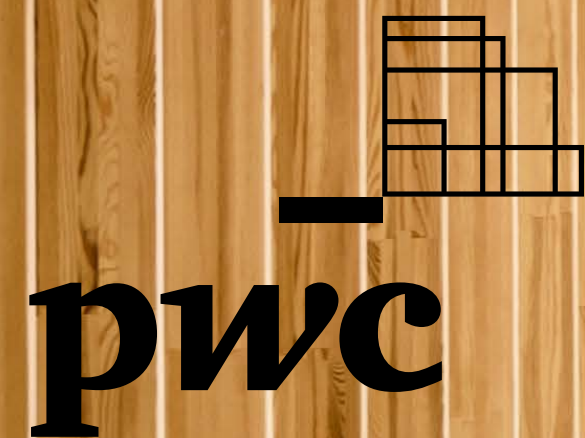


October 2024

Transparency Report

PwC Luxembourg





PwC Luxembourg Transparency Report

The whole PwC Team wishes you, dear reader, a very warm welcome to the PwC Luxembourg Transparency Report of activities for the year ended 30 June 2024 (2024). The report is issued in accordance with EU Regulation No 537/2014 of the European Parliament and of the Council of 16 April 2014, on specific requirements regarding statutory audit of public-interest entities. The regulation prescribes that certain information on our legal structure, independence and quality assurance has to be made publicly available.

We fully support the Law's requirements on transparency, which align with our Firm's values and have provided relevant complementary information on the PwC Network, our longer term sustainability goals as well as our People and transformation ambitions.

Content



Welcome to our 2024 Transparency Report

For the second year, it is a privilege for me to write the introduction to our Transparency Report in my capacity as Managing Partner of PwC Luxembourg. This report encompasses insights into our governance, featuring updates from Isabelle Dauvergne, who is head of our Assurance practice.

At PwC, our purpose is to build trust in society and solve important problems. We are committed to driving a strong culture of quality and excellence that is core to our purpose. Our approach to building trust addresses rising demands for transparency, accountability, and stakeholder engagement.

This report highlights our audit practices and related services, emphasising our steadfast commitment to quality, which is crucial for maintaining the trust of our clients and stakeholders. In a profession under constant scrutiny, our dedication to excellence remains paramount. Our teams, aligned with client needs, adeptly navigate complex audits in dynamic and uncertain environments. This transformation of our audit business reinforces our commitment to audit quality and public interest responsibilities.

The year in review

Despite a challenging macro-economic environment, we were able to grow our business overall by 11.4% to reach a total turnover of slightly more than €700m. We note however that the growth has

not been homogenous across all our service lines: while Assurance clearly had an exceptional year and Tax, including Managed Services, grew solidly, Advisory had a more challenging year, reflective of a market environment characterised by volatility and uncertainty.

We see this solid performance as an outcome of our efforts and achievements especially in the following critical success areas:

- The satisfaction level of our clients has been very high, with a significant further increase in our Net Promoter Score as well as many positive comments coming out of our extensive client satisfaction programmes.
- Similarly, our Global People Survey showed overall a high level of engagement and trust of our people, who highlighted our focus on quality and on our values, as well as our initiatives around flexibility, health, wellbeing and diversity, equity, and inclusion.

We have set a goal for ourselves to become the most impactful, dynamic, and trusted professional services partnership in Luxembourg and beyond its borders. And we recognise that true prosperity has to be sustainable, underpinned by diverse services and work environment that puts our People at the heart of everything we do.

Our role as auditors is to build trust in information that drives the capital markets – its accuracy, reliability, and consistency. As the

needs and expectations of users of independent audits continue to evolve and information flows grow increasingly complex, PwC is committing to a series of actions in areas over the next several years that will further enhance confidence in the independent audit. These include accountability, quality, independence, transparency and engagement.

At PwC Luxembourg, we remain resolute in our ability to provide trustworthy and sustainable solutions for our clients. Our commitment to long-term investments ensures an unwavering focus on our mission. We strive to deliver work of the highest quality and to live and act in accordance with the standards we set ourselves and the values that are at the heart of PwC.

I extend my sincere gratitude to our clients for their continued trust in our services, and to all partners and team members for their exceptional contributions.

I hope you find this 2024 Transparency Report both useful and impactful.

Warm regards,

François Mousel, Managing Partner



A message from our Assurance Leader

Amid the challenges of a financial year marked by subdued economic growth in Europe, FY23/24 proved to be a remarkable period for our Assurance practice, achieving an admirable 18.5% growth overall. This significant increase has elevated our total turnover to €396 million, constituting 55.9% of the Firm's total revenue for the year. The Alternatives industry continues to serve as a primary growth driver, consistent with trends from preceding years. Furthermore, all industries have made substantial contributions to their top lines, underscoring the resilience of sectors such as banking and operational companies.

Our growth has been significant across the board, with the Audit practice seeing an 18% increase and other assurance services growing by 19.8%. The latter includes our Broader Assurance Services (BAS), which offer a diverse range of assurance-related solutions. These services, covering areas such as risk (including cyber, IT, data), actuarial, valuation, AML, controls, etc. are crucial for delivering assurance to our clients and preparing them to tackle complex challenges.

Our assurance services' strategic positioning and ongoing support to our clients have been particularly impactful, with several major assignments in ESG and sustainability reporting related to Sustainable Finance Disclosure Regulation (SFDR) and Corporate Sustainability Reporting Directive (CSRD).

Our People

The backbone of our Assurance practice growth is our continued investment in our People, with a significant increase in FY24 (+237 FTE between 30 June 2023 and 2024). This investment is closely intertwined with our deepening commitment to assurance technology, where we are introducing new transformative tools to further our practice. This enhances not only the experience of our People in delivering our services, but also enriches our clients' experience even more with high-quality, efficient, bespoke, and business-focused audits.

Strategic investments for the future

This past fiscal year has been characterised by our dedicated efforts to embrace change and enhance our capabilities to continue to deliver the highest quality service to our clients and we are always looking for alternative and improved delivery models.

