



Transparency Report



PricewaterhouseCoopers LLC, Isle of Man

Year end 30 June 2025

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Message from leadership



Welcome to our 2025 Transparency Report

I'm delighted to present our 2025 transparency report. This annual report explains to our stakeholders and wider society within the Isle of Man how we are governed, what we expect from our people as well as providing a candid overview of our activities and system of quality management. While PwC is a multidisciplinary firm, this report is primarily focused on our audit practice and related assurance services.

Our purpose and strategy

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

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

Our strategy builds on our ongoing commitment to quality. Delivering high-quality work is at the core of everything we do and is something that all our stakeholders rightly expect of us.

Our Clients

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

While the Isle of Man's economy is facing many challenges, the financial services sectors continue to demonstrate resilience and innovation and remains the largest sector of the economy. The upcoming MONEYVAL visit will be a moment of considerable significance for the Isle of Man. The standards for compliance in the sixth-round evaluation taking place in 2026 will be higher than before and the outcome of the MONEYVAL mutual evaluation report (MER) will be crucial to the Island's reputation as a well-regulated international finance centre.

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

Our People

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

Investment in our people is priority for us and is evident by the 7 new associates who joined us in FY25 and the continuing popularity of our summer intern programs. We are a training organisation. Some of the people we train will stay with us throughout their careers, but others will seek out opportunities in organisations on the island and beyond. This is welcomed, as I believe the training we provide and the culture we seek to instil will contribute to the ultimate success of our island in this fast-evolving global economy.

Economies are being reshaped by AI and geopolitical events, and there is no doubt that the need for transformation and levels of investment needed to deliver it are significant. This will include challenging ourselves to reimagine the future of our workforce. Our training programmes are designed to give our teams a deeper understanding of innovative new technologies such as AI and data analytics, and personal development covering cultural backgrounds, neurodiversity and personality differences, all aimed at improving how we communicate and support one another. We appreciate our diverse workforce and support social inclusion as a core part of our strategy, reflecting the richness of our workforce, which spans 18 nationalities.

A message from leadership (continued)

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

Technology

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

In FY25 I was proud of my team's contribution to the launch of the PwC Next Generation Audit software platform across our global network of firms, being the first PwC Network firm to go live. This technology not only enables us to identify risks more effectively but also provides greater assurance to our stakeholders. Our ongoing investment in technology ensures that we remain at the forefront of best practice in assurance delivery.

Our commitments to technological advances and gender diversity extend beyond our own walls. For several years, we have worked closely with local charity Love Tech, who aim to inspire girls and young women to learn and explore Science, Technology, Engineering and Mathematics (STEM) opportunities. We proudly support

and sponsor the Love Tech 'STEM SPARK' initiative. Launched in January 2024, this initiative aims to work directly with all thirty-three of the Island's primary schools enhancing library collections and supporting assemblies and workshops for children and teachers on STEM topics such as healthy eating, DNA traits, weather observation, and STEM careers. Between January 2024 and June 2025, STEM Spark reached approximately 1,300 children across twelve schools, delivering 104 books and fostering essential skills for the future needs of the island's economy through STEM awareness and education. Coming together with Love Tech demonstrates our drive to deliver sustained outcomes to our clients, people and community by helping prepare young people with a mix of education and skills to help meet the future needs of our economy through STEM awareness and knowledge.

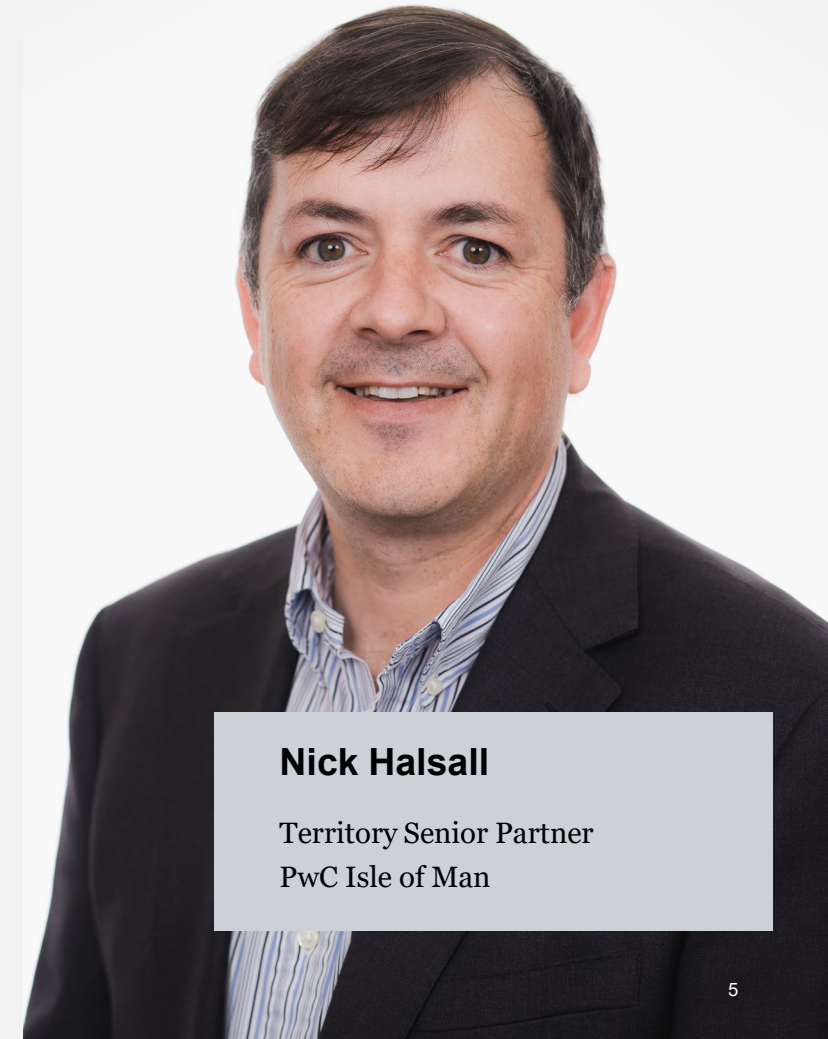
The Next Era

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

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

The next era for PwC is about evolution. We are an organisation with incredible people, offering leading capabilities that our clients need: a firm that is innovative, forward-thinking and a true strategic collaborator.

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



Nick Halsall

Territory Senior Partner
PwC Isle of Man

A message from our Assurance Leader

As the Assurance Leader of PwC Isle of Man, I am pleased to present this statement as part of our annual transparency report for the financial year ended 30 June 2025. This report demonstrates our ongoing commitment to openness, accountability, and the highest standards of professional quality.

As society's expectations change and stakeholder demands for information evolve, building and maintaining trust remains at the very heart of our role as auditors. Through our deep technical knowledge and cutting-edge technology, underpinned by having the right people, we ensure the quality, integrity and transparency of our work continues to build trust in what matters.

01

People: Fostering diversity, inclusion and growth

Our people are at the core of our success, bringing specialist knowledge and deep industry expertise. Ensuring our teams are equipped with the right skills is crucial to maintaining quality.

This year, we have continued our commitment to diversity and inclusion, ensuring that our workplace reflects the rich variety of backgrounds, perspectives, and experiences present in the community we serve.

