



# PwC Cambodia Transparency Report 2025

January 2026



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# 01

## Message from leadership

Message from  
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Corporate  
responsibility

# 01 Message from leadership

## Welcome to our 2025 Transparency Report

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 136 countries with more than 364,782 people who are committed to delivering quality in assurance, advisory and tax services. We are committed to driving a strong culture of quality and excellence that is core to our purpose.

In a world in motion, our focus is on capturing 'value in motion'. At PwC, we are catalysts for momentum, helping our clients adapt, grow, and thrive even amid challenges. Simply put, when PwC comes in, things happen. The phrase 'so you can' represents our core mission of enablement and empowerment, serving as a bridge between what we offer and the benefits our clients receive. At the heart of our client's commitment is the outcome – what we help them achieve and succeed. Our role is to inspire, sustain, and accelerate momentum for our clients, enabling them to achieve extraordinary outcomes. We are committed to going above and beyond, together, embracing our best qualities – being collaborative, bold, and optimistic.

PwC's approach to building trust is designed to meet rising expectations of transparency, accountability and stakeholder engagement. It combines expertise in audit, tax and compliance activities with a drive to expand specialist capabilities in areas such as cyber security, data privacy, ESG and AI. It also recognises the importance of quality – and that reporting and compliance represent just one link in a chain that includes organisational culture, executive mindset, aligned standards, certified professionals, stringent controls, tailored technologies and appropriate governance. It is part of our public interest commitment to consistently perform quality engagements and be transparent about our system of quality management.

The quality of our work across the full range of our services has remained a core focus for PwC Cambodia's leadership through setting the right tone from the top, communicating expectations to our people, proactively monitoring quality, learning from any mistakes, and holding ourselves and our people accountable where necessary. We aim to maintain the highest standards of quality and ethical behaviours, build a strong partnership culture, fully align with the network strategies and standards, commit to growth priorities, and enhance our role as a sustainable and responsible business leader.

PwC Cambodia's strategic priorities include our aspiration to accelerate, automate and innovate the operations by using AI and technology, while prioritising quality as always. To achieve this, we continue to cultivate a firmwide culture that embraces change and innovation by leveraging technology to create value for clients and the firm, and by promoting digital awareness and expertise among our staff.

As an employer, we create a place for people to work, grow and solve together. We've adopted a 'one culture' approach to foster a unified and cohesive culture, and encourage adaptability, collaboration, inclusion and continued learning. We aim to be the employer of choice – a place where the best talent with the right skills comes to grow, lead and build meaningful careers.

**PwC Cambodia  
Assurance  
professionals  
surveyed who  
report:**

I receive consistent messages about the importance of audit quality from both local and global leadership



I understand the firm's audit quality objectives



# Message from leadership



**Kuy Lim**  
Cambodia Territory  
Senior Partner and Office  
Managing Partner of PwC  
Cambodia

## Taking action to lead the profession

Our role as auditors is to build trust in information that drives the capital markets – its accuracy, reliability, and consistency. As the needs and expectations of users of independent audits continue to evolve and information flows grow increasingly complex, PwC is committing to a series of bold actions in the following areas over the next several years that will further enhance confidence in the independent audit:

- **Accountability** – we will implement tangible measures to demonstrate to our stakeholders that the leaders of our firm are accountable for audit quality, which will include firm leadership compensation at risk and public leadership certifications on our system of quality management.
- **Quality** – we will execute a series of initiatives to enhance confidence in audit quality with a focus on fraud and going concern, and to explore enhancements to the audit report through more expressive content.
- **Independence** – Independence is paramount to our success. Our quality hinges on individual adherence to independence standards and diligent compliance with all internal processes. We are committed to continuously strengthening our quality, ensuring robust adherence to independence regulations, and significantly improving our overall compliance rates.
- **Transparency** – we will continue to increase the level of transparency over key aspects of audit quality performance, including enhancing our audit quality reporting, and communicating information related to our policies and practices with respect to potential conflicts of interest.
- **Engagement** – we will execute a series of initiatives to enhance engagement with key sets of stakeholders, including potential talent, audit committees and investors, including investing time to raise awareness of careers in accounting.

We're approaching these actions in phases – starting with accountability – and expect that each will evolve over time as we consider standard setting, regulatory developments and emerging practice matters.

In this Transparency Report you will find details of:

- Our System of Quality Management (SoQM), transparency data points and how we've delivered on our audit quality objectives. It also gives valuable insight into our systems and processes, which are designed to ensure the quality of our services and demonstrate commitment to our purpose: to build trust in society and solve important problems
- Our commitment to quality, how we manage and oversee our quality processes, what we are doing to enhance quality and the results of our internal audit quality inspections, and
- Our approach to governance, our codes of conduct, our commitment to ethical behaviour, and the standards, the policies and procedures that we expect all our partners and staff to follow and comply with

We are committed to doing our best work for our stakeholders, learning from both our successes and from when things go wrong. We're proud of the contributions that we make to business and society, and of the hard work and dedication of our colleagues.