On 3 October 2024, we inaugurated our new office, PwC Services Portugal, located in Porto (Matosinhos), which is a partnership between PwC Luxembourg and PwC Portugal, a new entity entirely dedicated to our Luxembourg clients, creating highly qualified jobs attracting students and graduates from leading universities in Portugal. The professionals in PwC Services Portugal will work as remote team members directly on our Luxembourg client accounts jointly with our Luxembourg staff. This strategic model provides a sustainable solution for talent acquisition while also serving as a leverage to our delivery capacity in Luxembourg.

Other strategic service offer enhancements, leveraging PwC's global network for the benefit of our clients, and our focus on innovation, include the launch of the GenAI Business Center in 2024, and position us as leaders in operational efficiency and technology innovation.

We are deeply committed to enhancing our capabilities, from both a resource and a technology perspective. This represents a key asset and differentiator to our clients, particularly concerning the Corporate Sustainability Reporting Directive (CSRD), which began implementation in 2024 and requires some market players to report timely, accurately and with proper assurance levels in successive waves.

Additionally, we do not underestimate the impact of The Digital Operational Resilience Act (DORA) moving forward from a broader assurance standpoint. DORA aims to harmonise existing regulations, integrate information and communication technology (ICT) risks into comprehensive risk management policies, and increase transparency in dealings with ICT third-party providers. However, getting ready for this requires significant upskilling of our People, which we have been undertaking over the past fiscal year.

Our People are essential to achieving our goals, which is why we foster environments where individuals can thrive, grow, and find purpose. We believe this is one of the main reasons we continue to be a top choice for experienced hires and new graduates and to attract knowledgeable talent in matters such as ESG, emerging technologies, Data, AI, GenAI, etc.

Quality remains at the heart of what we do

Our audit teams use a multidisciplinary approach, leveraging expertise from various parts of our Firm and our extensive PwC network, which also speaks to global mobility opportunities as well as perspectives.

Modern audits require the analysis of diverse data, making it crucial to understand technologies such as data analytics and areas such as asset valuation, financial instruments, actuarial calculations, treasury operations, and tax compliance. These are valuable skills that enhance audit quality and build trust in financial statements, and they need to be grown to keep pace with change while maintaining scrupulous standards.

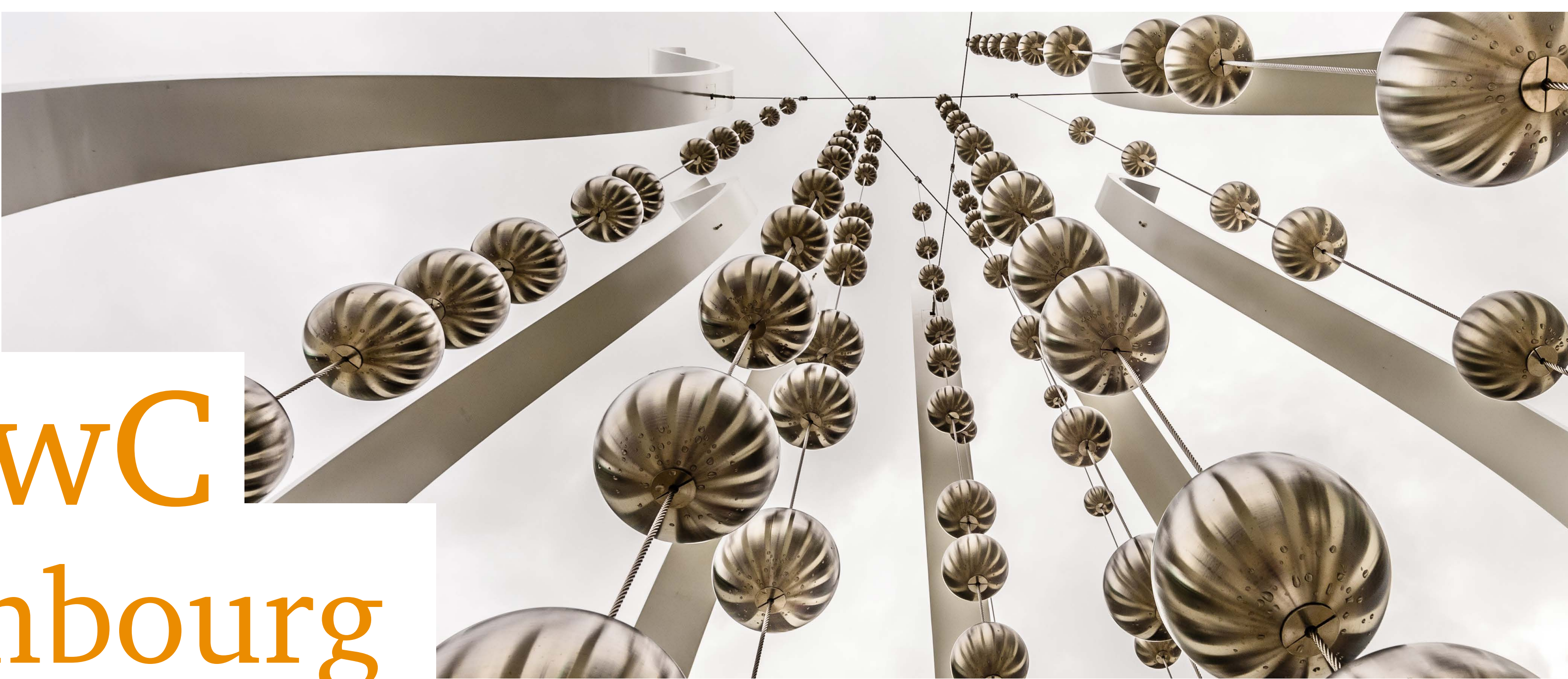
We take great pride in our commitment to respecting deadlines, delivering on promises, and attentively listening to our clients to ensure our continued relevance. The satisfaction level of our clients is very high, and this comes from listening to them, and respecting their feedback.

We believe this past year's achievement is a testament to the relevance of our quality assurance, the expertise, and the unwavering dedication of our team. Most importantly, amid a backdrop of geopolitical uncertainty and deepening regulatory complexities, our success underscores the trust our clients place in us and the pertinence of our quality service offerings. We diligently listen to our clients and thus have been—and continue to be—capable of adjusting our services to meet their evolving needs.

I invite you to read the «Our Approach to Quality» and «Monitoring» sections of this Transparency Report to understand how we ensure high-quality audit work, and I hope it conveys to you the seriousness with which we approach our responsibility and our interest in engaging with you about audit quality.