We have successfully recruited 8 talented professionals and 7 trainees from a combination school leavers, university graduates and experienced hires. Each has been selected for their expertise and alignment with our values. Their arrival has strengthened our teams, brought fresh insights and further enhanced our inclusive culture. We also benefit from high-quality support from colleagues across the PwC network, gaining access to diverse skills and enhancing our capacity during busy periods.

Our firm's technical training programme is a cornerstone of our commitment to professional development. This year, I am proud to report that our staff achieved a 100% completion rate for all mandatory training modules, reflecting a strong culture of responsibility and ongoing learning. Over the course of the year, our assurance team collectively completed over 7,000 hours of technical training, ensuring everyone remains at the forefront of industry standards and best practice. For our trainees, the technical training is complemented by hands-on learning through coaching and a supportive team environment, enabling them to apply their knowledge in real-world audit scenarios while receiving guidance and encouragement from more experienced team members.

We remain dedicated to nurturing talent at every stage and promoting equal opportunities for all.

02

Our technology: Leading in innovation

Our human-led, tech-powered approach to audits continues to evolve rapidly with the increasing use of AI on our audits. As outlined under "Our approach", all our auditors have been trained and have access to general purpose AI tools to enhance quality and efficiency of audit work, and our teams will be bringing the power of AI to audits using our carefully approved business rules and technology tools following our Responsible AI framework.

Next Generation Audit (NGA) is PwC's bold vision for the future of auditing leveraging the use of human-led, responsible AI capabilities, like AI agents, that our auditors can instruct to complete tasks, analyse data and automate processes. In recent years, PwC Isle of Man have made substantial investment into embedding NGA into our firm, including commitments of both resources and financial support.

I am excited to announce that the Isle of Man team are pioneering the usage of these NGA capabilities, achieving the significant milestone of becoming the very first team in the PwC network to go live using PwC's Next Generation Audit technology. This achievement sets a benchmark for innovation across the global network, demonstrating our commitment to embracing advanced technology and leading the way in audit transformation. By spearheading the adoption of NGA, our team not only showcases the depth of our expertise but also reinforces our position as trailblazers in delivering next generation audit solutions. We are proud to be broadening the horizons of what is possible in auditing and transforming the PwC audit experience. NGA will enhance quality and value and reduce burden by streamlining data acquisition and focussing our work on areas of higher risk. Designed to address areas critical to building trust, NGA is PwC's most ambitious audit initiative ever. Our commitment to technological advancement has positioned us as leaders in audit innovation.

A message from our Assurance Leader (continued)

By embracing new technologies and fostering a culture of continuous improvement, we ensure that our work remains relevant, robust, and responsive to the evolving needs of our stakeholders. Our focus on innovation is not just about staying ahead, it is about setting new standards for excellence in our profession.

03

Quality management

Every aspect of our audit is designed to deliver the highest quality, ensuring that every opinion we sign is one you can trust. We're committed to delivering consistently high quality audits that meet the needs of investors, the organisations we audit and wider stakeholders.

During the year the firm was subject to a PwC network Engagement Compliance Review (ECR) on a selection of our completed engagements. These reviews determine whether an engagement was performed in accordance with PwC methodology and applicable professional standards. I am delighted to announce that we achieved a 100% success rate with all files given the top rating of 'compliant'. These results demonstrate our team's commitment to quality.

We're continuously ensuring that our System of Quality Management (SoQM) is of the highest level, in an ongoing process directed by the firm's internal and external environment, to help us monitor, evaluate and effectively respond to changes in risks to quality. The main focus of our Quality Management Process (QMP) isn't to adhere to predisposed rules, but rather to implement risk responses that are tailored to our risk assessment and which help us to achieve our quality objectives.

This report details how we preserve the high-quality standard of our audit work, as well as the systems, processes and policies that we set in place to maintain the highest level of service to our clients. We use a dynamic risk assessment process and carry out a number of crucial quality monitoring initiatives with an increasing focus on real time monitoring. We hold ourselves accountable for cultivating a culture of quality across all areas of the firm, evaluating ourselves against exceptionally high standards.

On an annual basis, we conduct a formal review of the effectiveness of our SoQM. As more fully explained on page 12, based on all the relevant information of the firm's SoQM as at 31 December 2024, we believe our SoQM provides us with reasonable assurance that its quality objectives have been achieved.

Looking ahead

Transparency remains at the core of our firm's ethos. As we look to the future, we will continue to invest in our people, lead in technological innovation, and uphold the highest standards of audit quality.

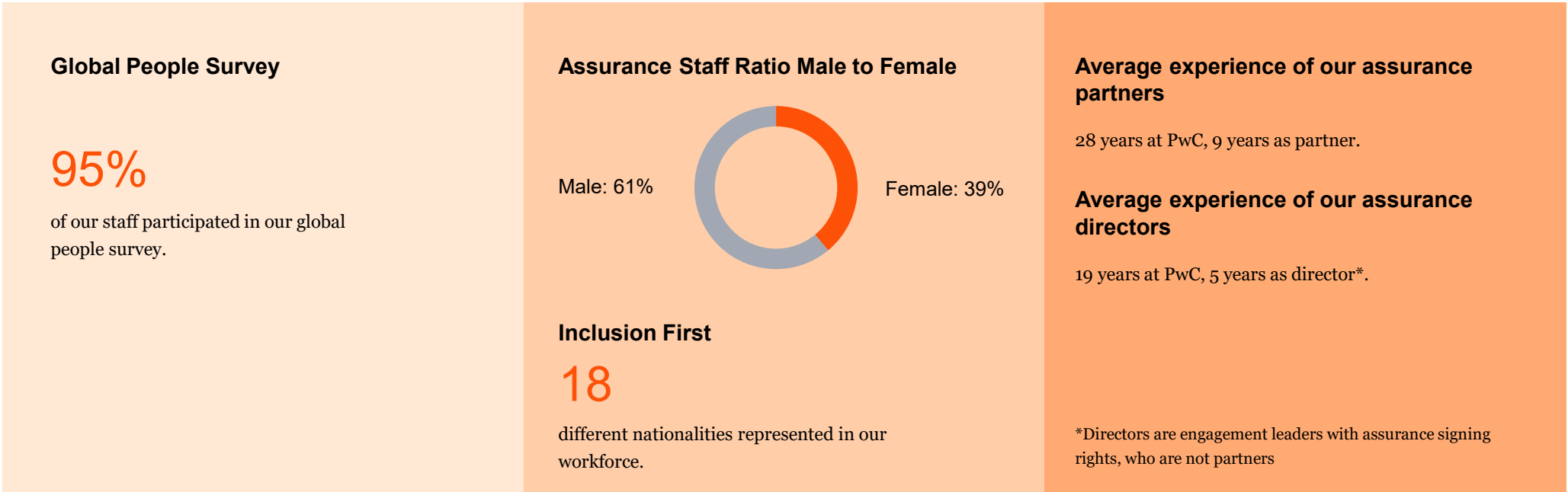
We thank our stakeholders for their continued confidence and support, and we reaffirm our dedication to serving with integrity, professionalism, and vision.



