is subject to formal, rigorous, and ongoing performance evaluation. The firm must annually comply with PwC’s Network Standards.

Partner remuneration

Partners are remunerated solely out of the profits of PwC Gibraltar.

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

An essential element of PwC’s ethos is a set of common principles for remuneration of partners at PwC firms, based on partner performance and quality of work.

The underlying premise of the partner income philosophy is to encourage, recognise, and reward partners, both as individuals and as members of teams. Reward is based on their contribution to their respective firm and, where relevant, to the wider network. Quality is the most important measure in assessing a partner’s contribution.

Territory Senior Partner (the "TSP")

Barry Pillans is the TSP for PwC Gibraltar, who has been in this role since 1 July 2024. The TSP is elected by the Equity Partners of PwC Gibraltar. The TSP is responsible for the leadership and strategic direction of the firm. In addition, the TSP is ultimately responsible for the Gibraltar firm's adherence with PwC's Network Standards.

The Board of Directors (the "Board")

The Board is responsible for developing and implementing the policies and strategies of the firm and for its direction and management. The Board also takes overall responsibility for the systems of internal control (which includes controls relating to quality) and for reviewing and evaluating their effectiveness. During the year ended 30 June 2026, the Board continued to hold regular meetings, on at least a quarterly basis, and discussed formal business matters at additional meetings as necessary.

Management Team

A more detailed CV of all our Board and management team can be seen as part of our website: www.pwc.gi.

Name	Title	Core role	Board Director	Equity Partner	Statutory Auditor
Kevin Duarte	Partner	Partner responsible for Independence	x	x	x
Lalit Khatwani	Partner	Partner Responsible for Risk & Quality, Internal Audit Leader	x	x	x
Edgar Lavarello	Partner	Advisory Leader	x	x	
Patrick Pilcher	Partner	Tax Leader, People Leader, Learning & Education Leader	x	x	
Barry Pillans	Partner	Territory Senior Partner, Ethics & Business Conduct Leader	x	x	x
Colin Vaughan	Partner	Assurance Leader, Money Laundering Reporting Officer	x	x	x
Luke Walsh	Partner	Tax Risk, Quality & Advisory Leader	x	x*	
Jackielee Urrutia-Tinca	Director	Quality Review Leader, Inclusion & Diversity Leader			x

*Equity Partner as from 1 July 2026

Article 13 of the EU Regulation considerations

List of public interest entities

List of EU Public Interest Entities: Article 13(2)(f): a list of public-interest entities for which PricewaterhouseCoopers Limited (Gibraltar) carried out statutory audits during the year to 30 June 2026.

Name of Entity - EU PIE
AA Underwriting Insurance Company Limited
Alwyn Insurance Company Limited
Carraig Insurance Company Limited
Trusted Novus Bank Limited
Watford Insurance Company Europe Limited
WDP Insurance Limited

List of other statutory auditors and countries within the Network

Names of each statutory auditor operating as a sole practitioner or audit firm that is a member of the network and the countries in which each statutory auditor operating as a sole practitioner or audit firm that is a member of the network is operating. The table below is a list of statutory audit firms/auditors by country within our network as of 30 June 2026.

Member State	Name of firm
Austria	PwC Wirtschaftsprüfung GmbH, Wien PwC Wirtschaftsprüfungs- und Steuerberatungsgesellschaft GmbH, Linz PwC Tax & Audit Services Wirtschaftsprüfung und Steuerberatung GmbH, Graz PwC Österreich GmbH, Wien PwC Assurance GmbH Wirtschaftsprüfung, Wien
Belgium	PwC Bedrijfsrevisoren bv/Reviseurs d'enterprises srl
Bulgaria	PricewaterhouseCoopers Audit OOD
Croatia	PricewaterhouseCoopers d.o.o PricewaterhouseCoopers Savietovanie d.o.o
Cyprus	PricewaterhouseCoopers Limited
Czech Republic	PricewaterhouseCoopers Audit, s.r.o.
Denmark	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Estonia	AS PricewaterhouseCoopers
Finland	PricewaterhouseCoopers Oy
France	PricewaterhouseCoopers Audit PricewaterhouseCoopers France
Germany	PricewaterhouseCoopers GmbH Wirtschaftsprufungsgesellschaft Wibera Wirtschaftsberatung Aktiengesellschaft Wirtschaftsprufungsgesellschaft
Greece	PricewaterhouseCoopers Auditing Company SA
Hungary	PricewaterhouseCoopers Könyvvizsgaló Kft.
Iceland	PricewaterhouseCoopers ehf
Ireland	PricewaterhouseCoopers PricewaterhouseCoopers (Northern Ireland) LLP
Italy	PricewaterhouseCoopers SpA
Latvia	PricewaterhouseCoopers SIA

Member State	Name of firm
Liechtenstein	PricewaterhouseCoopers GmbH, Ruggell
Lithuania	PricewaterhouseCoopers UAB
Luxembourg	PricewaterhouseCoopers, Societe coopérative
Malta	PricewaterhouseCoopers
Netherlands	PricewaterhouseCoopers Accountants N.V.
Norway	PricewaterhouseCoopers AS
Poland	PricewaterhouseCoopers Polska sp. z. o.o. PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
Portugal	PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda
Romania	PricewaterhouseCoopers Audit S.R.L.
Slovakia (Slovak Republic)	PricewaterhouseCoopers Slovensko, s.r.o.
Slovenia	PricewaterhouseCoopers d.o.o.
Spain	PricewaterhouseCoopers Auditores, S.L.
Sweden	PricewaterhouseCoopers AB Öhrlings PricewaterhouseCoopers AB

Network Statutory Auditor Turnover

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 is approximately 3.0 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 2026.

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