## Our Assurance Practice

Our Assurance practice is fundamental to our purpose of building trust. Quality in everything we do is central to this purpose and remains at the core of our Assurance strategy. Over time, the expectations of the public and stakeholders regarding quality and value have evolved. As part of our current strategic priorities, we aim to meet these expectations by emphasising independence, objectivity, trustworthiness, and the consistent delivery of high-quality outcomes. We also take a deliberate approach to client selection, considering the client's risk profile and control consciousness, while maintaining our long-standing focus on quality.

Transparency of data and information is essential for building trust in capital markets and with clients, stakeholders and the public. To support this objective, we're pleased to share the PwC Cambodia Transparency Report 2025, which covers the period from April 2024 to June 2025. This report shows how we maintain quality in our audit work and comply with the requirements of the Cambodia International Standard on Quality Management (CISQM) 1. The report outlines our policies, systems and processes for ensuring quality, as well as the results of key quality monitoring programmes and reviews. It also highlights how we foster a culture of quality at all levels of the firm.

We've dedicated substantial time and resources to upholding and continuously improving our quality standards. This commitment has led to a sustained positive impact on our review and inspection outcomes. Our efforts include implementing rigorous quality management systems, investing in advanced technologies, and providing ongoing training and development for our staff. These initiatives ensure that we consistently meet and exceed the expectations of our clients and stakeholders, resulting in favourable review and inspection results.

## Focusing on audit quality

Delivering quality audits is core to our purpose. We take any instance of audit deficiencies seriously and we work hard to quickly understand and remediate the impacts of the issue, analyse the root cause, learn lessons and take the opportunity to enhance the quality of future audits. We reflect the importance of quality – both quality outcomes and quality behaviours – in the evaluation, recognition and accountability of the relevant partners and leadership teams. Audit quality is the most important factor in performance evaluation and career progression decisions for both our partners and staff.

To maintain the quality of our work, we use a quality management framework based on clear objectives around audit quality. We deliver high-quality audit services through access to the necessary capabilities in terms of both people and technology. That's why our quality objectives focus on having the right capabilities – and on using these capabilities to meet our own standards and applicable professional requirements.

These capabilities are best developed and used within a culture of quality in which leaders set the right tone and are role models for our values, starting by acting with integrity. We continuously enhance our guidance and update our tools to support our engagement teams in addressing new and emerging risks and requirements as part of our audits.

We've continued to have favourable outcomes from regulatory inspections. We're pleased with the results, which confirm we're moving in the right direction on our quality journey.

## Quality starts and ends with people

Our people are at the heart of everything we do at PwC. We're dedicated to developing our team by providing access to a comprehensive curriculum of formal and informal learning, including technical and soft skill courses. We also support our people through coaching, on-the-job training, and diverse experiences. We strive to create the right culture and environment for them to thrive. Integrity is one of our core values and is fundamental to our purpose. In line with these values, we're fostering a culture of openness, encouraging our people to speak up when they see something that isn't right.

We aim to recruit, train, develop and retain the best and brightest values-driven people who share our strong sense of responsibility for delivering high-quality services. We truly believe our people help us stand out on quality and are our most important asset, ensuring we're always human-led, tech-powered.

## Human-led, tech-powered

At PwC, we empower our audit teams with cutting-edge tools, innovative solutions, and comprehensive support. By leveraging advanced technology, we enhance both the efficiency and effectiveness of our audits. By integrating human expertise with state-of-the-art technology and combining the technical knowledge of our auditors with innovative thinking, we enable our audit teams to better identify unusual transactions, discrepancies, or misstatements and add value to our audit work. Our services relating to the use of artificial intelligence are subject to the applicable laws on artificial intelligence and its use at the time the service is provided.

## The Next Generation Audit

The Next Generation Audit (NGA) programme is a significant commitment of the PwC network to digitally transform our assurance business, allowing us to deliver cutting-edge outcomes as well as trust in what matters. With the power to transform data, apply predictive analytics and with automation at our fingertips, this is not just a technology overhaul, but it will allow us to provide clients and audit teams with a panoramic view of their audit landscape. It aims at delivering high-quality, fully integrated auditing at speed, reducing burden and helping clients build trust in the things that matter most to them and their stakeholders. NGA also embodies our commitment to standardising and simplifying the way we work, taking a fresh look at our people and delivery models, processes and methodologies and tech-enabling the auditor of the future. The programme is designed to replace and upgrade our existing audit technology ecosystem across the network. The ambition and complexity of NGA is taking place against a backdrop of rapid technological change.

“

I am proud of our achievements on our quality journey and grateful to our partners and staff for their contributions to these favourable outcomes. Our leadership remains steadfast in upholding the highest quality standards, grounded in independence, ethics and professionalism. This commitment guides how our people conduct themselves, interact with each other, and engage with our clients.”