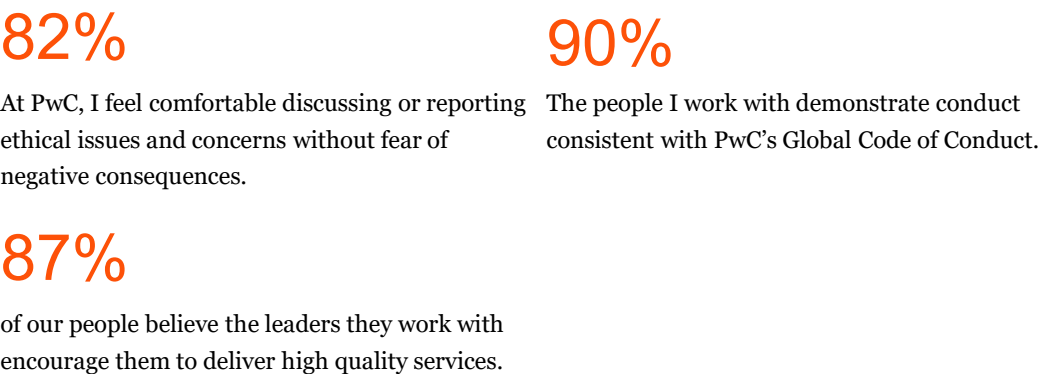
Paul Jones

Territory Assurance Leader
PwC Isle of Man

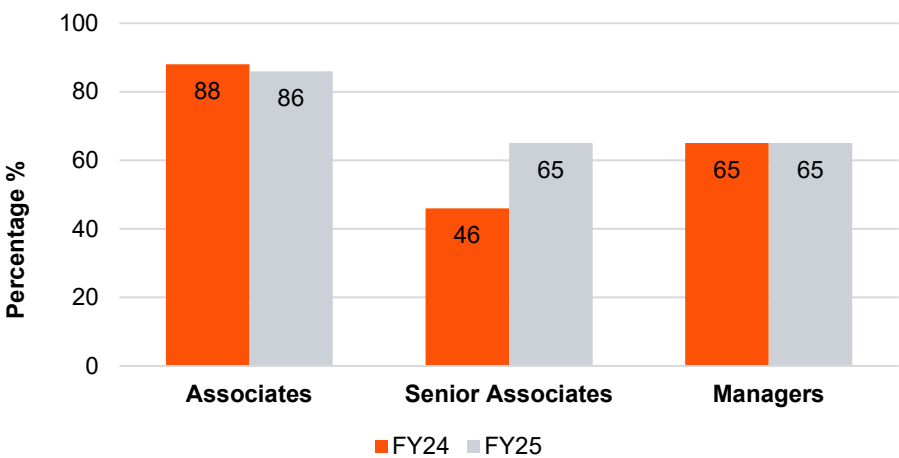
Year in review



Percentage of assurance professionals surveyed who report



Average retention rate by assurance staff level



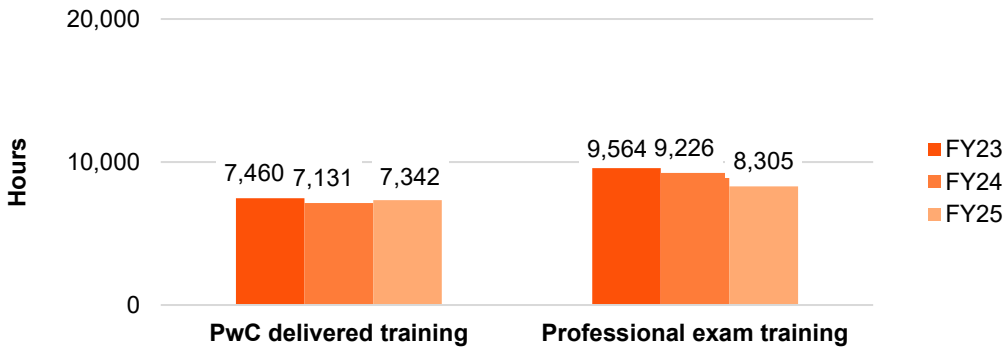
Year in review (continued)

Mandatory training of assurance partners and staff

100%

of partners and staff have completed all mandatory training for the PwC training year, running from 1 January 2024 to 31 December 2024.

Assurance and Professional exam training (hours)



Ratio of audit-related hours for assurance team members

Ratio			FY24			FY25		
Partners & Directors	to	Manager	1	to	1.80	1	to	2.35
Manager	to	Staff	1	to	3.33	1	to	2.25
Partners & Directors	to	Staff	1	to	5.98	1	to	5.30

Real Time Assurance reviews

24

Active assurance files subject to Real Time Assurance review

1,329

hours spent by reviewers on Real Time Assurance reviews

Restatements



Number of financial statement restatements involving Public Interest Entities audits due to material errors

Engagement Compliance Reviews

Results from the most recent Engagement Compliance Reviews – number of reviews, including total number resulting in non-compliance

- Compliant – 8
- Non-Compliant - 0





Our approach to quality

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Our approach to quality



International Standard on Quality Management 1 (ISQM 1)

The International Standard of Quality Management (ISQM 1) was approved and released by the International Auditing and Assurance Standards Board (IAASB) and became effective on 15 December 2022.

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

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

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

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



A specific focus on audit quality across the network

The PwC network's assurance QMSE framework

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

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

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

Our approach to quality (continued)

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 as well as any additional objectives the PwC network has identified in the QMSE framework:

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

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

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

The quality management process

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

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

Our 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.

Our approach to quality (continued)

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 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

Our firm's SoQM helps us to navigate and respond to challenges to 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 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.

2025 key factors impacting our SoQM

This year, we have seen various factors impact our SoQM but some of the more meaningful conditions, events, circumstances actions and/or inactions that have necessitated changes to our SoQM continue to be:

- resourcing and attractiveness of the profession, and
- the impact of emerging technologies.

The QMSE framework has helped us navigate the changes in our firm's environment, by assessing the completeness and effectiveness of our responses including any additional monitoring to be put in place and identifying any gaps to address new or emerging quality risks.



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 tool in the ongoing monitoring and continuous improvement of our SoQM.

Our firm's system of quality management

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. 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 37, we have described the types of ongoing and periodic monitoring our firm has designed, implemented and are operating to provide relevant and reliable information about our firm's SoQM and to help us take appropriate actions over any identified deficiencies so we can remediate those deficiencies effectively and on a timely basis. To support the timely and effective remediation of identified deficiencies, our firm has designed, implemented and are operating a root cause analysis program that is described further on page 41.

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.

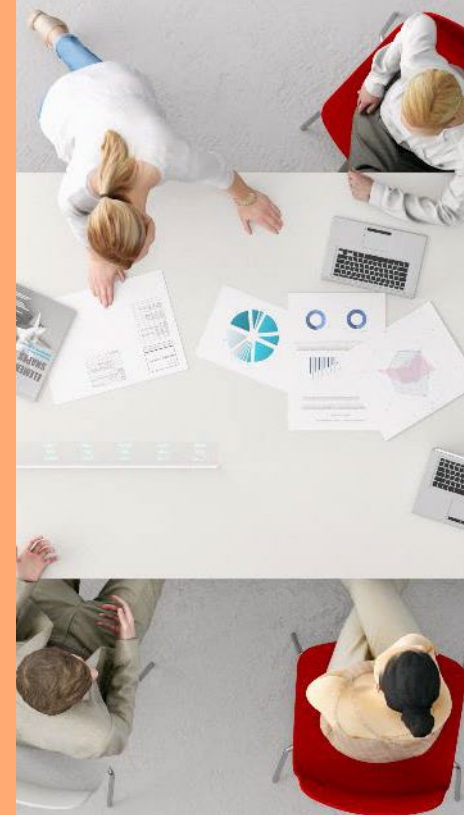


Statement on the effectiveness of the firm's SoQM

During the year, we completed our evaluation of the firm's system of quality management under ISQM 1. On behalf of PwC Isle of Man, 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 leaders are appropriate in the circumstances.

