



PwC Indonesia Transparency Report

For the year ended 30 June 2025



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1.

Message from leadership



Eddy Rintis

Territory Senior Partner

Message from our Territory Senior Partner

Welcome to our 2025 Transparency Report.

This year, we want to discuss what quality truly means—to us, and more importantly, to you.

In a world of constant change, quality cannot be a static, check-the-box exercise. For us at KAP Rintis, Jumadi, Rianto & Rekan (PwC Indonesia), delivering the highest quality is rooted in a deep understanding of our clients' businesses: their industry dynamics, strategic ambitions, and the real-world challenges they face. This is what we mean by quality from a practicality perspective. It is about providing insights that are not just technically sound, but also commercially relevant and actionable. Our goal is to ensure the audit process adds tangible value, providing management and audit committees with a clearer, more insightful view of their organisation.

To achieve this, we are committed to driving a strong culture of quality that is embedded in everything we do. Our approach, guided by our global network and our System of Quality Management (SoQM), combines deep technical expertise with expanding capabilities in critical areas like environmental, social, and governance (ESG), cybersecurity, and artificial intelligence (AI). We are investing significantly not just in technology, but in our people—equipping them with the specialised industry knowledge and commercial acumen needed to ask better questions and deliver more meaningful outcomes.

This practical application of our expertise is fundamental to our purpose at PwC: to build trust in society and solve important problems. As a network of firms in 136 countries with over 364,782 people, we are committed to delivering this quality in all our assurance, advisory, legal, and tax services.

This report details how we translate that commitment into action. It is a reflection of our promise to our clients, our people, and the capital markets we serve, outlining everything from our governance and training to the way we leverage technology and ensure sustainable workloads for our teams.

Our commitment in action

Delivering on this vision of practical quality requires a deliberate and integrated approach. It is not something achieved by a single team or technology, but by the collective power of our entire firm.

At the core of this effort are our people. I firmly believe that the combination of empowered, curious professionals and leading-edge technology allows us to deliver exceptional value. We are fostering a culture where our people are encouraged to be their authentic selves, bringing their diverse perspectives and deep industry experience to every engagement. Their wellbeing and sustainable workloads are not just priorities; they are prerequisites for the critical thinking and professional skepticism that high-quality audits demand.

This people-centric approach is supported by concrete actions. We are committed to:

Deepening our industry and technical expertise: We are continuously investing time to understand our clients' businesses and the evolving risks they face, from supply chain disruptions to digital transformation and climate impact. Our specialists in valuation, tax, and human capital work alongside our audit teams, ensuring a holistic and insightful perspective.

Enhancing engagement and

accountability: We are strengthening our dialogue with audit committees, investors, and regulators to ensure our work meets their evolving expectations. Our firm's leaders are fully accountable for the quality of our audits, and we are implementing tangible measures to demonstrate this commitment to our stakeholders.

Innovating the audit: We are leveraging technology not to replace human judgment, but to augment it. Our digital tools help us analyse vast amounts of data, identify anomalies, and focus our efforts on the areas of greatest risk, making the audit process more efficient, transparent, and insightful.

Building trust is a continuous journey. As you read this report, I hope you see our unwavering commitment to leading our profession, to enhancing the quality and relevance of the audit, and to making a real difference for our clients and our society.

Results of our FY25 survey to Assurance professionals

86%

of respondents felt they received consistent messages about the importance of audit quality from firm leadership. (2024: 83%)

90%

of respondents felt the work they do contribute to PwC purpose (2024: 90%)



Jumadi Anggana

Territory Assurance
Leader

Message from our Assurance Leader

Our purpose is to build trust in society and solve important problems. Our assurance services are critical to fostering confidence in business, and we remain steadfast in our role.

Our approach is designed to meet rising expectations of transparency, accountability, and stakeholder engagement. Ensuring that we have the capabilities to deliver high-quality services that can meet heightened expectations is an ongoing journey, which is why it is important for us to cultivate a culture built around trust, with quality as the common thread binding our people, processes and technology.

In the midst of a complex and evolving economic landscape, I am proud of our people's resilience and collaboration in consistently delivering high-quality outcomes. Our people are specialists with deep industry knowledge and expertise, leading our audits with a human-led approach that is empowered by technology and enriched with data-enabled insights. By integrating advanced digital tools, such as automation, data analytics, and artificial intelligence — into our audit processes, we enhance precision, efficiency, and our ability to uncover deeper insights. This synergy between human judgment and technological innovation enables us to deliver audits that are not only of the highest quality but also responsive to the growing complexities of today's business environment.

At PwC, we recognise how important transparency is to our reputation. We are pleased to present our 2025 Transparency Report, which serves as a testament to our commitment to open and honest communication in building trust, by providing clear and comprehensive insights into our policies, systems and processes for ensuring quality. We also emphasise our focus on balancing delivering exceptional client experiences, maintaining the highest standards of service quality, and meeting evolving business needs. Through this, we continue to reinforce our position as a trusted provider of assurance services — one that not only safeguards public trust but also evolves in step with the changing expectations of our stakeholders, ensuring relevance, reliability, and long-term impact.

This report outlines our initiatives to nurture a culture within our Assurance practice that consistently delivers high-quality work while addressing the diverse needs of our clients. Our approach ensures that we not only meet client expectations today but also anticipate future needs, combining innovation with trusted methodologies to support sustainable growth and long-term value.

Statement on the firm's system of quality management

During the year, we completed our evaluation of the firm's SoQM under International Standard on Quality Management 1 (ISQM 1). On behalf of PwC Indonesia, the Territory Senior Partner and 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 2025, we believe our SoQM provides us with reasonable assurance that the quality objectives noted above have been achieved.