Your trust is crucial. On our side, PwC Luxembourg Assurance practice continues its commitment to quality assurance and to help our clients become more resilient for the future.

Isabelle Dauvergne, Assurance Leader



PwC Luxembourg

At PwC Luxembourg, our purpose is to build trust in society and solve important problems. The Firm, and its 3,581 people (without interns), is a member of a network composed of independent Firms in 149 countries with more than 370,000 people who are committed to delivering quality in assurance, advisory and tax services.

PricewaterhouseCoopers Luxembourg, operating as a Société coopérative since 1 July 2012 (“PwC Luxembourg” or “our Firm”), is a company with limited liability incorporated under Luxembourg law. It is registered with the Luxembourg Business Registers under number B 65477 with a subscribed capital of EUR 999,525 and a total of capital and reserves of EUR 35,237,691 at 30 June 2024 and is registered as an approved audit Firm (“cabinet de révision agréé”) as per the Law of 23 July 2016 on the audit profession as amended. It is owned by individuals providing audit, tax or advisory services in Luxembourg. A majority of voting rights are in the hands of shareholders who are registered approved statutory auditors (“réviseurs d’entreprises agréés”) and members of the IRE (Institut des réviseurs d’entreprises) and in the hands of shareholders who

are Chartered Accountants (members of the Ordre des Experts-Comptables).

Our Firm additionally is registered with the PCAOB (the US Public Company Accounting Oversight Board), the UK FRC, the JFSA (the Japan Financial Services Authority), the Hong-Kong FRC and with the BVI (British Virgin Islands) Financial Services Commission. PwC Luxembourg has three fully owned operating subsidiaries which are PricewaterhouseCoopers Academy S.à r.l., PricewaterhouseCoopers Training Administration Service Centre S.à r.l. and PwC Regulated Solutions S.à r.l., and holds PwC Services Portugal, Lda., a joint-venture company with PricewaterhouseCoopers/AG – Assessoria de Gestão, Lda.



PwC Network

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.



PricewaterhouseCoopers International Limited

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.



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 SoQM under the new standard by 15 December 2023.

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

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

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

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

The standard goes on to say that the public interest is served by the consistent performance of quality engagements and that this is enabled by an effective 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 that are identified from the following components of ISQM 1:

- 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 behaviour and outcome 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 reinforce quality behaviour, culture and actions.

Our Firm's system of quality management

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

Aim to Predict: Assurance Quality Indicators

We have identified a set of Assurance Quality Indicators (AQIs) that supports 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.

The Assurance leadership team reviews an AQI dashboard on a quarterly basis, whose purpose is to analyse trends over the last relevant periods in order to assess whether new remedial actions need to be enforced / to which extent existing remedial actions are efficient.

The AQIs used as predictors include the following: utilisation and turnover of our People, recruitment completion rate, compliance with learning policies, involvement of specialists, timing of planning reviews, independence breaches, people engagement index, inspection findings, involvement of more experienced personnels, etc.

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 22, 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 programme that is described further on page 23.

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.

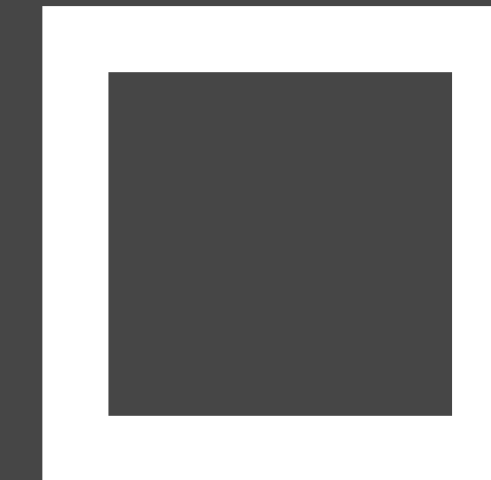


Statement on the effectiveness of the firm's SoQM

During the year, we completed our evaluation of the firm's system of quality management under ISQM 1. On behalf of PwC Luxembourg, our Managing Partner and 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 of 30 October 2024, we believe our SoQM provides us with reasonable assurance that the quality objectives of ISQM 1 noted above have been achieved.





Culture and Values

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Delivering quality services across the network

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 370,000 people. This culture of quality emphasises that quality is the responsibility of everyone. Continuing to enhance this culture of quality is a significant area of focus for our global and local leadership teams and one which plays a key part in the measurement of their performance.

Measurement and transparency

For all our businesses, each PwC firm—as part of the agreement by which they are members of the PwC network—is required to have in place a comprehensive 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 behaviour. 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 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 behaviour 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 behaviour and outcome and reinforce those expectations by holding Partners, including non-Partner Engagement Leaders, accountable for quality behaviour 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.
- **Behaviour:** We have set expectations of the right behaviour 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 behaviour 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 behaviour 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 practice, 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 Luxembourg 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 Luxembourg has adopted PwC's Global Code of Conduct, Network Standards and related policies that clearly describe the behaviour expected of our partners and other professionals-behaviour 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 Luxembourg provides an overview of the PwC Global Code of Conduct and the expected behaviour 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 behaviour 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 Luxembourg has adopted an accountability framework to facilitate remediation of behaviour 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.

The Global People Survey contains a few questions related to Ethics and the content in the abovementioned paragraphs, for example: "At PwC, I can speak openly, including voicing my opinions or raising any concerns, even when my views may be different from others." (63%)

"At PwC, I feel comfortable discussing or reporting ethical issues and concerns without fear of negative consequences." (61%)

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 Luxembourg 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 Firm's Head of Risk and Quality.

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 rotation requirements of the Firm and of key audit Partners.

These policies and processes are designed to help PwC 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 Luxembourg supplements the PwC Network Independence Policies as required by local regulations and by the EU Audit Regulation where they are more restrictive than the network's policy.

Independence - related systems and tools

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

- The Central Entity Service (CES), which contains information about corporate entities including all PwC audit clients and their related entities (including all public interest audit clients and SEC restricted entities) as well as their related securities. CES helps determine the independence restriction status of clients of the PwC firm and those of other PwC firms before entering 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 preclearance of publicly traded securities by all partners and practice managers 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.