# Year in review

30 June 2025

## Supervision and review

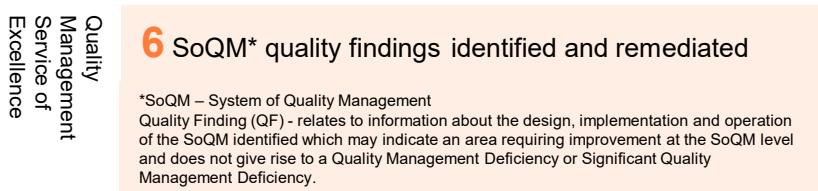
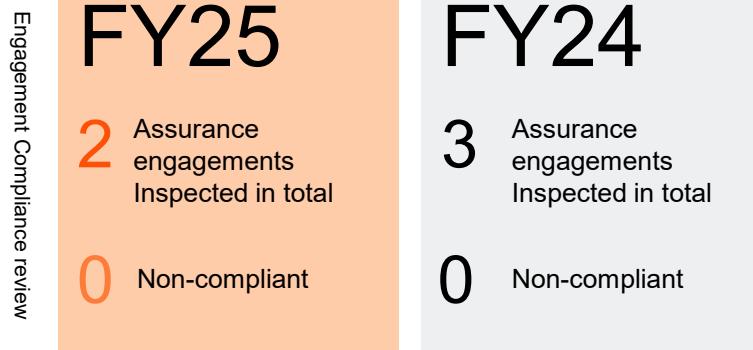
Ratio of partners and managers to staff (FY25)

1 to 5

Average years of experience:



## Monitoring of quality



# Year in review

30 June 2025

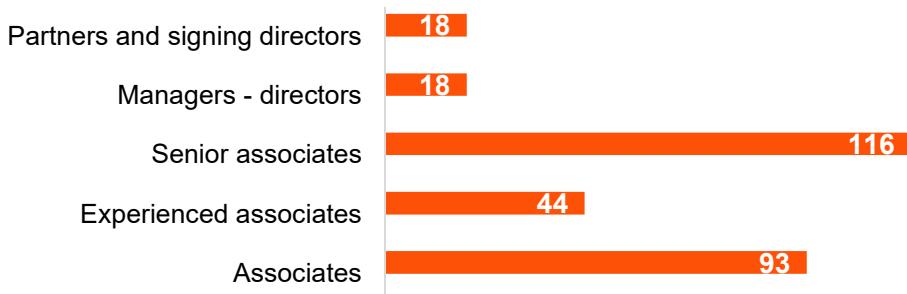
## Assurance training

Average Assurance training hours achieved by partners and staff

	online	classroom	total	Total training hours completed
FY25	34	61	95	23,375
FY24	32	72	104	23,534

## Auditing and accounting training hours

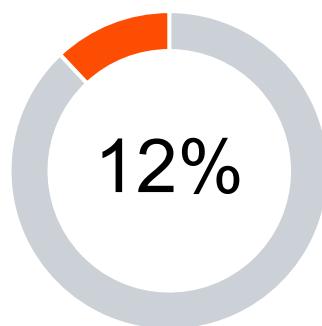
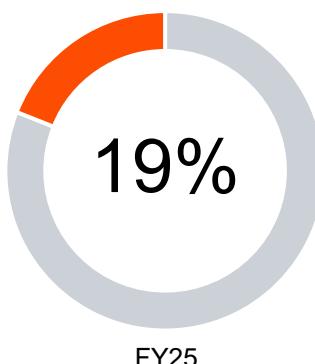
Hours of auditing and accounting training mandated by PwC annually



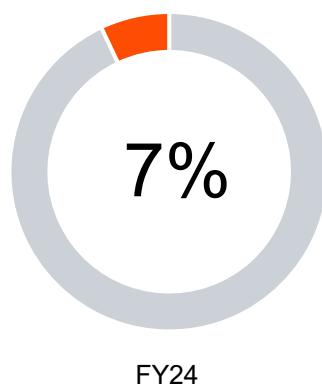
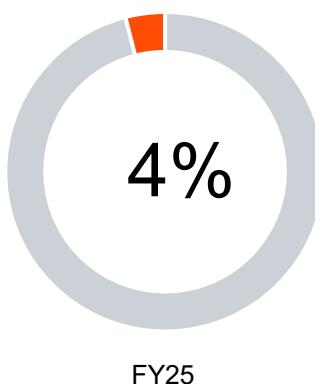
All professional staff undergo other trainings related to risk and quality, ethics and business conducts, digital upskilling and soft skills.