Audit quality and culture



Consistent with our core value as guided by the Assurance Leadership Team, we have taken a proactive approach on our 2025 quality plan to deliver high-quality, independent audits. We are pleased to report consistent performance in most of our key metrics this year.

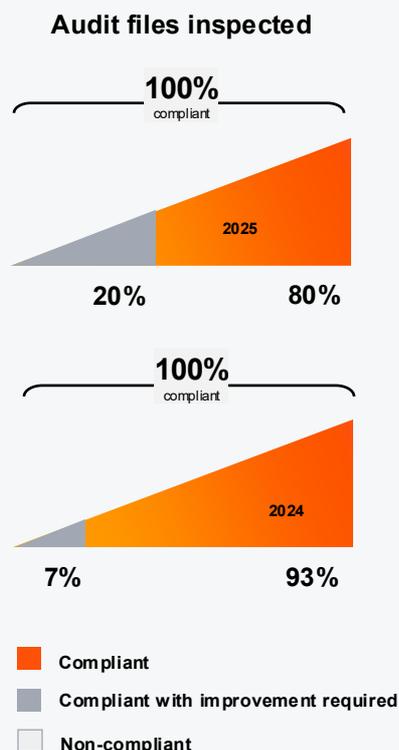
1. PwC internal inspection results

PwC Indonesia is subject to globally coordinated quality inspections as part of the PwC network. In 2025, the inspection of audit files showed that all reviewed files were assessed to be compliant.

In 2025, a total of 10 audit files were reviewed with 8 being deemed as compliant and 2 as compliant with improvements required.

In addition to these audit files, 6 non-audit assurance files were reviewed. These non-audit assurance files all received a compliant rating, resulting in a total of 16 assurance files being reviewed, with 14 compliant and 2 compliant with improvements needed.

The consistent achievement of 100% of audit files receiving a compliant rating highlights PwC Indonesia's strong adherence to professional standards and commitment to excellence. PwC Indonesia is not only focused on meeting the current requirements but also actively seek to improve and enhance the assurance quality.



2. External inspections

In addition to PwC network and internal quality reviews, PwC Indonesia is subject to regular inspections by regulatory and professional bodies.

In 2025, 6 audit files from PwC's audits of public companies were inspected by external parties, and none of these inspection resulted in a restatement.

0 (2024: 0)

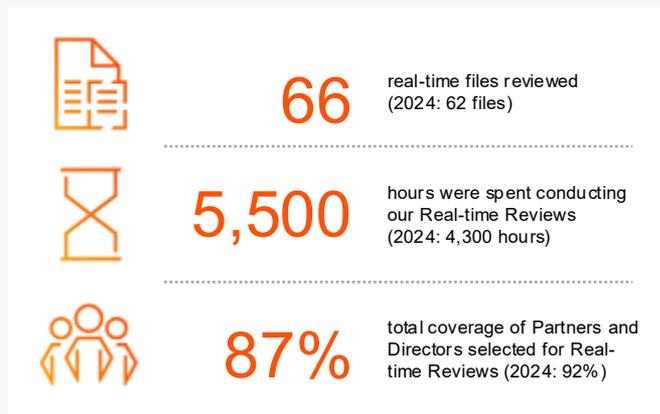


Restatements for public companies identified by external inspections

3. Real-time Reviews

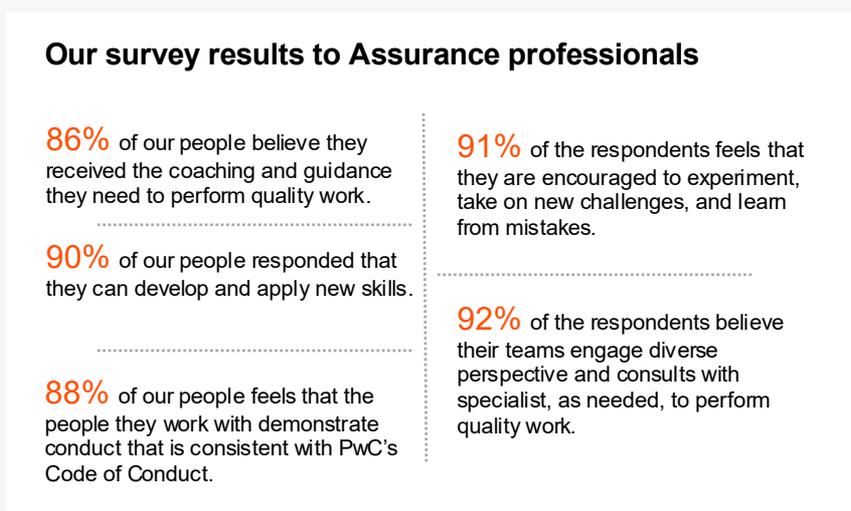
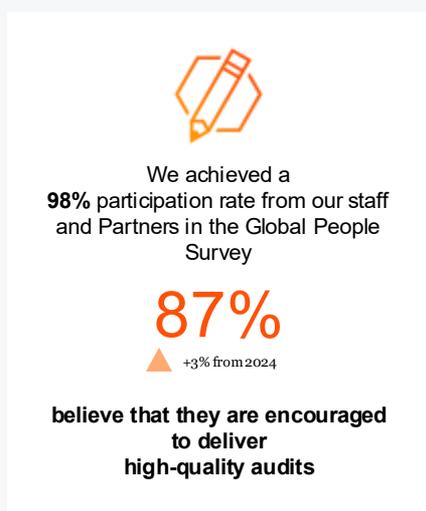
As part of our relentless focus on quality, PwC Indonesia has established a continuous, year-round oversight quality inspection programme named the “Real-time Reviews”.