Our Firm also has a number of Luxembourg-specific systems which include a rotation tracking system which monitors compliance with our Firm's audit rotation policies for the Firm engagement leaders, other key audit Partners and senior staff involved in an audit.

Independence training and confirmations

PwC Luxembourg 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 our Firm's independence policy and related topics. Also, face-to-face training is delivered to practice members as needed by our Firm's independence specialists and risk and quality teams.

All partners and staff practice 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 engagement level confirmations every Partner or staff needs to complete twice a month for clients they have worked on. A confirmation is also required for every audit engagement file a Partner or Staff has access to.

Independence monitoring and disciplinary policy

Our 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, practice directors and managers as a means of monitoring compliance with independence policies; and
- An annual assessment of our PwC Firm's adherence with the PwC network's standard relating to independence.

The results of our Firm's monitoring and testing are reported to the Firm's management regularly with a summary reported to them annually. PwC Luxembourg 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 our Firm's systems and processes and for additional guidance and training.

Based on the reviews outlined above, we confirm that we have implemented and maintained appropriate

independence policies, tools and practices within the Firm during the year ended 30 June 2024.

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 together with our purpose of building trust in society. We have established policies and procedures for the acceptance of client relationships and audit engagements that consider whether we are competent to perform the engagement and have the necessary capabilities including time and resources, can comply with relevant ethical requirements, including independence, and have appropriately considered the integrity of the client.

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

Client and Engagement Acceptance and Continuance

We have a process in place to identify acceptable clients based on the PwC network's proprietary decision support systems for audit client acceptance and retention (called Acceptance and Continuance (A&C)). A&C facilitates a determination by the engagement team, business management and risk management specialists of whether the risks related to an existing client or a potential client are manageable, and whether PwC should be associated with the particular client and its management.

More specifically, this system enables:

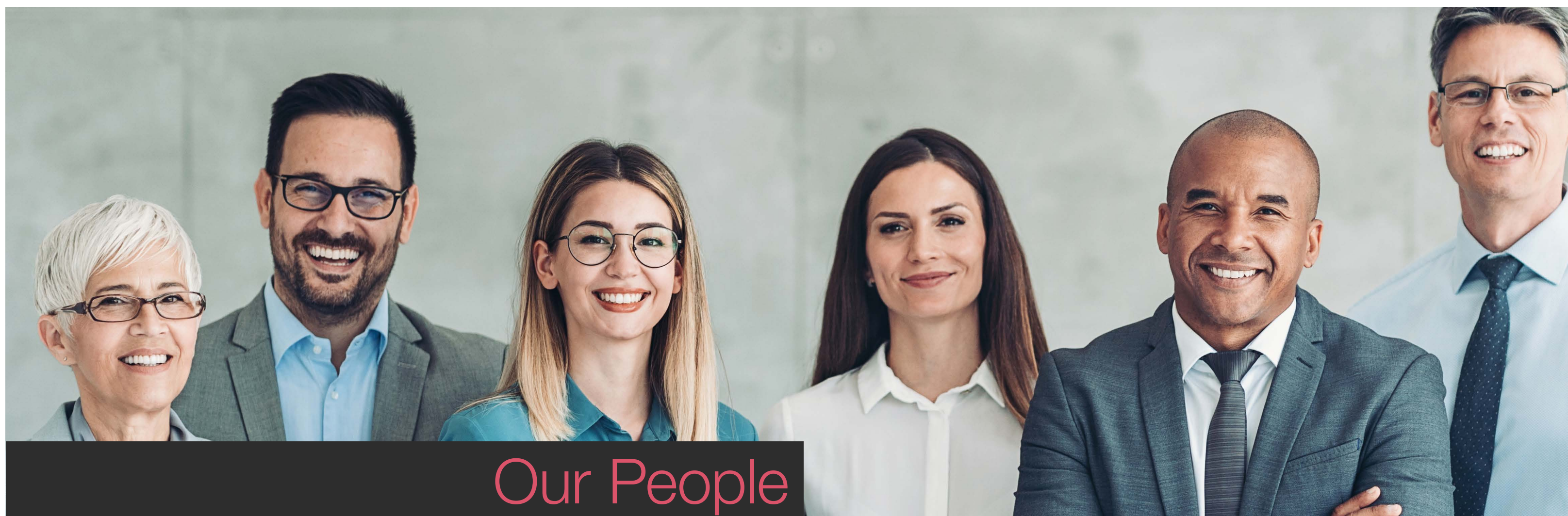
Engagement teams:

- 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.

The A&C is supplemented by VigiLense Suite, a set of tools gathering all the AML and Risk Management tasks which are critical for the acceptance of client relationships and Assurance engagements.



Our People

1/3

People strategy

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.

Our current Firm's vision is to:

- Be committed to be the best HC function in Luxembourg.
- Aim to be recognised internally for being the people experts while being agile and disruptive business partners as well as problem solvers.
- Aim to be recognised externally for our innovative people strategy.

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 behaviour are inclusive.

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.

Recruitment

Our Firm 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 Evolved PwC Professional Framework, assessment of academic records, and background checks. Across the firm in FY24, we recruited 907 new joiners.

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.

Feedback and continuous development

Our team members obtain regular 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 My Contribution tool, a simple, mobile-enabled technology. We also use Workday to give and receive upward and peer feedback. Ongoing career conversations help our people grow and learn faster, adapt to new and complex environments, and bring the best to our clients and firm.

Career progression

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



Retention

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

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 Luxembourg is responsible for analysing and communicating results locally, along with clearly defined actions to address feedback.

[The results of our Global People Survey are detailed in our 2024 Annual Review.](#)

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 learning 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 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 curriculum, developed at the Network level, provides access to training materials covering the PwC audit approach and tools-this includes updates on auditing standards and their implications, 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 curriculum supports our primary training objective of audit quality, while providing practitioners with the opportunity to strengthen their technical and professional skills, including professional judgment while applying a sceptical mindset.

The design of the curriculum 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.

PwC Luxembourg will add in any local training to ensure that staff received global as well as local specific content, training programmes used from other Network groups (e.g. GAQ-Accounting training on IFRS) and externally sourced training, covering both technical and non-technical training.