## People

Staff turnover rate



High performer turnover rate



# Year in review

30 June 2025

## Mandatory training attendance

# 100%

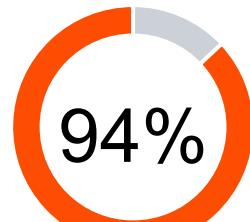
of partners and staff completed all mandatory training in FY25

## Partner and staff survey

Percentage of our staff and partners who participated in the Global People Survey (GPS)

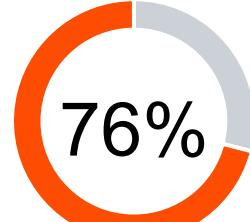


FY25

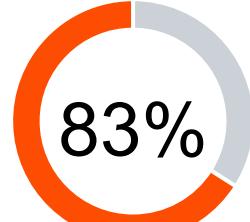


FY24

Percentage of staff demonstrating strong engagement and satisfaction with the firm, measured across five indicators: positive experience, alignment, advocacy, pride, and belonging

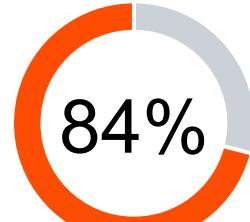


FY25

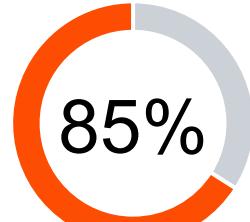


FY24

Quality Behaviour Index scores



FY25



FY24

## Highlights from the 2025 PwC Global People Survey

My team considers the impact of current events and industry trends to deliver quality work for our clients

87%

The people I worked with demonstrate conduct consistent with PwC's Code of Conduct

88%

I am encouraged to experiment, take on new challenges and learn from mistakes

90%

02

## Our approach to quality

# 02

## Our approach to quality

### **Cambodia International Standards on Quality Management 1 (CISQM 1)**

CISQM 1 follows ISQM 1 in all respects. The Ministry of Economy and Finance authorise the implementation of the Cambodian International Auditing and Assurance Standards by fully implementing all international auditing and assurance standards published by the International Auditing and Assurance Standard Board.

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 have designed and implemented the requirements of the standard and evaluate their SoQM under the new standard by 15 December 2023.

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

CISQM 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 our 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 CISQM 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 CISQM 1, is achieved with reasonable assurance.

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#### **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.

# Our approach to quality

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Our SoQM 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

## Integrated and aligned in the right way

Our SoQM includes quality objectives that are identified from the following components of CISQM 1 as well as any additional objectives the PwC network has identified in the QMSE framework and any additional objectives our firm has identified 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.

## 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 QMP 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 be used in appraisals, remuneration, and career progression decisions

Our quality management involves the integrated use of Assurance Quality Indicators with the aim of predicting quality issues, Real Time Assurance to aim to prevent quality issues, a root cause analysis to learn from quality issues and a Recognition and Accountability Framework to reinforce quality behaviours, culture and actions.

These programmes, by design, require ongoing monitoring and improvement, in particular the Assurance Quality Indicators, which will evolve significantly over time as we continue to use and learn from these measures.

# Our system of quality management

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

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

The past several years have seen unprecedented challenges and our firm's SoQM under the QMSE framework has helped us navigate and react to the impact that identified factors had on our ability to achieve the overall assurance quality objective – delivering quality audit engagements.

## Our risk assessment process

The past several years have seen unprecedented challenges. 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.

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Quality is not just a priority – it is the foundation of our success. Upholding the highest standards of audit quality, ethical conduct, and integrity is essential to fulfilling our purpose: building trust in society and solving important problems. These values guide every decision we make and every action we take.”

**Kuy Lim**

Cambodia Territory Senior Partner  
and Office Managing Partner of PwC Cambodia

# Our system of quality management

## Key factors impacting our SoQM

This year, various factors have impacted our SoQM. Some of the more meaningful conditions, events, circumstances, actions and/or inactions that have necessitated changes to our SoQM include:

- The increasing expectation of regulators for auditors to report any suspicious behaviour or misconduct of management, suspected money laundering activities and non-compliance with laws and regulations to them once the issue becomes known
- Heightened societal expectations for ethics (including training integrity) to be embedded and embraced throughout firms, not just in audit
- Regulators strengthening their views on the financial statements of IPO and listed companies
- A large percentage of the workforce comprises Millennial and Gen Z employees who are looking for diverse careers, flexibility, work-life balance and more challenging tasks
- Resourcing and retention of talent, including the attractiveness of the profession, is affecting the adequacy of resources to deliver quality services
- More numerous reporting obligations expected by regulators, the profession and stakeholders, including Audit Quality Indicators and transparency reporting, are driving up the cost of compliance and delivery
- Impact from standards revisions, such as CISA 220(R) and CISA 600(R), on certain policies, processes and controls
- IT infrastructure and network resources affecting the correctness and reliability of information from IT systems and databases
- The impact of emerging technologies such as cryptocurrency and generative AI
- The geopolitical environment including the war in Ukraine, tension between US and China, and conflict at Thailand and Cambodia's border
- US tariffs imposed on various countries may send global trade into reverse this year, potentially impacting many of our clients and their ability to meet their targeted revenue and profit

The SoQM is subject to independent assessment by an independent evaluation team comprising partner, directors, senior managers and managers from other member firms. The QMSE evaluation team leader reports the results and findings directly to the firm's Assurance Leader. The evaluation includes interviews with various business process owners to evaluate their roles, supporting resources, objectivity and their attitude towards the quality agenda. It also includes an assessment of the effectiveness of the design of key activities in response to the risks, the robustness of the root cause analysis process, performance measures reported to leadership and quality improvement actions.