In 2025, a total of 66 files were reviewed with the total coverage of 87% of our Partners and Directors.



4. People and culture survey

Through our Global People Survey, conducted annually, we asked our people how they feel about a range of areas, including leadership, wellbeing, and their perception of our culture and quality behaviours



Quality highlights

Our people experience



Our people are at the heart of audit quality.

Our strategy relies upon investing to create the future—responding to the expectations of the market to deliver a quality-centric audit with a client-led focus.

We recognise that exceptional audit quality is intrinsically linked to fostering an outstanding people experience, which in turn enhances the client experience we deliver.

1. Our people metrics

The information about our people provides an overview of the talent and experience within our team, emphasising our commitment to excellence and growth.



79 audit Partners and Directors



73%

utilisation rate of our assurance people (2024: 72%)



An average professional experience of **25 years** among our Partners



74%

overall retention rate of our people



2,000+ assurance practitioners (2024: 1,900+)

2. Results from our people survey

PwC conducts an annual engagement survey, with questions asking how our people are feeling about a range of areas, including leadership, wellbeing, and their perception of our culture and quality behaviours.

90%

● Same % from 2024

of respondents felt they receive the opportunity to apply their learned skills

92%

▲ +3% from 2024

of respondents feel that they collaborate with PwC technical experts, as necessary, to ensure quality work is delivered

91%

▲ +1% from 2024

of respondents believe that they are continuously challenged by the people they work with to deliver quality work

88%

● Same % from 2024

of respondents believe that the people they work with demonstrate behaviour consistent with PwC's Global Code to Conduct

3. Collaboration as one delivery team

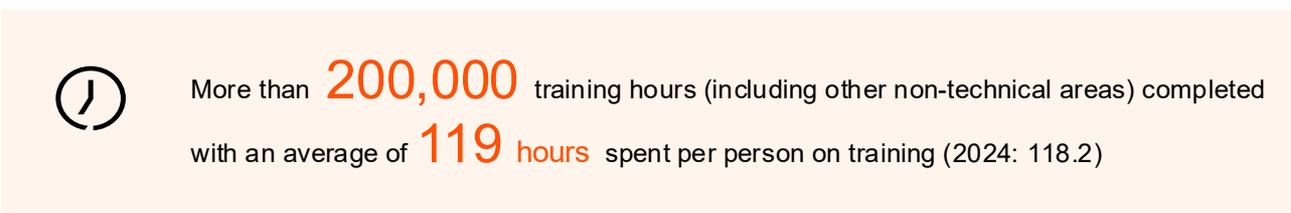
A leading indicator of our investment in our System of Quality Management is the ratio of Partners in quality or technical roles compared to the total number of audit Partners, as well as ensuring our Managers and staff have the appropriate level of coaching and support.



4. Our training

In 2024, our auditors undertook an average of 119 hours of formal learning through a combination of remote access, classroom learning, virtual classroom, and on-the-job support.

The training delivered, ensures all professionals receive appropriate, comprehensive and globally relevant training. The training provided include topics to address specific Indonesian market complexities and emerging challenges, equipping our teams with cutting-edge skills.



Average number of training hours in technical areas (auditing and accounting) by staff grade

Partners up to Managers	59 hours
Senior Associates	86 hours
Associates	110 hours



Quality highlights

Our client experience

Understanding our clients' perspectives is imperative to our continuous improvement and delivering value. This section presents key insights from client feedback, directly reflecting our commitment to an outstanding client experience and reinforcing the quality of our audit services. To do this, we ask our audit clients for their view on our levels of challenge and the quality of our audits, which we measure as a combined "Audit Quality Score".

2025 Client feedback result

8.36 average of
Audit Quality Score

What our clients say about us?



96% of our respondents agree that

PwC has the capability to pinpoint crucial areas of significance or risk and allocate focus appropriately as the audit progress



92% of our respondents agree that

PwC has the ability to challenge clients



92% of our respondents agree that

PwC share timely and relevant updates to clients



94% of our respondents agree that

PwC communicates audit delivery plan



95% of our respondents agree that

PwC has industry and business knowledge



95% of our respondents share that

PwC utilizes audit technology



2.

**Our approach
to quality**



Our approach to quality

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 on 15 December 2022, required all firms to design and implement its requirements 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 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 Quality Management for Service Excellence (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, alongside any additional objectives the PwC network has identified in the QMSE framework as relevant to our SoQM:

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

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

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



The Quality Management Process

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

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

The QMP 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.



Ethical behaviour in learning environment

To uphold the integrity of our people related to training and education, we have established policies and procedures to embed quality culture into our SoQM including controls and monitoring of the right behaviours.

Adherence to ISQM 1 and SPM 1 Requirements

This Transparency Report is prepared in accordance with the ISQM 1 to align with the PwC network requirements.

The regulatory framework in Indonesia is governed by the Standard on Quality Management 1 (SPM 1), equivalent to International Standard on Quality Control 1 (ISQC 1), ISQM 1's preceding standard. PwC Indonesia has ensured the SoQM is designed to comply with and meet the requirements of both ISQM 1 and SPM 1.

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 whether those resources are appropriate for use as part of our SoQM and in the performance of engagements.

This Transparency Report covers 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 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 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.