3/3





Our approach

1/3

As a member of the PwC network, our Firm 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.

Technical support

Ratio of partners serving in technical support roles to the total number of audit partners: 1 to 13

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.

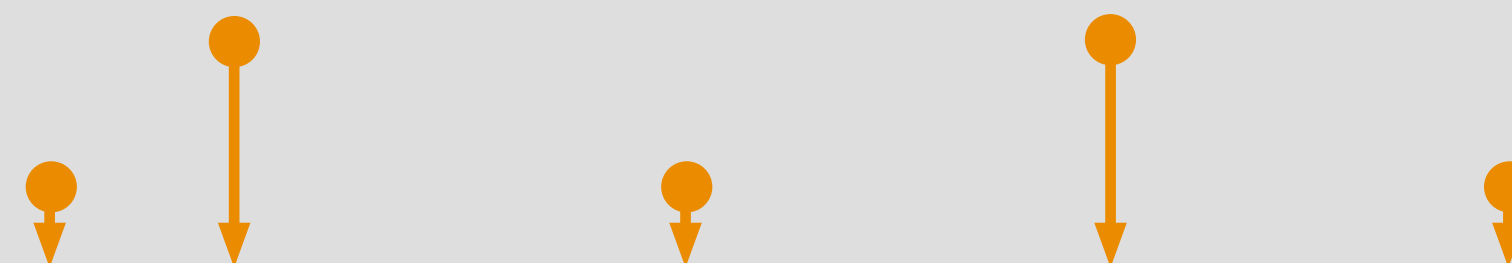
Technology

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.

Approach

We've built our audit around our people and our technology. We've designed it to give us more time with our clients, understanding the things that matter to their business. That's more time understanding client concerns, and more time focusing on the inherent risks we see, including how they change over time and how they compare with peer companies.

**The
PwC
Audit**



Our Next Generation Audit (NGA)

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.

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, 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 defense 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 on our extensive GDPR readiness programme, and are committed to embedding good data management practices across our business.

Information security

Information Security is a high priority for the PwC Network. Our firm is accountable to our people, clients, suppliers, and other stakeholders to protect information that is entrusted to us. Failure to protect information 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 PwC Network's Information Security Policy (ISP) which outlines the minimum security requirements for all PwC Firms.

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.

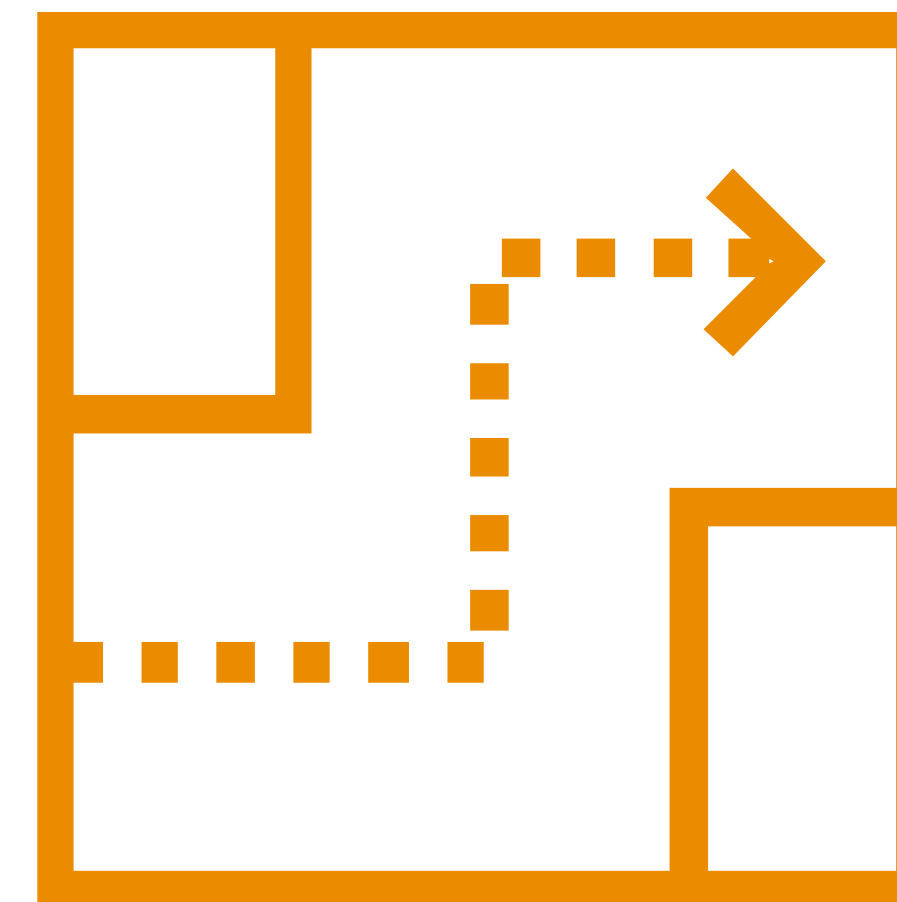
Deviations that result from the assessment are prioritised for remediation per timelines agreed with firm leadership.

In addition to complying with the PwC Network's security requirements, PwC Luxembourg owns an ISO 27001 certification, showing that our Information Security Management System complies with the requirements of ISO/IEC 27001:2022. The scope of the certification covers all information systems and processes employed by the firm to store and process customers' data.

3/3

Supporting engagement performance





Monitoring

1/2

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 our Firm. This includes the design and operation of an effective System of Quality Management (SoQM) that is responsive to our specific risks to delivering quality audit and non 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 fulfill the valid expectations of our clients and other stakeholders.

Our Firm's monitoring procedures include 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 preventive monitoring that helps coach and support engagement teams get the "right work" completed in real-time, during the audit.

Experienced practice professionals are namely entrusted with pre-issuance reviews of certain engagements selected on the basis of a risk-based approach. This programme contributes to the overall quality of the audit and is a good opportunity to provide additional coaching to engagement teams and to identify shareable best practices.

The number of audit engagements included in the real-time review programme over the year was 444.

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 five years, unless a more frequent review is required based on the profile of that signer's client engagements or due to local regulatory requirements.

Reviews are led by experienced Assurance Partners, supported by objective teams of Partners, Directors,

Senior Managers and other specialists. ECR reviewers are sourced from other PwC firms to provide appropriate expertise or objectivity.