Based on all the relevant information of the firm's SoQM, as at 31 December 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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Our culture and values



Definition and culture

At PwC, we define quality service as consistently meeting the expectations of our stakeholders and complying with all applicable standards and policies. An important part of our ability to deliver against this quality definition is building a culture across a network of more than 360,000 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 behaviours. This forms the foundation of our system of quality management and permeates how we operate, including guiding our leadership actions, and how we deliver 'trust in what matters'.

Trust in what matters

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

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

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

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



Act with integrity



Make a difference



Care



Work together



Reimagine the possible

This culture is supported by appropriate tone at the top through regular communication from leadership to all partners and staff about the firm's commitment to quality. Key messages are communicated to our firm by our Senior Partner and our leadership team and are reinforced by engagement leaders. These communications focus on what we do well and actions we can take to make enhancements. Leadership 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.

Audit quality measures

01

Employee survey results or global people survey: People engagement index scores.

02

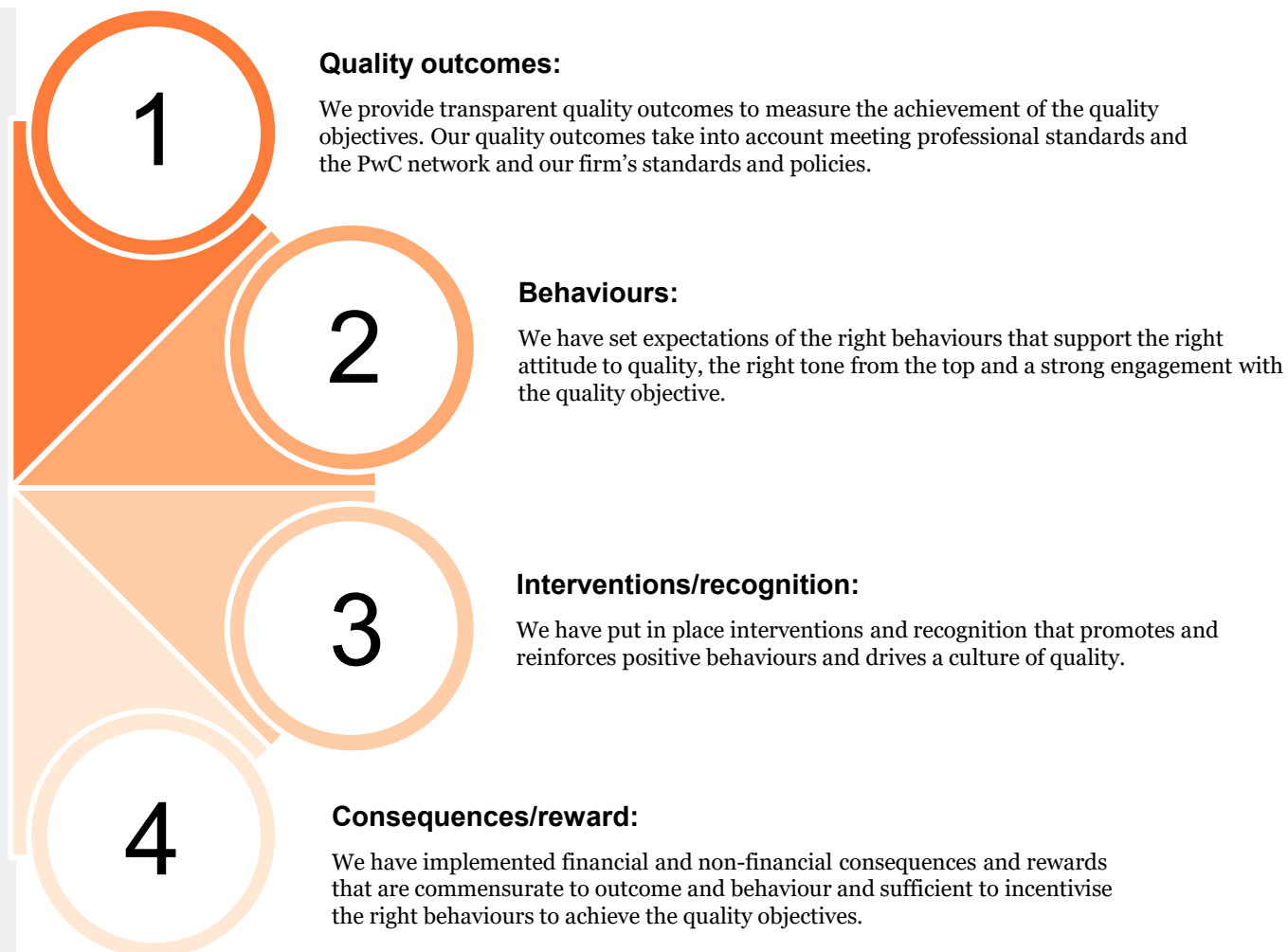
Global people survey: Quality behaviour index scores.

Our firm's commitment to quality (continued)



Reinforce: Recognition and accountability framework

Our Recognition and Accountability Framework (RAF) reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high-quality culture. Our RAF has been designed to both set clear expectations of expected quality behaviours and outcomes and reinforce those expectations by holding Partners including non-Partner Engagement Leaders accountable for quality behaviours and quality outcomes. Our RAF considers and addresses the following key elements:



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:

01	02	03	04	05
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.

Ethics, independence and objectivity (continued)

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

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

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

PwC Isle of Man has adopted a Recognition and 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.

Ethics, independence and objectivity (continued)



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 Isle of Man 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 small team of independence specialists. The PRI reports directly to PwC Isle of Man Leadership.



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



Ethics, independence and objectivity (continued)

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 Isle of Man supplements the PwC Global Independence Policy as required by the Crown Dependencies' Audit Rules and Guidance where they are more restrictive than the network's policy.



Independence-related systems and tools

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

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

- Authorisation for Services (AFS) which is a global system that facilitates communication between a non-audit services engagement leader and the audit engagement leader, regarding a proposed non-audit service, documenting the analysis of any potential independence threats created by the service and proposed safeguards, where deemed necessary, and acts as a record of the audit partner's conclusion on the permissibility of the service;
- Joint Business Relationships (JBR) which is a global system used to clear joint (close) business relationships from an independence perspective. JBR is used to facilitate PwC firms' compliance with JBR requirements for new and existing joint business relationships. It assists independence specialists in gathering information to assess, from an independence perspective, the permissibility of proposed joint business relationships and in monitoring the continued permissibility of previously approved existing joint business relationships;
- My Compliance Dashboard (MCD) which is a global compliance system that facilitates annual compliance confirmations, engagement independence confirmations and reporting; and
- Global Breaches Reporting System which is designed to be used to report any breaches of external auditor independence regulations (e.g., those set by regulation or professional requirements) where the breach has cross-border implications (e.g., where a breach occurs in one territory which affects an audit relationship in another territory). All breaches reported are evaluated and addressed in line with the Code or relevant independence regulations.

PwC Isle of Man also has a number of Isle of Man-specific systems which include:

- A rotation tracking system which monitors compliance with PwC Isle of Man's audit rotation policies for the Isle of Man firm, engagement leaders, other key audit partners and senior staff involved in an audit.