Consistent with CISQM 1, our QMSE focuses on the importance of ongoing monitoring that is designed to identify findings as early as possible so that they can be assessed, actioned, and remediated in a timely manner to minimise any potential negative impact on quality. Therefore, our QMP has been effectively designed to identify findings, and we have appropriately responded to those findings in a timely manner based on specific facts and circumstances, allowing us to determine whether we have reasonable assurance over our SoQM.

# Our system of quality management

Throughout this transparency report, we provide insights into the policies and procedures we've put in place to reduce the quality risks we have identified to an acceptable level and help us achieve reasonable assurance over the firm's SoQM.

As mentioned above, some of our policies and procedures are provided by the PwC network, which we have assessed to determine that these resources are appropriate for use as part of our SoQM and in the performance of engagements. The following sections of the report cover the following CISQM 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 52](#), we have described the types of ongoing and periodic monitoring our firm has designed, implemented and operates to provide relevant and reliable information about our firm's SoQM. This helps us take appropriate actions over any identified deficiencies so we can remediate those deficiencies effectively and promptly. To support the timely and effective remediation of identified deficiencies, our firm has designed, implemented and is operating a root cause analysis programme that is described further on [page 55](#).

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 CISQM 1. On behalf of PricewaterhouseCoopers (Cambodia) Ltd., Kuy Lim in his role as Territory Senior Partner and Office Managing Partner of PwC Cambodia, has 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 31 March 2025, we believe our SoQM provides us with reasonable assurance that the quality objectives of CISQM 1 noted above have been achieved.

03

## Culture and values

Message from leadership	Our approach to quality	Culture and values	Our people	Our approach	Monitoring	PwC network	Legal and governance structure	Corporate responsibility
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# 03

# Our 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 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.

# Our commitment to quality

## Quality awareness channels

Quality awareness channels include:

- Face-to-face or virtual sessions with partners and managers through monthly and town hall meetings
- Learning and development programmes, such as Assurance core curricula, training programmes provided to partners, methodology workshops, soft skills training, digital training and annual R&Q training
- Webcasts and eLearning courses
- Periodic alerts, emails and communication from our leaders

### Audit Quality Measures

- Global People Survey: Quality Behaviour Index scores



# 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 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.

## 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.

## Leadership's commitment to quality

Our firmwide and assurance priorities always include a quality agenda, demonstrating that we consider quality as an important part of our business operation and aim to balance commercial interests with quality and compliance.

The quality performance also forms part of the Recognition and Accountability Framework for our senior partners, Assurance leader, business unit leaders and business process owners (BPOs).

Culture and behaviours are a key focus area in our root cause analysis (RCA). The mindset of those performing the root cause analysis is to seek potential causal factors related to culture and behaviours. If no potential causal factors are identified, the RCA team usually questions whether their analysis has gone 'deep enough'. In addition, the RCA team considers and assesses root causes that may result in difficult business or leadership decisions including client selection, and partner and staff capacity and workload.

# Our quality support teams

## Quality Committee

We set up our Quality Committee more than ten years ago to oversee quality control. It consists of functional area lead partners in Assurance.

The Quality Committee meets regularly to:

- Monitor quality control systems and operations
- Initiate remedial actions to address exceptions and deficiencies in audit quality
- Report on significant audit quality matters, and
- Provide recommendations on quality enhancement initiatives to the Assurance Leader and Risk and Quality Leader

The leaders and managers of the following functions provide support to the committee:

- Risk & Quality
- Corporate Reporting Services
- Methodology, Technology & Transformation
- Human Resources
- Ethics & Business Conduct
- Learning & Development
- Resources Planning
- QMSE Project team



Figure 1: Quality Committee

# Our quality support teams

## Risk & Quality

The Risk & Quality (R&Q) team operates on a firmwide basis and supports the firm's leadership in managing risk and quality, and assists engagement teams on compliance, independence and quality matters. The team advises on managing risks to maintain consistent quality and comply with professional standards, laws, regulations and policies, while achieving business objectives. R&Q provides risk management services and internal legal, independence, and quality counsel at both firmwide and line-of-service levels.

The R&Q director reports directly to the Cambodia Management Team. R&Q is on the standard agenda of all leadership and partner/managers meetings.

## Corporate Reporting Services (CRS)

To manage the complexity of financial reporting standards, it's important that our clients receive clear and consistent advice. Our Corporate Reporting Services (CRS) team provides internal and external support and guidance on accounting treatments of complex issues, training on accounting standards, and reviews of financial statements in compliance with financial reporting standards.

The CRS team comprises one partner, two directors, one senior manager, one manager and one assistant manager. CRS works closely with engagement teams on significant accounting issues to arrive at solutions that are acceptable under the financial reporting framework. If opinions are unresolved, a technical panel discussion will be organised.