We carry out our annual assessment of our quality management system for the year ended 30 June, which aligns with our firm's financial year-end, in line with the data in this Transparency Report, unless otherwise stated.

Our risk assessment process

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

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

A quality risk is one that has a reasonable possibility of occurring and individually, or in combination with other quality risks, could adversely 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 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. We assess performance against our AQIs on a quarterly basis.

Aim to Prevent:



Real-Time Assurance

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

Our RTA programme involves Real-Time Reviews, which are targeted to specific engagements and particular focus areas. These reviews are performed by an experienced practitioner and Risk & Quality personnel. These reviews benefit practice teams by sharing best practices and providing coaching on both accounting and auditing matters throughout the review process.

Our monitoring and remediation process

In the section, Monitoring, found on page 38, we have described the types of ongoing and periodic monitoring activities 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 timely and effective remediation of identified deficiencies, our firm has designed, implemented and is operating a root cause analysis programme.

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.



Learn: Root cause analysis

We perform analyses to identify potential contributing factors so that we can take actions to continuously improve our firm's audit quality. 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
- network inspection of our SoQM,
- audits both with and without deficiencies - identified through either our own internal inspections process or through external inspections and
- other inputs (for example: our Global People Survey, financial statements restatements and accounting errors).

This analysis helps to identify possible distinctions and learning opportunities.

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

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

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



Reinforce: Recognition and Accountability Framework

Our Recognition and Accountability Framework (RAF) reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high-quality culture. Our RAF has been designed to both set clear expectations of expected quality behaviours and outcomes and reinforce those expectations by holding Partners 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 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.

Semi-annually, our firm's leadership evaluates the extent to which quality requirements are met as part of our continuous monitoring of the performance rating process. This is conducted by creating a quality-based criteria, on which each partner and staff is evaluated. This criteria is communicated to all levels within the firm.





3.

Cultures and values

Cultures and values



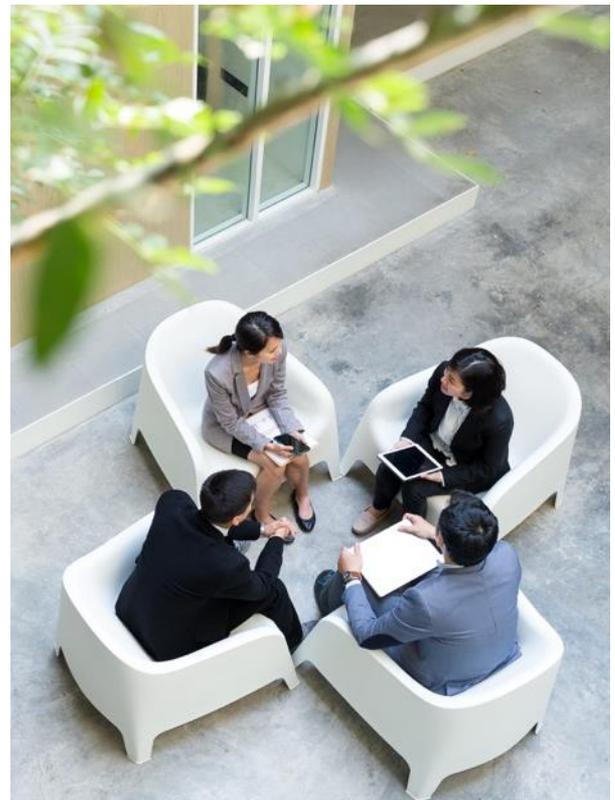
Our culture of quality

Within the PwC network, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of 364,782 people. This culture of quality emphasises that quality is the responsibility of everyone. Continuing to enhance this culture of quality is a significant area of focus for our global and local leadership teams and one which plays a key part in the measurement of their performance.

Quality management assessment process

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

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



Leadership and tone that drives a quality-focused culture

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

In the current environment, companies are judged on far more than just financial outcomes. A company's performance in areas like ESG and cybersecurity can affect its reputation, staff retention, access to capital, and ultimately enterprise value.

That's why we are 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 them to build trust, enhance their corporate reputations and grow enterprise value.

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

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

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

This culture is supported by appropriate tone at the top through regular communication from leadership to all partners and staff about the firm's commitment to quality. Key messages are communicated to our firm by our Senior Partner and our leadership team and are reinforced by engagement partners.

These communications focus on what we do well and actions we can take to make enhancements. Leadership and engagement partners take the lead on these actions as they role model the expected behaviours in interactions with clients and teams. We measure whether our people believe that our leaders' messaging conveys the importance of quality to the success of our firm. Based on this tracking, we are confident our people understand our quality objectives. Delivering service of the highest quality is core to our purpose and our Assurance strategy, the focus of which is to strengthen trust and transparency in our clients, in the capital markets and wider society.

To further drive a culture focused on quality, beyond tone at the top and leadership role modelling, we have implemented several initiatives, including:

- Encouraging engagement team conversations about expected behaviours and providing feedback on those behaviours.
- Setting specific quality objectives for all partners and staff and reflecting achievement against the objectives in their performance evaluations.
- Sending regular communications to emphasise the importance of quality in our licence to practice and our value proposition.
- Providing quality reminders and performance evaluations.
- Emphasising quality as a key requirement for being admitted as a partner or director.

Our quality culture is assessed through various channels. Our leadership teams evaluate Global People Survey (GPS) results to identify action points, such as mandatory training on effective coaching and improvements in our recruitment processes. Focus group discussions are held to delve into the root causes of issues, whilst exit surveys/interviews inform necessary action points reported to leadership. The Real-Time Review process monitors the implementation of our quality culture, and upward feedback highlights any behaviours related to quality and people. These initiatives ensure our commitment to quality is embedded at every level of the organisation.