Ethics, independence and objectivity (continued)

Independence training and confirmations

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

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

Independence monitoring and disciplinary policy

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

- Compliance testing of independence controls and processes;
- Personal independence compliance testing of a random selection of partners and 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 Isle of Man's monitoring and testing are reported to the firm's partners and the PwC global network.

PwC Isle of Man 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 all breaches recorded were classified as minor internal policy breaches attributable to an oversight that did not put the firm at risk, all breaches are taken seriously and investigated as appropriate. The investigations of any identified breaches of independence policies also serve to identify the need for improvements in PwC Isle of Man's systems and processes and for additional guidance and training.

Considerations in undertaking the audit

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



Client and engagement acceptance and continuance

PwC Isle of Man 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 & 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 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, including whether or not PwC Isle of Man should be associated with a particular entity, its management and/or its services;
- To provide an overview of the risks associated with accepting or continuing with clients and engagements across the client portfolio; and
- To understand the methodology, basis and minimum considerations all other PwC firms in the network have applied in assessing audit acceptance and continuance.



Our people

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Our people

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.

At PwC Isle of Man, we believe our people are our greatest strength. Our people bring our brand to life, turn our strategy into action, and build the trusted relationships that set us apart. Specific focus areas include creating a culture designed to help our people learn and grow and a tech-enabled experience to enhance everyday interactions. We offer a career that challenges, inspires and empowers within a culture that cares for and invests in its people. We believe that when our people thrive so do we.

We are working on achieving this by:

- ❑ Enhancing our services by leveraging new technologies and AI, empowering our people to work with agility in a forward-thinking, tech-enabled business.
- ❑ Building a strategic workforce plan and development career pathway to ensure we are ready for the future and equipped with the skills and capabilities needed for tomorrow.
- ❑ Fostering a flexible, supportive and nurturing environment focused on well-being, ongoing feedback, and coaching to retain top talent.
- ❑ Champion collaboration across all our lines of service and our network, leveraging shared knowledge to deliver the best outcomes for our clients.



- Average staff retention rate.
- Partner and manager hours in relation to total engagement hours.

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. We focus on two key dimensions - Trusted Leadership and Distinctive Dimensions. Together these guide how we deliver our purpose and strategy, serve our clients, and live our values in every interaction.

Our people (continued)

Inclusion and diversity

At PwC, we're an organisation that fosters a culture of belonging and equity where our diverse workforce can thrive and feel like they belong. We do this by delivering on our Inclusion First strategy, which is centred on action, accountability and advocacy, in each of our member firms, across the PwC network.

We embrace and encourage differences and help our people actively develop the skills to work and lead inclusively with our focus on gender equity, disability inclusion, LGBT+ inclusion and social inclusion. Underpinning this is ensuring our systems and behaviours are inclusive.

Career progression

PwC Isle of Man uses The PwC Professional, our global career progression framework, which sets out clear expectations at all staff levels across five key dimensions. The framework underpins all elements of career development and helps our people develop into well-rounded professionals and leaders with the capabilities and confidence to produce high-quality work, deliver an efficient and effective experience for our clients, execute our strategy, and support our brand.

Our annual performance cycle is supported by continuous feedback conversations and regular check-ins with the individual's Team Leader to discuss their development, progression and performance. During FY25 we have started formulating career development pathways for people across all levels and lines of service, to ensure our people are best placed to progress their career ambitions in the short and longer term.

Recruitment

PwC Isle of Man aims to recruit, train, develop and retain the best and the brightest staff who share in the firm's strong sense of responsibility for delivering high-quality services. Our hiring standards include a structured interview process with behaviour-based questions built from The PwC Professional framework, assessment of academic records, and background checks. Across the firm in FY25, we recruited 15 new people, including 7 trainees (graduates and school leavers) and 8 experienced hires. Over the course of the year, we also had 2 fixed-term employees, and 8 summer interns join us.

Retention

Employee turnover in public accounting tends to be elevated, as evolving accounting standards and regulatory requirements drive strong demand for skilled professionals. The valuable experience and training our team members gain here make them attractive candidates for opportunities elsewhere. Our voluntary turnover levels vary over time, influenced by a range of factors such as shifts in the broader talent market. During FY25 an ongoing review of our benefits offering has continued, benchmarking against the market and considering the diverse demographics of our workforce. As a result, we are finalising a new benefits package designed to better support our people and align with their evolving needs.

Our people (continued)

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 feedback on their overall performance, including factors related to audit quality, such as technical knowledge, auditing skills and professional scepticism. Audit quality is an important factor in performance evaluation and career progression decisions for both our partners and staff. Feedback on performance and progression is collected via our Feedback Exchange platform, a user-friendly, AI supported technology enabling year-round multi-directional feedback. Ongoing timely feedback conversations help our people grow and learn faster, adapt to new and complex environments, and bring the best to our clients and firm.

Global people survey

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

We had a very strong response rate with 95% of our workforce taking the opportunity to share feedback on many aspects of our working environment. Our focus on seeking feedback from our people remains a priority and the firm continues to identify areas for further development to ensure we maintain the engagement of our people and strive to strengthen the quality of our services in meeting our clients' needs.



Learning and education



Professional development

We are committed to ensuring our people are empowered to thrive in roles that match their strengths and ambitions. At every stage of their careers, our team members benefit from a wide range of development opportunities—including classroom and on-demand learning, as well as real-time coaching and support on the job. Our adaptable training portfolio enables personalised learning, offering access to webcasts, podcasts, articles, videos, and courses tailored to individual needs.

Earning a professional credential supports our commitment to quality, upheld by consistent examination and certification standards. Our goal is to provide each person with a clear, individualised pathway to advancement, helping them prioritise and manage their time as they prepare for professional exams. Supporting our people in balancing their professional growth with personal commitments remains central to our approach to employee experience and retention.

PwC Isle of Man has launched a firm-wide development programme to build capability in personal effectiveness and people management skills, supporting the growth of a high-impact workforce an essential part of our people strategy.

Separately, our ‘Career Development Pathways’ initiative helps individuals identify tailored career opportunities, further education, upskilling, secondments across the PwC network, and senior mentoring to advance professional development.