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

Additionally, the PwC Network undertakes periodic reviews to evaluate certain elements of PwC firms' systems of quality management. The Network also looks at the PwC firm leadership's own assessment of the effectiveness of their system of quality management 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 the findings identified from all sources of information and 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 partner 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.

Our Firm's audit practice and the registered statutory auditors (réviseurs d'entreprises agréés) are also

subject to annual inspections performed by the CSSF (Commission de Surveillance du Secteur Financier), and joint inspections are also performed on a periodic basis by both the CSSF and the PCAOB (Public Company Accounting Oversight Board) for engagements that fall under their supervision. The last CSSF inspection occurred in 2023 and the last joint inspection occurred in 2019. Peer reviews are also performed by the IRE (Institut des réviseurs d'entreprises) on a periodic basis, whose scope of review is all contractual audits performed, and all the other specific assurance reports which are issued by our Firm as a requirement of the Luxembourg laws (i.e reports issued in the context of contributions in kind, interim dividends, mergers, liquidations, etc...). Our last IRE peer review occurred in 2022.

Remediation process

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, cultural factors, 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. Examples of this data include the hours incurred on the audit, the proportion of hours incurred by key engagement team members, the number of years that key engagement team members have been on the engagement, the utilisation rate of the signing partner in the month of the signature of the audit opinion, whether the engagement was subject to a pre-issuance review, and the timing of when the audit work was performed.

Our goal is to understand how quality audits may differ from those with engagement-level findings, and to use these learnings to continuously improve all 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.



Governance

PwC Luxembourg is governed by a Management Board (Conseil de Gérance) having overall responsibility for the strategic, business, operational and financial management of our Firm. The Management Board members are appointed by the shareholders meeting and the Board is composed of a majority of approved statutory auditors. It sets and communicates its strategic priorities, which cascade into our Firm's business planning process. The contribution of Assurance, Tax, Advisory and support services is monitored by the Management Board, which also takes overall responsibility for the systems of internal control (which include controls relating to quality) and for reviewing and evaluating their effectiveness.

Our Firm is led by a Managing Partner, assisted by a Deputy Managing Partner, who, like the other members of the Board, is elected for four years by the shareholders. Currently, the members of the Management Board are: François Mousel (Managing Partner), Olivier Carré (Deputy Managing Partner), Isabelle Dauvergne, Björn Ebert, François Génaux, Roxane Haas, Vincent Lebrun and Cécile Liégeois. The audit of the Firm's financial statements is carried out by an independent local audit Firm.

The Firm also has an oversight body (the Supervisory Board). This board is presently composed of seven members elected among and by the Partners, for a term of four years. It is not under the authority of another body.

The Supervisory Board considers a wide range of issues for the firm such as risk, strategy, reputation, people matters including health and wellbeing, technology, and culture and it supports, gives guidance to and challenges the Managing Partner and the Management Board (MB). The SB has particular insight on the views of the Partners of the firm and reflects those in conversations with management.

The Supervisory Board has overall responsibility for governance of the Firm and oversight of the Management Board. It has an advisory and oversight role and is responsible for considering, reviewing and providing guidance on those matters that are, or may potentially be, of concern to the Partners or our Firm. These matters include but are not limited to, the implementation of, or compliance with, global or Firm policies and rules and the arrangements for effective communication between the Firm's management and the Partners.

The internal Ethics and Business Conduct committee is composed of the Ethics and Business Conduct Leader as chair, an independent head of investigations and a college of Partners as well as an Ethics Officer. The Ethics and Business Conduct Committee is set-up to support the Ethics and Business Conduct Leader to embed ethics and business conduct into PwC's operations, culture and relationships. It also handle complaints and allegations in respect of reported Ethical misconduct.





Partner remuneration

At PwC Luxembourg, our partners have a remuneration package which is made up of a fixed income amount (salary) and a variable bonus. Each partner is responsible for his or her own pension arrangements. The final amount to be allocated to the individual partners is proposed by the Evaluation Committee (emanation of the Country Leadership Team) and subject to the oversight of the Remuneration Oversight Committee (ROC) composed of the chair of the Supervisory Board and two additional members of the Supervisory Board.

The partner's performance is assessed based on two components: a Firm component depending on the results at Firm's level and an individual component depending on the responsibilities and contribution of each partner. Each partner's income is determined by assessing achievements against an individually tailored scorecard of objectives. These objectives include ensuring our Firm delivers quality services and maintains independence. Under no circumstances are audit partners rewarded for selling non-audit services to audit clients.