Audit Quality Measure

Global People Survey

87%

Quality Behaviour Index
(2024: 84%)

71%

People Engagement Index
(2024: 73%)



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 Indonesia 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 Indonesia has adopted PwC's Global Code of Conduct, Network Standards and related policies that clearly describe the behaviours expected of our partners and other

professionals-behaviours that will enable us to build public trust. Because of the wide variety of situations that our professionals may face, our standards provide guidance under a broad range of circumstances, but all with a common goal-to do the right thing.

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

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

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

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

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

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 Indonesia 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 Chief Risk Officer.

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

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

PwC Indonesia supplements the PwC Global Independence Policy as required by local regulations and other independence regulations, including the independence requirements of the United States Securities and Exchange Commission and those of the Public Accounting Oversight Board of the United States and EU Audit Regulation, where they are more restrictive than the network's policy.

Public Disclosure

Our policy, which is consistent with the Code of Ethics for Public Accountants established by the Indonesian Institute of Certified Public Accountants defines a Public Interest Entity (PIE) as an entity that falls within any one of the following categories:

1. A listed entity

These entities are those whose shares, equity, or debt instruments are quoted or listed on a recognised stock exchange or marketed in accordance with the regulations of such an exchange or an equivalent body. In Indonesia, the only recognised exchange is the Indonesia Stock Exchange (IDX).

2. An entity defined by regulation or legislation as a PIE or for which the audit is required by regulation or legislation to be conducted in compliance with the same independence requirements that apply to the audit of listed entities. Those are all entities under the supervision of OJK i.e. Entities under Capital Market ; Banks; and Non-Bank Financial Institutions.

Further, in performing audits of PIEs, we also apply the ethical requirements including the independence standards for PIEs in the IESBA code.

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.





Independence-related systems and tools

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

- The **Central Entity Service (CES)**, which contains information about corporate entities including all PwC audit clients and their related entities (including all public interest audit clients and SEC restricted entities), as well as their related securities. CES assists in determining the independence restriction status of clients of the PwC firm and those of other PwC firms before entering into a new non-audit service or business relationship. This system also feeds Independence Checkpoint and the Authorisation for Services system;
- **'Independence Checkpoint'** which facilitates the pre-clearance of publicly traded securities by all partners and managerial practice staff before acquisition and is used to record their subsequent purchases and disposals. Where a PwC firm wins a new audit client or there is a change in the restriction status of a security, this system automatically informs those holding relevant securities of the requirement to sell the security where required;
- **Authorisation for Services (AFS)** which is a global system that facilitates communication between a non-audit services engagement partner 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 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.

PwC Indonesia also has a number of Indonesia-specific systems which include a rotation tracking system which monitors compliance with PwC Indonesia's audit rotation policies for engagement partners, other key audit partners, and, if required, senior staff involved in an audit.

Independence training and confirmations

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

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



Independence monitoring and disciplinary policy

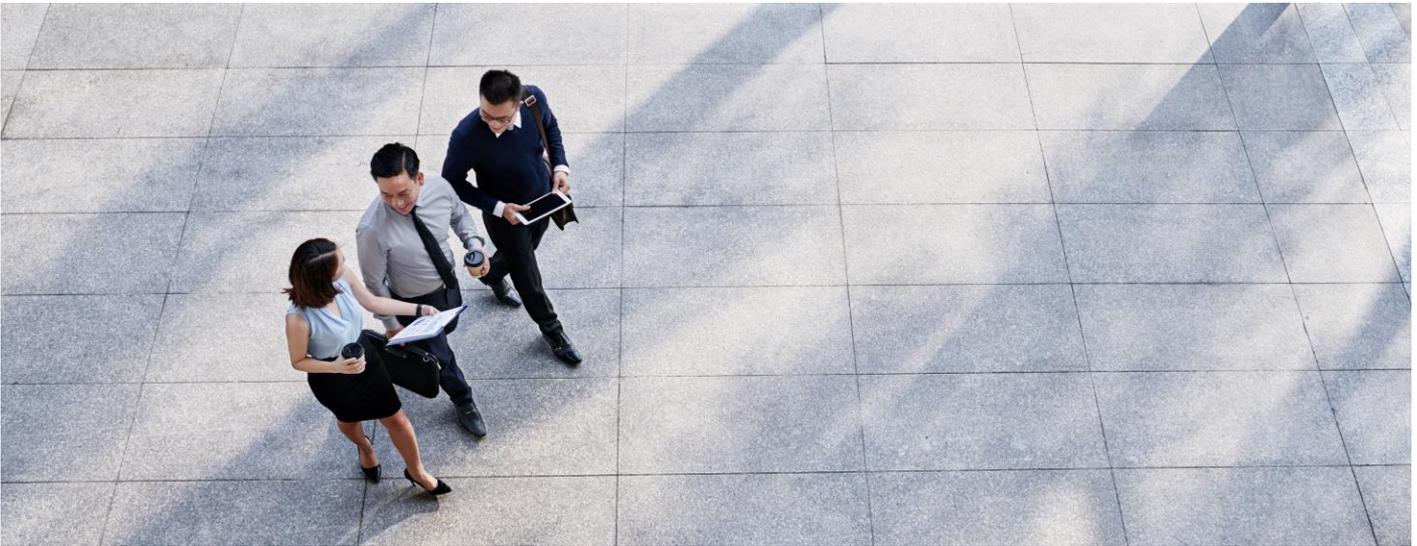
PwC Indonesia is responsible for monitoring the effectiveness of its system of quality management in managing compliance with independence requirements. In addition to the confirmations described above, as part of this monitoring, we perform:

- Compliance testing of independence controls and processes;
- Personal independence compliance testing of a random selection of, at a minimum, partners and practice 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 PwC Indonesia's monitoring and testing are reported to the firm's management on a regular basis with a summary reported to them on an annual basis.