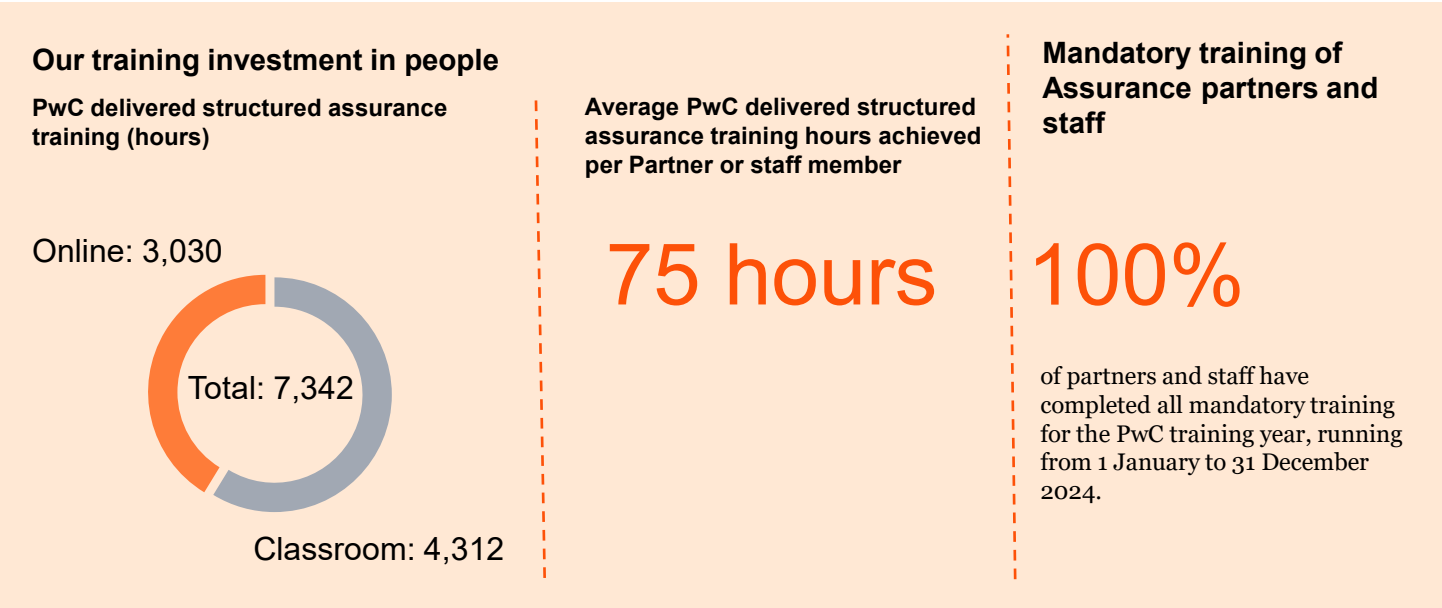


Continuing education

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, provides access to training materials covering the PwC audit approach and tools, as well as areas of audit risk and areas of focus for quality improvement.

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

The design of the curricula allows us to select, based on local needs, when we will deliver the training. Our Learning & Education leader then considers what additional training is appropriate – formal and/or informal – to address any additional specific local needs. Training may be sourced from our PwC internal databases, externally or via our internal locally developed training programmes..



Inclusion First



Inclusion First

Our people are at the heart of our organisation and we are committed to fostering a collaborative and inclusive workplace, where diversity of thought and experience is valued and harnessed. By recognising and appreciating unique perspectives and working together we create a lasting impact for our people, clients and society.

Our Inclusion First strategy is about fostering a culture where everyone is included, everyone belongs, and everyone can thrive – because we believe inclusion is about each of us. This means we embrace our differences. It means we develop the skills needed to work and lead inclusively. And it means we cultivate a rich breadth of abilities that let us deliver unexpected insights and solve complex challenges facing business and society.

We continue to achieve this through:

- Programmes to deepen understanding of cultural backgrounds, neurodiversity, personality differences, and both conscious and unconscious biases, all aimed at improving how we communicate and support one another.
- Enhancing our hiring approach to welcome a wider variety of experiences and viewpoints, with particular attention to neurodiverse talent and innovative thinking.
- Cultural sharing events, such as World Food Day, where team members contribute dishes from their own backgrounds, encouraging connection and appreciation of our diverse workforce.

Fostering social inclusion is a core part of our local strategy, reflecting the richness of our workforce, which spans 18 nationalities. We actively encourage initiatives and events that highlight and celebrate our diverse traditions and cultures, while also working to ensure that promotions reflect the broad spectrum of nationalities and ethnic backgrounds represented in our business.





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Our approach



As a member of the PwC network, PwC Isle of Man 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.



PwC Audit is developed by the Global Assurance Quality– Methodology Group (GAQ – Methodology). GAQ Methodology has responsibility for the maintenance and update of global audit policies and guidance, including: the PwC Audit Guide; libraries of audit activities for our global audit software (Aura); and template letters and other documents for use by engagement teams.

Our Isle of Man Audit Risk and Quality group is responsible for developing policies, guidance and templates to supplement the global methodology to address additional requirements such as Isle of Man laws and regulations.

Tools and technologies to support our audit



Our technology

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

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

Connect Audit Manager streamlines, standardises and automates coordination between group and component audit teams. It provides a single digital platform to see all outbound and inbound work and facilitates greater transparency, compliance and quality for complex multi-location audits.

Acquisition Hub (AQH) is a centralised portal designed to streamline and simplify PwC's data acquisition methods and data request fulfilment process from our clients. It provides a guided user experience using a standardised global approach and enables teams to effectively manage data from request through fulfilment.

Extract is a proprietary PwC-developed tool used to automate the extraction of data from clients' ERP, database systems, text files, and other applications. With a focus on security and data integrity, Extract aims to be the trusted choice for clients, ensuring the highest level of confidentiality and compliance.

Data Pro is a self-service application that puts data transformation technology into the hands of engagement teams. Users are guided through the transformation process and are able to publish and catalog mapped data for use in downstream applications.

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 data for multiple applications during the audit.

Halo, our data auditing tool, addresses 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.

GL Revenue allows for an easy understanding of the flow of revenue journals and to classify 'expected' versus 'unexpected' revenue journals.

PwC Confirmations, our global, secure, web-based confirmation platform provides a guided experience for preparing, sending, monitoring and receiving electronic and paper responses for our third-party confirmers.

ChatPwC is our secure GenAI tool which digitally-enables our auditors to enhance trust, quality, and efficiency across audits. Powered by the latest large language models (LLM), ChatPwC processes natural language and generates responses to text-based queries within PwC's secure environment.

ChatAssurance is our Microsoft Teams-based chatbot that brings together our PwC guidance for an audit and enhances our research experience.

Microsoft 365 Copilot is our AI assistant across Word, Excel, PowerPoint, Outlook, and Teams. It delivers personalised, real-time help by drafting emails, summarising chats, and surfacing key insights to boost productivity and creativity.

DataSnippet is an easy to use Excel add-in that improves efficiency by accelerating the documentation and review of audit evidence. With DataSnippet you can automatically extract, cross-reference, and validate source documents.

Assisted Disclosure Checking allows users to match disclosure requirements (checklist) to disclosures within financial statements.

Document Bot, our online document automation platform, streamlines and embeds quality across all phases of drafting and approval of key documents from standard templates.

Translation Services leverages the existing Microsoft Translator Azure service in a user-friendly interface to enable users to translate documents between different languages while preserving original document structure and data format.

Tools and technologies to support our audit (continued)



Our next generation audit

Next Generation Audit (NGA) is PwC's bold vision for the future of auditing where we are investing in the use of human-led, responsible AI capabilities, like AI agents, that our auditors can instruct to complete tasks, analyse data and automate processes.