François Mousel, Managing Partner





Our sustainability journey to deliver on our purpose

To find out more,
please discover our
2024 Annual Review





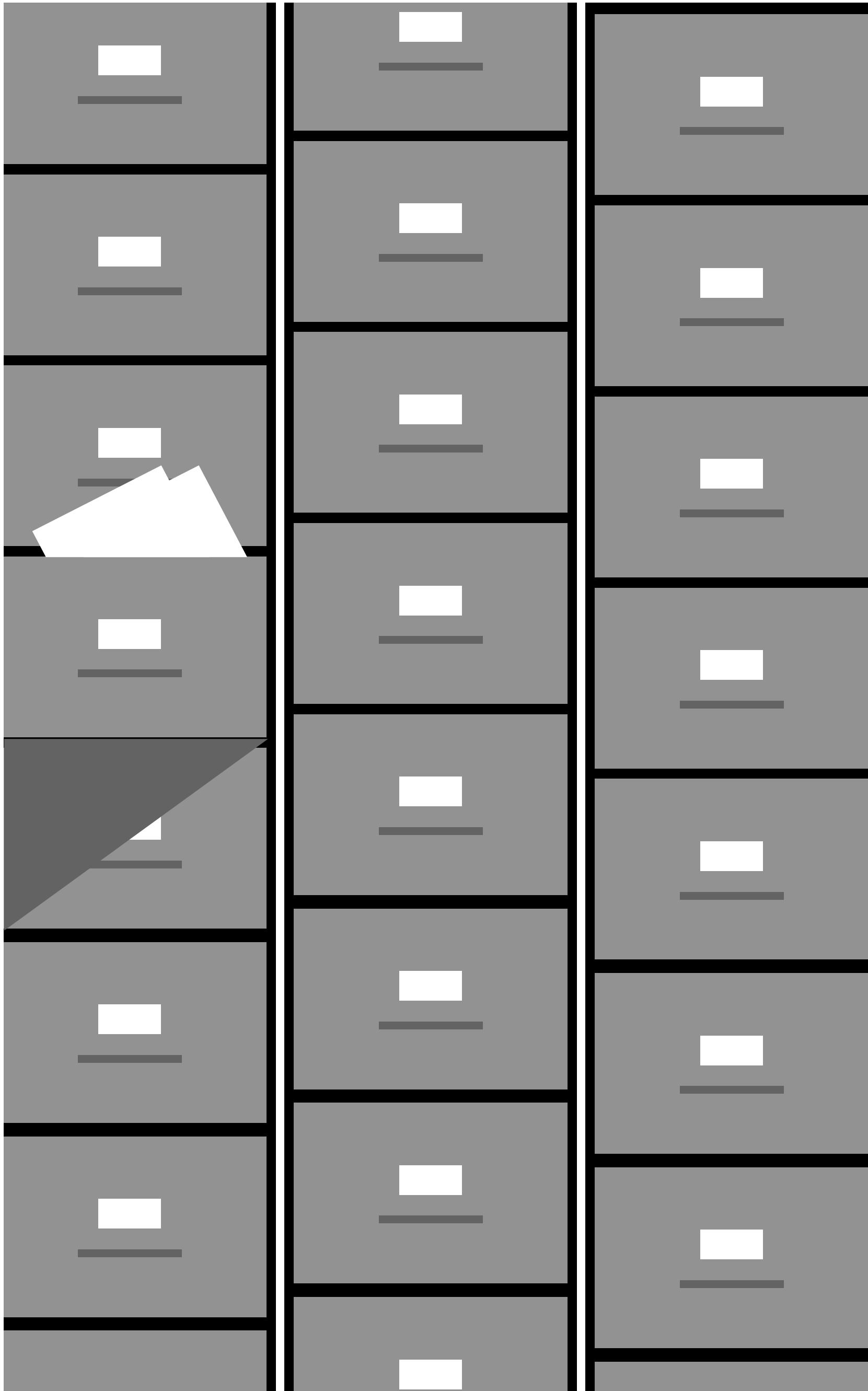
Appendices

Appendix 1

List of public interest entities as defined by article 1 (20) of the Law of 23 July 2016 on the audit profession for which we carried out a statutory audit during the year ended 30 June 2024.

Ageasfinlux S.A.	BenevolentAI
AIG Europe S.A.	BIL REINSURANCE S.A.
Allegro.eu	BNP Paribas Easy
Allianz Life Luxembourg	BREW RE S.A.
Alpha Trains Finance S.A.	CACEIS Investor Services Bank S.A.
Amber Beverage Group Holding S.à r.l.	CaixaBank Wealth Management Luxembourg S.A.
Amundi Index Solutions	CK Hutchison Group Telecom Finance S.A.
APERAM	CLEARSTREAM BANKING S.A.
Argentum Capital S.A.	Clearstream Fund Centre S.A.
Avia SICAV-SIF	Colonnade Insurance S.A.
Aviva Investors European Secondary Infrastructure Credit SV S.A.	COMURA S.A.
AXA ASSURANCES LUXEMBOURG	Convex Europe S.A.
AXA Assurances Vie Luxembourg	CREDIT SUISSE (LUXEMBOURG) S.A.
AXA Wealth Europe	DZ PRIVATBANK S.A.
BANK OF CHINA (EUROPE) S.A.	EFG Bank (Luxembourg) S.A.
Bankinter International Notes S.à r.l.	EOF MASTER FUND SCS SICAV-RAIF
Bankinter Luxembourg S.A.	ArcelorMittal Property and Casualty Reinsurance 6 S.A.
Banque de Patrimoines Privés	Evergreen II SICAV-FIS
BANQUE DEGROOF PETERCAM LUXEMBOURG S.A.	Evergreen III SICAV-FIS
Banque Internationale à Luxembourg	BTG Pactual Europe S.A.
Banque Transatlantique Luxembourg	Frankfurter UCITS-ETF
Bavarian Sky S.A.	fund2pac S.à r.l.
	fund2sec S.à r.l.
	FWU Life Insurance Lux S.A.

			GELF Bond Issuer I S.A.	Pony S.A.
			Golden Partner Fund	Purple Protected Asset
			GTC Aurora Luxembourg S.A.	Reinet Investments S.C.A.
			Heidelberg Materials Finance Luxembourg S.A.	Repsol Europe Finance
			Hiscox SA	Richemont International Holding S.A.
			HSBC Private Bank (Luxembourg) S.A.	SC Germany S.A.
			IndexIQ	SEALS FINANCE S.A.
			InPost S.A.	SecurAsset S.A.
			JARNA ISSUANCE VEHICLE SA	SELP Finance S.à r.l.
			KBC Group Re S.A.	SES
			KBC IFIMA S.A.	Single Platform Investment Repackaging Entity SA
			KERNEL HOLDING S.A.	Société Electrique de l'Our
			KMU Portfolio S.A.	Swiss Life Products (Luxembourg) S.A.
			Landmark Capital S.A.	Swissquote Bank Europe SA
			Logwin AG	TENARIS S.A.
			Lombard Odier (Europe) S.A.	The Partners Fund SICAV
			M&G Asia Property Fund	Tokio Marine Europe S.A.
			Miravet S.à r.l.	Trafigura Funding S.A.
			Monument Assurance Luxembourg S.A.	VP Bank (Luxembourg) SA
			Multi Units Luxembourg	Weser Funding S.A.
			Natixis Corporate and Investment Banking Luxembourg	
			NORD/LB Luxembourg S.A. Covered Bond Bank	
			NORDEA SPECIALISED INVESTMENT FUND, SICAV-FIS	
			NOVA CASIOPEA RE S.A.	
			Novello Capital S.A.	
			Partners Group Global Value SICAV	
			PayPal (Europe) S.à r.l. et Cie, S.C.A.	
			PBD GERMANY AUTO LEASE MASTER S.A.	