PwC Cambodia is supported by specialists from our Global CRS Group for cross-border engagements and multinational clients.



# Our quality support teams

## Methodology, Technology & Transformation

The Methodology team provides updates on new developments in auditing, consults on methodology-related issues, and supports practice staff in relation to PwC's audit methodology. The Technology & Transformation team implements our auditing software and Assurance Transformation tools, develops training courses and user guides for the Assurance Transformation tools as well as acting as help-desk support.

M&T's aim is to continuously improve overall audit quality, simplify processes wherever possible and maintain trust. Moreover, M&T aims to reimagine the audit through the use of technology to help our audit teams adopt the enhanced guidance and Assurance Transformation tools. The team endeavours to meet and surpass the minimum audit quality standards set by the PwC network and local requirements.

M&T's main responsibilities include:

- Implementing audit methodology and Assurance Transformation tools
- Launching training materials based on PwC's global materials for methodology and Assurance Transformation content, and customising them to local needs in respect of local practical issues and real cases
- Working with the Global team to develop effective user guidance material for Assurance Transformation tools
- Optimising, reporting and providing ongoing support for Assurance technology and transformation tools
- Communicating new and updated policies, procedures and methodologies, and keeping staff up to date
- Addressing methodology and technology issues
- Conducting engagement reviews to identify and improve audit quality and efficiency
- Providing consultation on auditor report requirements and reviewing the key audit matters (KAM) that are required in audit opinions to ensure they comply with Thai Standards on Auditing and PwC audit methodology

## Broader Assurance Services

The Broader Assurance team helps clients solve important problems and deliver sustained outcomes, drawing on its expertise and extensive experience to support our clients. We integrate PwC's expertise in financial risk, regulatory advice, governance and compliance risk, operational risk, controls and internal audit.

# Our strategic quality initiatives

## 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.

Quality performance measures and a meaningful analysis of their results can also provide valuable insights into audit quality factors and are part of our four strategic quality initiatives used to monitor and measure quality at both the firm and individual levels.

- At the firm level, quality performance measures include the prediction of results for the next reporting. This gives us early notice of where to look for potential issues so we can take timely action. They also assist in communicating our views on quality to stakeholders: audit committees, capital markets and the general public.
- At an individual level, these measures help partners understand their responsibilities, and their performance in each area is reported quarterly or annually.

The quality performance measures (including targets and measurements) are developed for each QMSE objective and approved by Assurance leadership at the beginning of the fiscal year. The data is collated centrally every month by dedicated members of the R&Q team based on input from business process owners who analyse the data, assess the results and develop draft action plans based on a root cause analysis if quality risks are identified. The results include the current month's actual performance and prediction for next month. The quality performance dashboard is prepared and submitted to Assurance leadership for their discussion and approval.

## Aim to prevent: Real-time assurance

We have developed a Real Time Quality Assurance (RTA) programme to provide preventative monitoring that helps coach and support engagement teams during an audit to get the 'right work' completed in real-time. Refer to the section 'Monitoring of Assurance Quality' on [Page 53](#) for further details.

## Learn: Root cause analysis

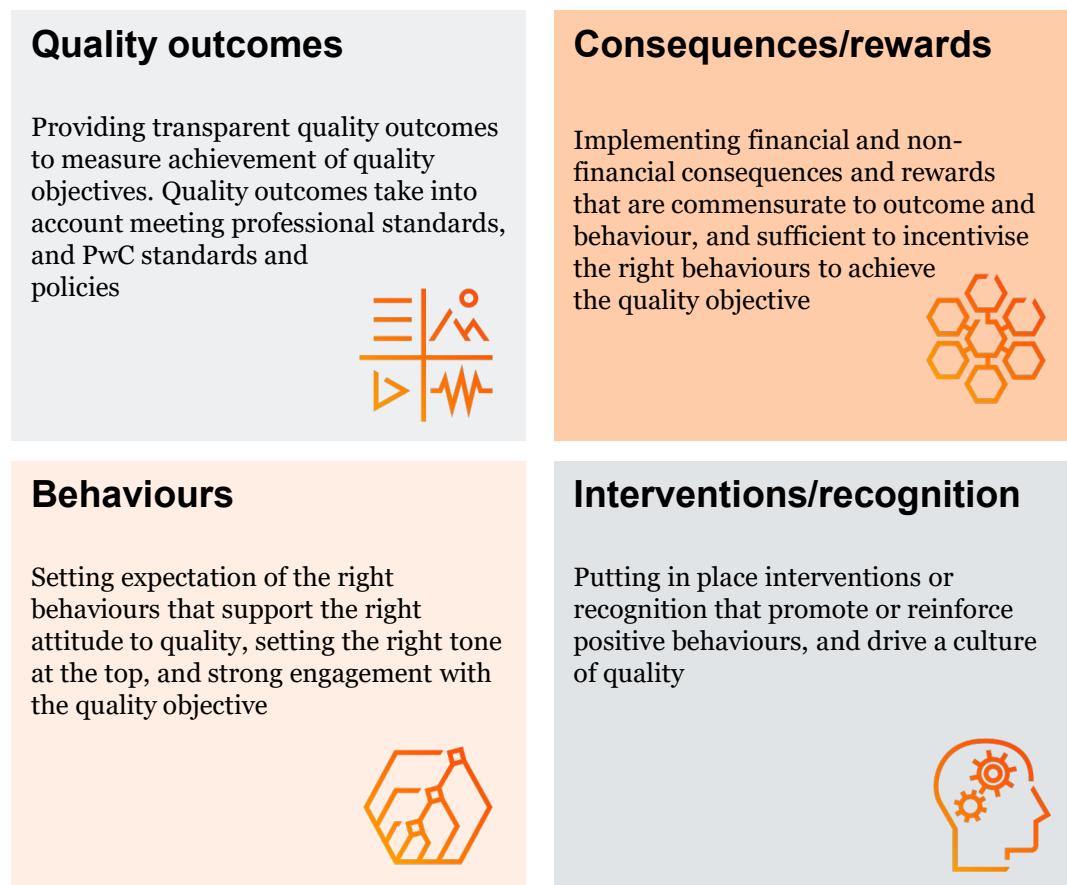
We perform analyses to identify potential factors contributing to our firm's audit quality so that we can take actions for continuous improvement. Our main objectives when conducting these analyses are to understand what our findings tell us about our SoQM and to determine how we can create the optimal environment for our engagement teams to deliver a high-quality audit. We look at quality findings from all sources including our own ongoing monitoring of our SoQM as well as network inspection of our SoQM. Refer to the section 'Monitoring of Assurance Quality' on [page 55](#) for further details.