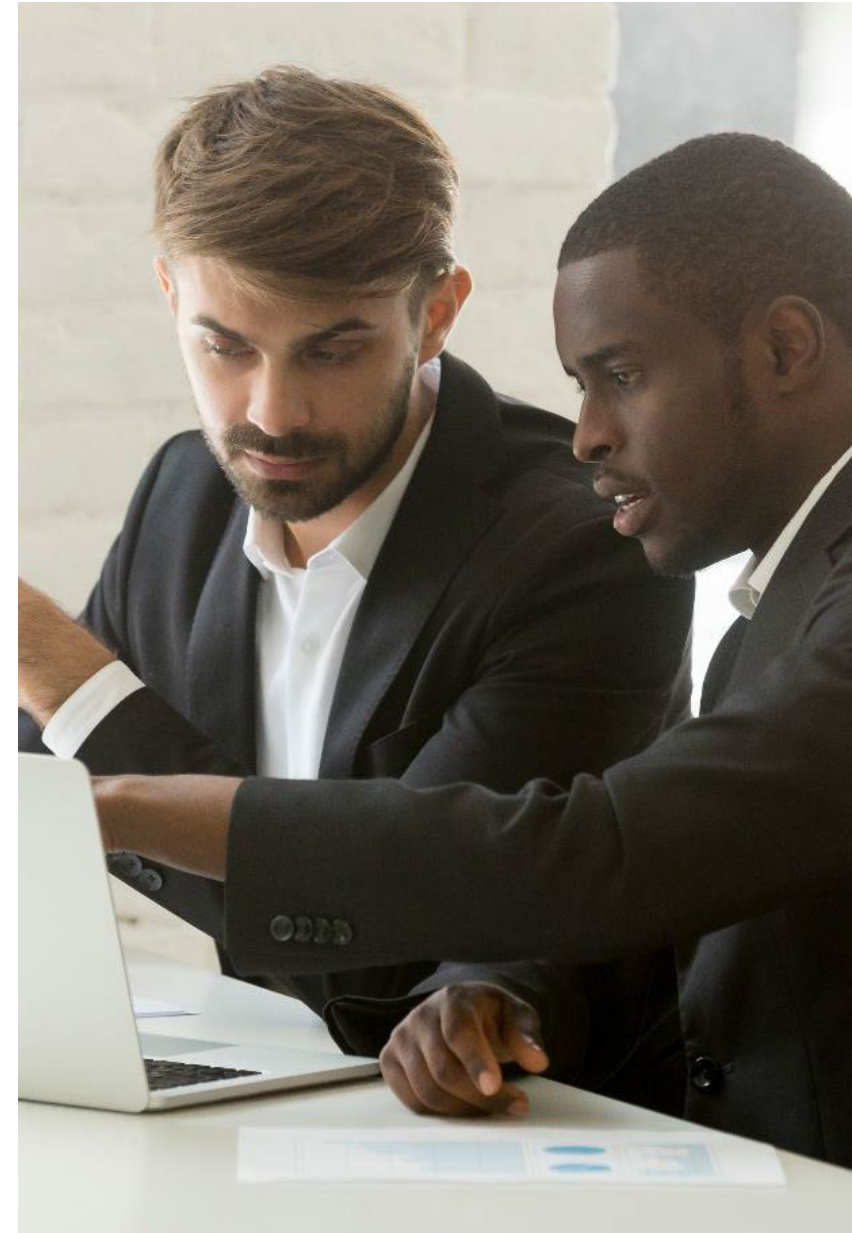
As part of our commitment to building trust and delivering sustained outcomes, the PwC network is investing in this multi-year project to deliver a new global audit platform to power our next generation audit, ultimately replacing our legacy technologies such as Aura and Connect. By exploring and investing 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.

Our Isle of Man team are pioneering the usage of these NGA capabilities and making the most of the tools at our disposal. We have reached a significant milestone in our local journey and a step forward in enhancing our capabilities, driving innovation within our team and enhancing our client experience. We are proud to be broadening the horizons of what is possible in auditing and transforming the PwC audit experience. 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. Designed to address areas critical to building trust in the capital markets, NGA is PwC's most ambitious audit initiative ever.

We're leveraging an AI-first technology strategy, which equips our auditors with the latest technologies and digital capabilities to deliver an elevated audit experience, supercharged by AI, that meets the fast-changing needs of our clients.

One example we've launched this year is an intelligent assistant, ChatPwC, available to everyone in the firm following completion of mandatory training. ChatPwC uses generative AI to respond to text-based questions within a secure environment.



Tools and technologies to support our audit (continued)



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 frameworks.

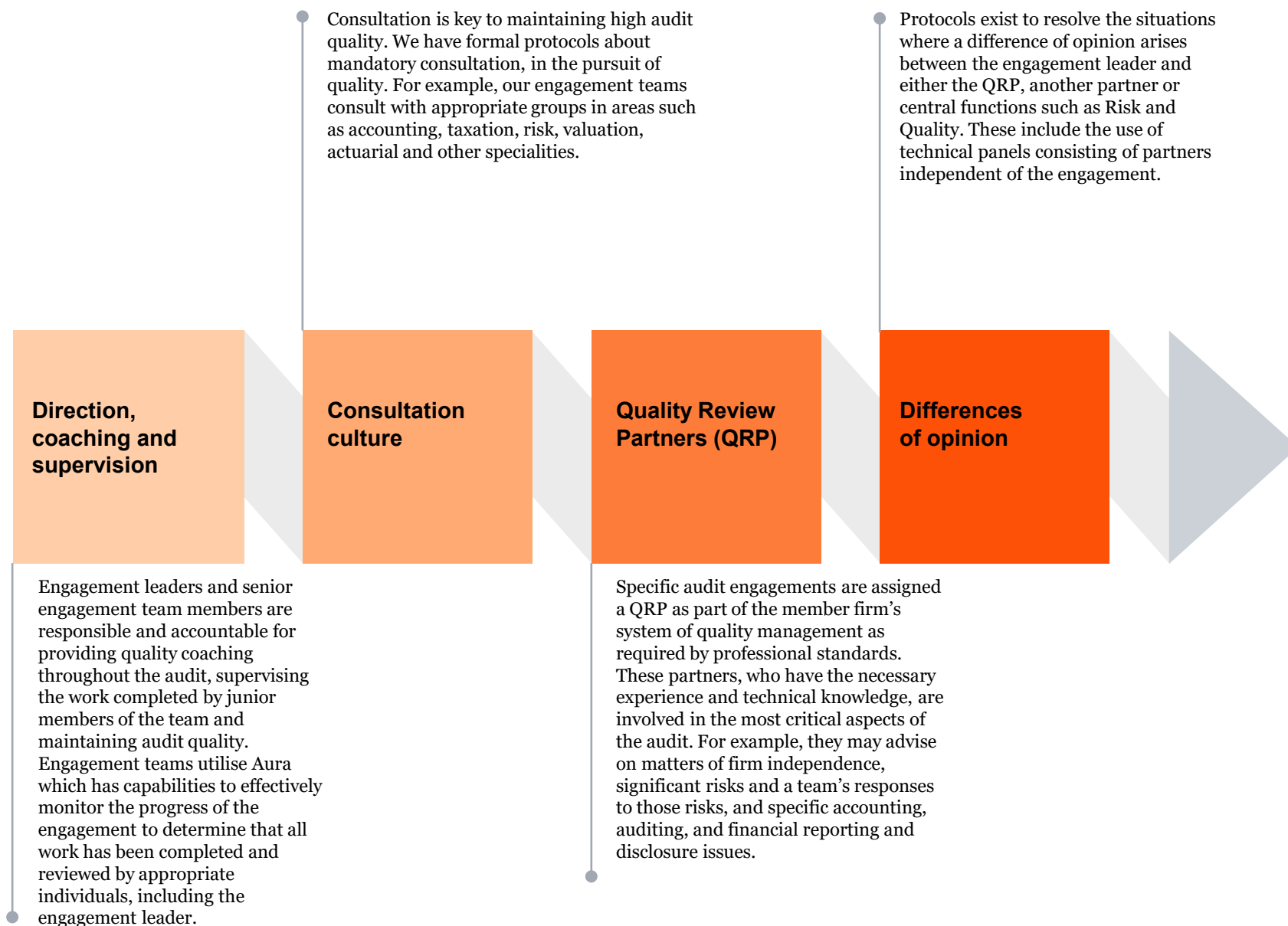
Data privacy

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 compliance programme and are committed to reinforcing 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 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, PwC Isle of Man complies with the Information Security Policy which outlines the minimum security requirements for all PwC firms.