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

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



Consideration in undertaking the audit

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

Client and Engagement Acceptance and Continuance

PwC Indonesia has a process in place to identify acceptable clients based on the PwC network's proprietary decision support systems for audit client acceptance and retention called Acceptance. Acceptance facilitates a determination by the engagement team, business management and risk management specialists of whether the risks related to an existing client or a potential client are manageable, and whether or not PwC should be associated with the particular client and its management. More specifically, this system enables:



Engagement teams:

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



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

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



4.

Our people

Our people



People strategy

Our strategy aligns with a network-first approach, supporting the firm's ambition to be the leading professional services provider and stay ahead of market trends. We are focused on being the world's leading developer of talent and enabling our people with greater agility and confidence in a rapidly changing world. Specific focus areas include creating a resilient foundation for times of change through supporting the well-being of our people and enabling effective delivery; developing inclusive leaders for a shifting world; and enabling our workforce for today's realities and tomorrow's possibilities.

The approach was anchored on three pillars:

- Sustainable workplace transformation
- Inclusive leadership development
- Wellness and skills for the future

These initiatives were aligned with firmwide priorities and supported by technology, data-driven insights, and a culture of continuous improvement. We also closely worked with the Markets Team in preparation of The Next Era and the New People Value Proposition (PVP) alignment.

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.

The **evolved PwC Professional (ePP)** framework is embedded in all people processes, including recruitment, feedback, coaching, and performance management.

Locally, the ePP is reflected in tailored learning and development programmes, quarterly feedback, and coaching requirements for all staff. The ePP is integrated into the existing systems and forms the basis for promotions, succession planning, and leadership development.

Remuneration is managed through a Total Rewards framework, with a shift to impact-based rewards using ePP and preparation to simplify performance tiers. Along with the ePP, Quality-related KPIs are embedded in scorecards; performance tiers influence salary and bonuses. Non-compliance and quality issues are monitored, with sanctions applied as needed.



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 and social inclusion. This is underpinned by ensuring our systems and behaviours are inclusive.



Recruitment

PwC Indonesia aims to recruit, train, develop and retain the best and brightest staff who share in the firm's strong sense of responsibility for delivering high-quality services. Our hiring standards include a structured interview process with behaviour-based questions built from the PwC Professional framework, assessment of academic records, and background checks. Across the Assurance team in FY25, we recruited over

552 new people, including
2024: 593

469 university graduates
2024: 473



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

As part of our ongoing commitment to cultivating a culture of continuous growth and development, PwC introduced Feedback Exchange, a dynamic feedback platform grounded in the evolved PwC Professional framework. This initiative marks a significant shift towards multidirectional feedback that is seamlessly integrated into our daily work routines, fostering open, real-time conversations across all levels of the firm. By encouraging an honest, open, and regular feedback culture, we aim to empower our people to grow through actionable insights that support personal development and team effectiveness. To further enhance the experience, we developed a visualisation dashboard that provides a clear and intuitive overview of feedback received by our people.



Career progression

At PwC, career progression is thoughtfully managed through an annual performance review process anchored in the evolved PwC Professional framework. This framework defines the behaviours, skills, and knowledge expected of our people, empowering them to become trusted leaders who consistently deliver sustained outcomes for both the firm and our clients. In FY25, we successfully embedded this framework into our end-to-end performance process, enabling a more holistic assessment of our people, not only focusing on business metrics (the "what") but also on how they demonstrate values and behaviours in their work (the "how"). As a result of this comprehensive approach, we are proud to announce the promotion of:

285
new Senior Associates

60
new Managers

22
new Senior Managers

4
new Directors



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 fluctuates based on many factors, including the overall market demand for talent.



Global People Survey

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

In GPS 2025, the result indicated that our workforce is generally engaged and adheres to quality standards. The firm continued to perform targeted actions focusing on enhancing job satisfaction, maintaining people engagement, and career development opportunities.

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, formal trainings, 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 eLearns.

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

Continuing education

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

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

The design of the curricula allows us to select, based on local needs, when we will deliver the training. Our Learning & Education leader then considers what additional training is appropriate to address any additional specific local needs by considering input from the practice and other functions (e.g. Quality Team, Corporate Reporting Services (CRS), Business Technology, Risk Management and industry expertise).



Audit Quality Measure

We evaluate our performance based on several metrics as presented on page 10.



More than **200,000** total training hours completed with an average of **119** hours spent per person on training (2024: 118.2)

100% completion rate of partners and staff for mandatory training in FY25





5.

Our audit approach

Our audit approach



pwc

The quality and effectiveness of our audits is critical to all of our stakeholders. We therefore invest heavily in the skills of our people, in our audit methodology, the technology we use, and in making the right amount of time and resources available. As part of this commitment, we closely monitor internal indicators and processes to ensure our risk and quality controls remain effective and provide timely insights into audit quality and areas for improvement. Additionally, we consider our stakeholders' feedback and the findings of regulatory inspections. Details can be found in the "Monitoring" section of this report.