Appendix 2

Financial Information

At PwC Luxembourg, our wide range of various-sized clients come from a broad spectrum of activities from the financial sector, including Banking, Asset & Wealth Management, Alternatives and Insurance, to industrial and commercial activities. We service all types of clients from large multinationals to small family-run enterprises and, of course, the public and institutional sectors. In relation to the disclosure requirements foreseen in Article 13.2 (k) (i)-(iv) of the EU Audit Regulation on financial information, we refer to our annual accounts which are filed on the register of commerce and companies in Luxembourg.

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 2024.

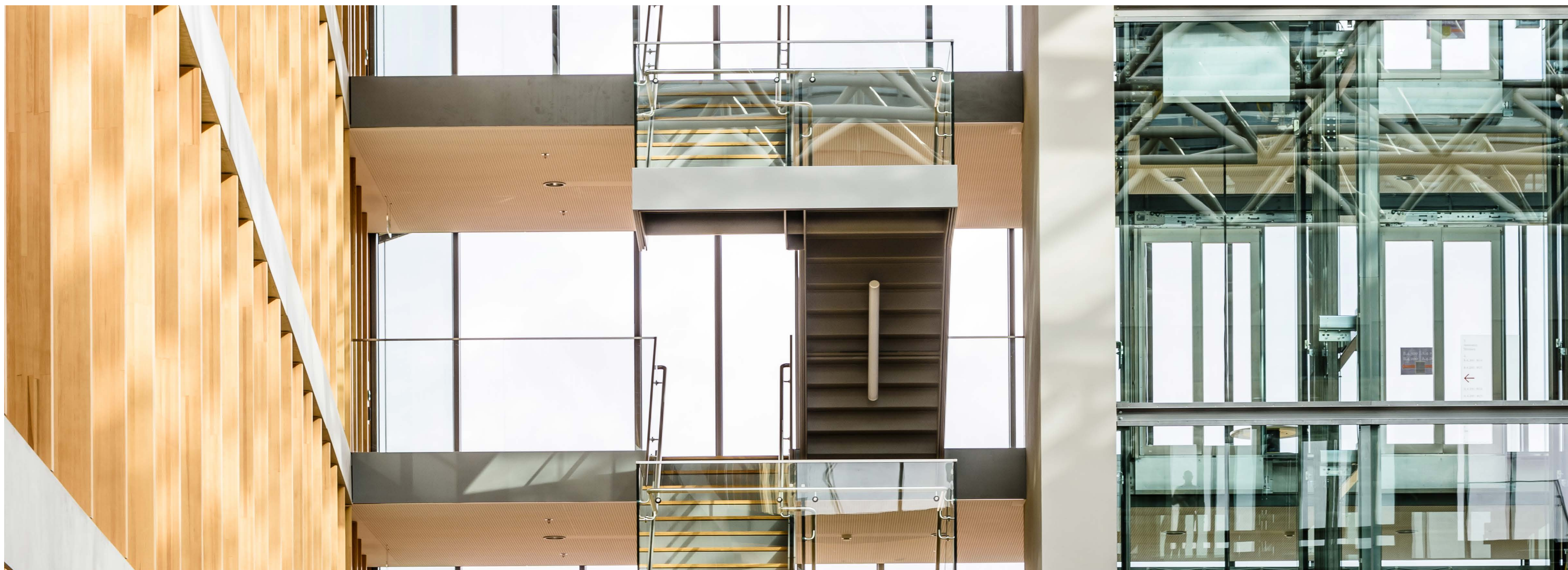
Appendix 3

List of Audit Firms/Statutory Auditors.

Disclosure in accordance with Article 13.2 (b)(ii) of the EU Regulation

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

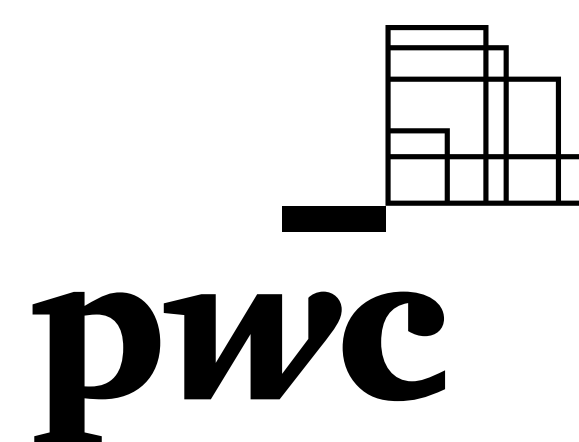
			France	M. Antoine Priollaud
			Germany	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
			Germany	Wibera Wirtschaftsberatung Aktiengesellschaft Wirtschaftsprüfungsgesellschaft
			Greece	PricewaterhouseCoopers Auditing Company SA
			Hungary	PricewaterhouseCoopers Könyvvizsgáló Kft.
			Iceland	PricewaterhouseCoopers ehf
			Ireland	PricewaterhouseCoopers
			Italy	PricewaterhouseCoopers Spa
			Latvia	PricewaterhouseCoopers SIA
			Liechtenstein	PricewaterhouseCoopers GmbH, Ruggell
			Lithuania	PricewaterhouseCoopers UAB
			Luxembourg	PricewaterhouseCoopers, Société coopérative
			Malta	PricewaterhouseCoopers
			Netherlands	PricewaterhouseCoopers Accountants N.V.
			Norway	PricewaterhouseCoopers AS
			Poland	PricewaterhouseCoopers Polska sp. z. o.o.
			Poland	PricewaterhouseCoopers Polska spółka z ograniczona odpowiedzialnoscia Audyt sp. k.
			Poland	PricewaterhouseCoopers Polska spółka z ograniczona odpowiedzialnoscia sp. k.
			Portugal	PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda
			Romania	PricewaterhouseCoopers Audit S.R.L.
			Slovakia (Slovak Republic)	PricewaterhouseCoopers Slovensko, s.r.o.
			Slovenia	PricewaterhouseCoopers d.o.o.
			Spain	PricewaterhouseCoopers Auditores, S.L.
			Sweden	PricewaterhouseCoopers AB
			Sweden	Öhrlings PricewaterhouseCoopers AB



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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 149 countries with more than 370,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com and www.pwc.lu.



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