Engagement performance





Monitoring

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Monitoring

01

Monitoring of assurance quality

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

Responsibility for appropriate quality management lies with the leadership of PwC Isle of Man. 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 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.

02

Aim to prevent: Real time assurance

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

Our RTA program focuses on real-time quality. Our experienced team of reviewers, using a firm-wide dashboard and the automation of processes, perform detailed reviews of active engagements with a view to identifying potential quality matters prior to the issuance of the audit report.

The program ensures coverage across a wide variety of clients, industries and Engagement Leaders. Engagement teams are provided with real-time information and coaching to allow potential quality matters to be adequately considered and resolved.

24

Number of active assurance files subject to Real Time Assurance review during FY25.

03

Restatements

1

Number of financial statement restatements involving Public Interest Entities audits due to material errors

Audit quality measures

- Total number of ECRs
- Number of ECRs rates as Complaint, Compliant with Improvement Required, Non-compliant
- ECRs rated as Compliant, Compliant with Improvement Required, Non-Compliant relates to total number of ECRs (%)
- Financial statement restatements involving PIE audits due to material errors
- Frequency and impact of accounting errors (that may not result in restatements)

Monitoring (continued)



In addition to the ongoing monitoring noted on page 38, our monitoring also encompasses a periodic assessment of our SoQM which includes the review of completed engagements (Engagement Compliance Reviews - ECR), as well as periodic monitoring of our SoQM by an objective team within our firm. The results of these procedures, together with our ongoing monitoring, form the basis for the continuous improvement of our SoQM. ECRs are performed under a network-wide inspection programme based on professional standards and PwC audit methodology.

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

Engagement Compliance Reviews

Results from the most recent Engagement Compliance Reviews – number of reviews, including total number resulting in non-compliance

- Compliant – 8
- Non-Compliant - 0

100%



Monitoring (continued)

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

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



External inspections

PwC Isle of Man is eligible as a recognised auditor to undertake the required statutory audit work for Isle of Man incorporated companies with debt or equity listed on a UK regulated exchange.

The Isle of Man Financial Services Authority have delegated responsibility for conducting inspections of recognised auditors to the Quality Assurance Department (QAD) of the Institute of Chartered Accountants in England and Wales (ICAEW). The QAD is the relevant regulatory or professional body for PwC Isle of Man for audits of companies with transferable securities trading on a UK or EU regulated market subject to the Crown Dependencies' Audit Rules and Guidance, as well as all UK audit clients. Their visits are at a minimum of every 3 and 6 years respectively and the results are assessed to ensure the firm is able to continue to perform such audit work.

In September 2024 the QAD in tandem with the Isle of Man Financial Services Authority, performed a Practice Assurance Review. The result of this inspection was satisfactory with no matters requiring action.

In addition, as agreed with the Isle of Man Financial Services Authority, the ICAEW also conducted a visit in August and September 2024 to review aspects of PwC Isle of Man's anti-money laundering compliance. Their report noted 4 exceptions rated as "minor".



Monitoring (continued)



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;
- the network inspection of our SoQM;
- audit engagement level findings from our own internal inspections process or external inspections; and
- other inputs such as financial statement restatements and accounting errors,

to help identify possible distinctions and learning opportunities.

For individual audits, an objective team of root cause specialists identifies potential factors contributing to the overall quality of the audit. We consider factors relevant to technical knowledge, supervision and review, professional scepticism, engagement resources, and training, amongst others.

Potential causal factors are identified by evaluating engagement information, performing interviews, and reviewing selected audit working papers to understand the factors that may have contributed to audit quality.

In addition, the data compiled for audits both with and without engagement-level findings is compared and contrasted to identify whether certain factors appear to correlate to audit quality. Examples of this data include experience, sufficiency and continuity of staff, hours incurred on the audit, level of consultation with experts and specialists, experience on similar clients, seniority and experience of engagement leaders and the benefit from interventions such as real-time reviews and quality review partners.

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.

A remediation plan is subsequently developed and monitored to ensure that findings are addressed and corrective action is taken in a timely manner as necessary.

Root cause analysis conclusions are shared with Leadership and learning areas are shared with the practice during tailored training sessions, forums and internal communications



PwC network

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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

- 01 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 comprises 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.
- 02 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.
- 03 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.
- 04 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. The Territory Senior Partner of PwC Isle of Man is connected to the Strategy Council and maintains our relationships with the network leadership team.



Legal and governance structure

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Legal structure and ownership of PwC Isle of Man

PricewaterhouseCoopers LLC is a limited liability company incorporated in the Isle of Man and is registered as a “recognised auditor” with the Isle of Man Financial Services Authority.

The members of PricewaterhouseCoopers LLC, known as partners, together form the governing body. They meet together and with the firm’s directors at regular intervals to discuss strategy and to monitor the firm’s progress against that strategy.

Partners and their key roles as at 30 June 2025

Name	Roles as at 30 June 2025	Experience as a PwC Partner
Nicholas Halsall	Territory Senior Partner, PwC network	15 years
Andy Dunn	Partner responsible for Risk & Quality	12 years
Nicola Shepstone	Assurance Quality Leader, Business Enablement Functions Leader, Learning & Education	12 years
Ferran Munoz-Lopez*	Clients & Markets Leader, Partner Responsible for Independence, Chief Internal Auditor, Advisory Leader, Tax Leader	6 years
Paul Jones	Territory Assurance Leader, Partner responsible for IT, Risk Assurance and Digital	6 years
Nichola Christison*	Ethics & Business Conduct Leader	4 years
Johann Marais	Actuarial Leader, Human Capital Leader, Partner responsible for Corporate Responsibility and Wellness	4 years

* With effect from 30 June 2025 ceased to be a partner or an employee of PwC Isle of Man.

Partner remuneration

Partners are remunerated solely out of the profits of PwC Isle of Man.

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

Once the annual financial statements have been approved, the final allocation and distribution of profit to individual partners is made according to their entitlement under the firm's operating agreement adjusted for their performance which is assessed against their objectives and the firm's Recognition and Accountability Framework.

Financial information



An analysis of the total turnover of PwC Isle of Man for the financial years ended 30 June 2024 and 30 June 2025 is shown below.

	2025 £'000	2024 £'000
Statutory audit revenue earned from market-traded companies.	-	-
Audit revenue earned from all other clients.	8,444	8,589
Non-audit services revenue earned from Market-Traded Companies.	3	3
Non-audit services revenue earned from all other clients.	1,638	3,162

EU Public Interest Entities (EU PIEs)/Market Traded Companies (MTCs)

During the period covered by this Transparency Report, PwC Isle of Man has not signed any audit reports on the financial statements of an EU PIE as defined by Article 13 or any Isle of Man incorporated audit clients that had transferable securities admitted to trade on a UK or EU regulated market meeting the definition of MTCs under Isle of Man law and regulations.



Thank you