People

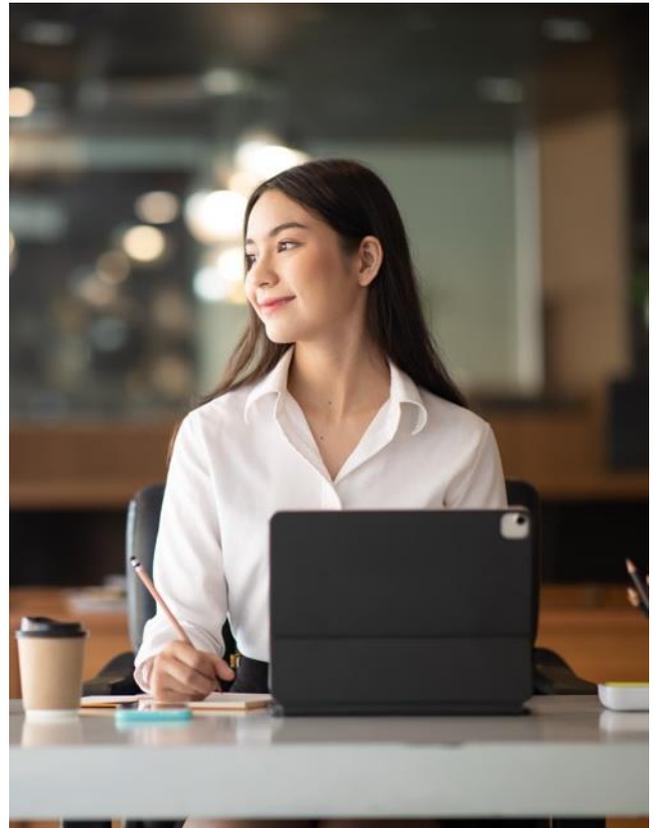
Data and technology can help reveal insights, but it takes an inquisitive person with well-rounded business knowledge to understand what those insights mean. We recruit professionals with these capabilities - people who can deliver high-quality outcomes in terms of client service and compliance.

Technology

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

Our Tools

As a member of the PwC network, PwC Indonesia 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. Indonesian Standards on Auditing (SAs) are adopted from ISAs and are therefore substantially similar to them. Our global audit methodology provides the framework to enable PwC firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements.



Tools and technologies to support our audit

Our technologies

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.

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

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

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

Chat PwC is a secure, internal-use generative artificial intelligence (GenAI) tool developed for our employees and partners. It is a custom-built virtual assistant designed to boost productivity and efficiency.

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

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

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

Smart Audit Platform (SMAP) is one of our intelligent solutions, which enables the automation of several audit activities surrounding the financial reporting process and substantive testing. It assists the audit by reducing the risk of manual error, enhancing quality and representing a leap forward in the evolution of the audit by using machine learning and artificial intelligence. SMAP also includes a module that allows users to match disclosure requirements to disclosures within the entity's financial statements, including the primary statements and the related footnotes.

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. 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. There have been significant investments across the PwC network into artificial intelligence, as we seek to reimagine how we further enable our people by leveraging technologies like Generative AI and Machine Learning. We are focused on promoting a culture of responsible AI usage while supporting the quickly evolving potential use cases. PwC has developed and deployed a suite of proprietary AI tools that operate within a secure PwC environment, and which are specifically approved for use in audit and other assurance engagements under strict regulatory and ethical guidelines. The use of these AI technologies adheres to foundational principles requiring auditors to maintain responsibility for the relevance and reliability of audit evidence, perform unassisted self-reviews of AI-generated outputs, and ensure all inputs are verifiable. Only firm-approved AI solutions are permitted for audit tasks, and their use must comply with standardised prompts and a published list of approved use cases. This ensures a responsible and consistent application of AI within assurance engagements as governed under ISQM1 standards.

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 defence model. This model has enabled us to strengthen our information security organisation, align to industry good practice and improve our internal control framework.

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.

Information security

Information security is a high priority for the PwC Network. Our firm is accountable to our people, clients, suppliers, and other stakeholders to protect information that is entrusted to us. Failure to protect information could potentially harm the individuals whose information our firm holds, lead our firm to suffer regulatory sanctions or other financial losses, and impact the PwC reputation and brand. As such, our firm complies with the Information Security Policy which outlines the minimum security requirements for all PwC firms. We continue to adapt the "Zero Trust" security framework as part of our effort to protect our data. The implementation of "Zero Trust" security framework will evolve PwC's cybersecurity model to meet the complexity of the current and future environment and make PwC a harder target.



Network Information Security

At PwC, our Network Information Security is a cornerstone of our commitment to safeguarding the digital integrity of our clients, partners, and stakeholders. This function encapsulates a comprehensive set of advanced technical capabilities and strategic initiatives designed to protect sensitive information, ensure compliance, and enhance overall cybersecurity resilience.

Support for engagement performance



Evolving delivery model

We continue to evolve the way we deliver our services to provide an even better client experience, further enhance the quality of what we do and create the economic capacity to invest in the future. We use delivery centres to streamline, standardise, automate, and centralise portions of the audit.



Direction, coaching and supervision

Engagement partners and senior engagement team members are responsible and accountable for providing high-quality coaching throughout the audit, supervising the work completed by junior members of the audit team and maintain audit quality. Teams utilise Aura, which has the capability to effectively monitor the progress of the engagement, to ensure that all work have been completed and reviewed by the appropriate individuals, including the engagement partner.