# Our strategic quality initiatives

## Reinforce: Recognition and Accountability Framework

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

Our RAF considers and addresses the following key elements:



**Figure 2:** Elements of our Recognition and Accountability Framework

# Our strategic quality initiatives

The framework applies to all partners and staff, and supports our leadership team in its responsibility to help meet our quality standards. Under the framework, performance is evaluated according to the seven pillars shown below.

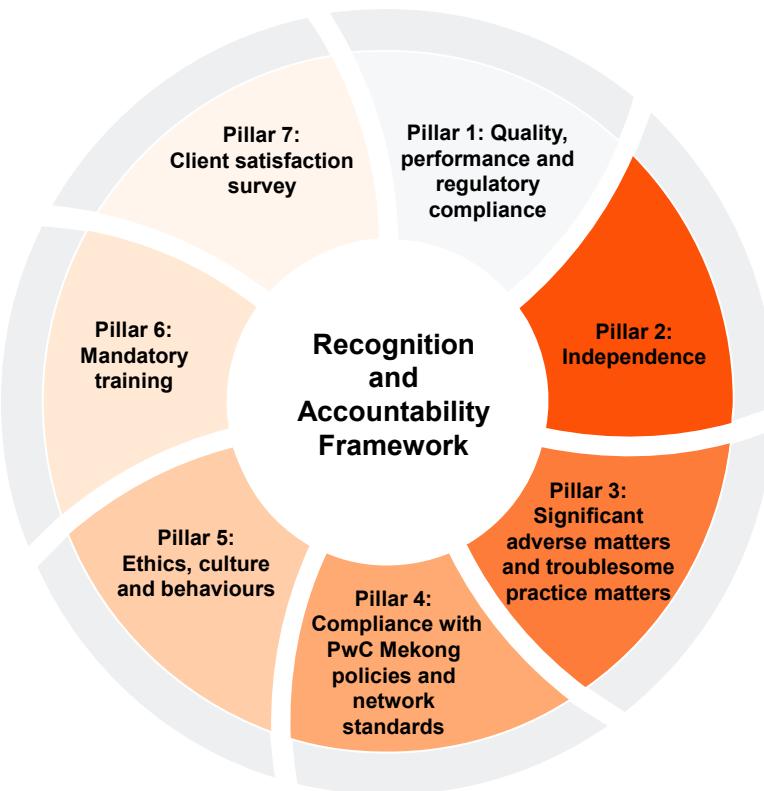


Figure 3: The 7 Pillars under the Recognition and Accountability Framework

## Compliance Gateway

This year we enhanced the RAF to include a Compliance Gateway. This sets out clear messages to our partners and staff that compliance with quality standards, personal independence policy, ethics and integrity are non-negotiable.

Every year, our leadership team updates, approves and communicates the framework to all partners and staff.

# Ethics, independence and objectivity

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, which are:

- 1 Integrity** – to be straightforward and honest in all professional and business relationships.
- 2 Objectivity** – to not allow bias, conflict of interest or undue influence of others to override professional or business judgments.
- 3 Professional Competence and Due Care** – to maintain professional knowledge and skill at the level required to ensure that a client or employer receives a competent professional service based on current developments in practice, legislation and techniques, and to act diligently and in accordance with applicable technical and professional standards.
- 4 Confidentiality** – to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the professional accountant or third parties.
- 5 Professional Behaviour** – to comply with relevant laws and regulations and avoid any action that discredits the profession.