Consultation culture

Consultation is key to ensuring audit quality. In pursuit of quality, the firm has formal mandatory consultation protocols. In addition to a mandatory consultation framework, the firm also reinforces a consultation culture to engagement teams. For example, our engagement teams proactively seek advice to improve client service or to resolve a difficult or contentious matter from various experts in areas such as taxation, risk, independence, valuations, actuarial and other specialties, as well as individuals within our Risk and Quality (R&Q) Teams.



CRS and Quality Team

Our CRS and Quality Teams comprise of technical accounting, auditing and financial reporting specialists, as well as audit quality and methodology specialists. They play a vital role in keeping our policies and guidance in these areas current by tracking new developments in accounting and auditing and providing updates and training to our staff.



Audit Quality Measure

Our audit quality measures are determined based on multiple inputs. Consistent with the information presented on page 10, we continually evaluate our support to our staff through key leverage ratios.

Leverage ratio

1 to 2.9

Partner to
Manager

(2024: 1 to 2.9)

1 to 15.2

Manager to Staff

(2024: 1 to 15)

Ratio of audit-related hours between engagement partners, senior and junior engagement team members.

Technical support

1 to 7

Ratio of partners in technical/audit quality support roles to total number of audit partners.

(2024: 1 to 7)

Support for engagement performance



Quality Review Partners (QRP)

As part of the firm's SoQM which is required by professional standards, a QRP is assigned to higher risk engagements, such as engagements with listed entities and high-profile clients. QRPs are individuals with the technical knowledge, appropriate experience, industry expertise, time, and authority to make an objective evaluation of the engagement team's significant judgements and the conclusions reached in the engagement.

The QRP is involved in key aspects of an audit to make an objective evaluation of the engagement team's significant judgements and conclusions reached. For example, they may advise on matters of firm independence, the risks of material misstatements of the financial statements and the engagement team's responses to those risks, and any specific accounting, auditing, financial reporting and disclosure issues. QRPs are required to complete mandatory training before taking on the role.



Differences of opinion

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



We ensure our audits are highly effective by investing heavily in the development of our people, the strength of our methodology, the power of our technology, and the strategic allocation of time and resources.



6.

Monitoring

Monitoring



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

Responsibility for appropriate quality management lies with the leadership of PwC Indonesia. 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 which is discussed in more detail within the "Our approach to audit quality" section.

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 program based on professional standards and PwC audit methodology.

Engagement Compliance Reviews

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.

Quality management reviews

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

PwC internal inspection results

PwC Indonesia is subject to globally coordinated quality inspections as part of the PwC network. In PwC's inspection program in 2025, 14 files out of 16 reviewed were found to be compliant and 2 were rated compliant with improvements required. None of the findings required restatement of the audit report. The learnings and root cause analysis form a key part of our annual Audit Quality Improvement Plan.

External inspections

In addition to PwC network and internal quality reviews, PwC Indonesia is subject to regular inspections by regulatory and professional bodies. The results of these reviews are not made public in Indonesia, however we take the findings from all external reviews seriously, and we incorporate root causes and remedial actions into our annual Audit Quality Improvement Plan, if any.

Reporting

The results of all inspections 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 are identified on engagements, based on the nature and circumstances of the matters, the responsible partner or other leadership personnel may be subject to additional mentoring, training or sanctions under our firm's Recognition and Accountability Framework.

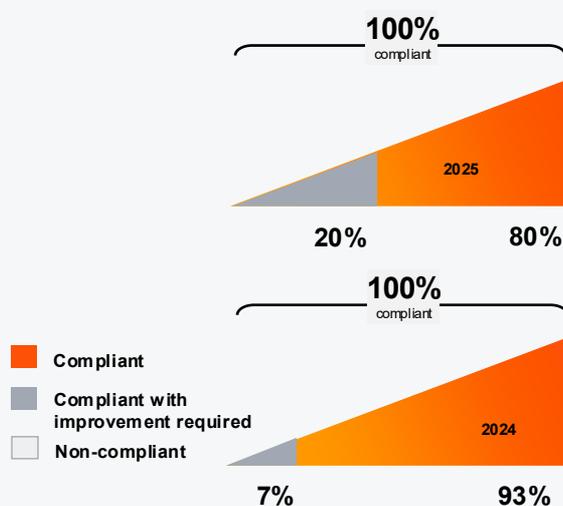
Assurance partners of our firm receive information on the results of the network inspection program, designed for their use in assessing the scope of audit work they determine needs to be performed and their reliance on work performed by PwC firms in connection with their audit of a client's consolidated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



Audit Quality Measure

We evaluate our performance based on several metrics as presented on page 7.

Audit inspection result



External inspection

6 audit engagements files reviewed by regulators and professional bodies this year

(2024: 2)

0 restatements for public companies identified by external inspections

(2024: 0)

The regulators in Indonesia perform a regular inspection on audit partners and public accounting firms. During 2025, two of the firm's audit partners were given non-financial sanctions related to inspections of two separate audits for the financial year ended 31 December 2023, but the outcome of these inspections did not result in a restatement.



7.

PwC network

PwC network

PricewaterhouseCoopers International Limited

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

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

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

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

The governance bodies of PwCIL are:

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



PwC Indonesia

PwC Indonesia is comprised of KAP Rintis, Jumadi, Rianto & Rekan, PwC Tax Indonesia, PwC Legal Indonesia, PT PwC Advis Indonesia and PT PricewaterhouseCoopers Consulting Indonesia, each of which is a separate legal entity and all of which together constitute the Indonesian member firms of the PwC global network, which is collectively referred to as PwC Indonesia.

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For the purpose of the Transparency Report, PwC Indonesia is defined and limited to KAP Rintis, Jumadi, Rianto & Rekan.

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