Our network standards applicable to all network firms cover a variety of areas including ethics and business conduct, independence, anti-money laundering, antitrust/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 uphold and comply with the standards developed by the PwC network and leadership in PwC Cambodia 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 Cambodia has adopted the PwC Network Standards which include a Code of Conduct, and related policies that clearly describe the expected behaviours 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 for a broad range of circumstances, all with the common goal of doing the right thing.

Upon hiring or admittance, all staff and partners of PwC Cambodia are provided with the PwC Global Code of Conduct. They are expected to live by the values expressed in the Code of Conduct in the course of their professional careers at our firm and 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 of Conduct. In addition, every partner and staff member is 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 Cambodia 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.

# Third Party Code of Conduct

PwC is recognised as a global leader in professional services, working with many of the world's largest organisations. We have committed to operating within a framework of ethical and professional standards, laws, regulations, internal policies, and our core values. PwC is a signatory to the United Nations Global Compact and is committed to its ten principles.



## Human Rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.



## Labour

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labour;

**Principle 5:** the effective abolition of child labour; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.



## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.



## Anti-Corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

PwC expects third parties to require the same levels of integrity and business conduct from their personnel and anyone outside their organisation who is engaged to provide services for, or with, PwC.

PwC's Third Party Code of Conduct explains the minimum standards of integrity and business conduct PwC expects of the third parties with which it does business.

## Complaints and allegations

The Code of Conduct and the behaviours we seek to reinforce are brought to life in numerous ways for our people, including formal training, leadership programmes emphasising a culture of speaking up and showing respect at work, and in our day-to-day work and handling of complaints and investigations.

**1 Speak up.** Speaking up is crucial to our culture at PwC – it's a living example of our values. Speaking up when something doesn't seem right demonstrates integrity and that we have the courage to do the right thing. It also helps to prevent mistakes and misconduct, while showing that we care about each other and our business. And it assists us in living up to our commitment to delivering quality outcomes. Everyone within the firm – no matter their level or role – is encouraged and empowered to speak up when dealing with a situation that doesn't seem right. All PwC partners and staff have a responsibility to report and express their concerns.

The firm has a confidential and secure tier of the [PwC Ethics Helpline](#) and supporting case management system, whereby any PwC partner, staff member or third party can report concerns that our member firms then investigate.

**2 Listen up.** Listening and collaboration means we consult with our colleagues so that concerns are heard and addressed in an open and professional manner. We consult with our supervisors, coaches, ethics teams and human capital representatives. They are responsible for addressing and if necessary escalating the issues brought to their attention.

**3 Follow up.** For any allegation, complaint, or concern, we investigate and address the situation in an appropriate and timely way. If a concern is reported, it's handled with appropriate confidentiality and discussed with others only as needed. Disciplinary action is taken as appropriate and in accordance with established accountability frameworks in each member firm.

**4 Non-retaliation.** PwC is committed to protecting our people against retaliation when complaints are filed in good faith. Retaliation is serious misconduct that will not be tolerated, and any PwC professional – whether a partner or staff member – who takes retaliatory action will be held accountable.

## Conflicts of interest

Due to the expansive nature of our operations and the diverse clients we serve, PwC recognises the inherent risk of potential conflicts of interest. We take all potential conflicts seriously and apply a rigorous evaluation process before accepting any new engagement. Where a conflict is identified, we assess the associated risks and implement appropriate safeguards to ensure that the interests of all impacted parties are adequately protected. This approach reflects our dedication to maintaining trust, transparency and ethical conduct in every aspect of our work.

To ensure our continued commitment to mitigating conflicts of interest, we have a process in place to monitor, evaluate and address any changes in circumstances or additional information that may affect the risk level.

Our programmes emphasise acting in accordance with the Code and frameworks for ethical decision-making. The firm recognises that there is a greater risk of conflict of interest, or a perceived risk by our stakeholders, in certain key areas (including working with the government). We have separate principles to address these areas.

## 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 Cambodia 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 Firmwide Leadership Team.

## Independence policies and practices

The PwC Global Independence Policy covers, among others, the following areas:

- Personal and firm independence, including policies and guidance on the holding of financial interests and other financial arrangements, e.g. bank accounts and loans by partners, staff, the firm and its pension schemes
- Non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services (SOPs), which provide practical guidance on the application of the policy in respect of non-audit services to audit clients and related entities
- Business relationships, including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on purchasing of goods and services acquired in the normal course of business, and
- Acceptance of new audit and assurance clients, and the subsequent acceptance of any non-assurance services to be provided to those clients

## Objectivity and Independence

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 Cambodia supplements the PwC Global Independence Policy as required by local regulations, including the independence requirements of the US SEC and those of the US Public Accounting Oversight Board and the EU Audit Regulation where they are more restrictive than the network's policy.

## Independence-related systems and tools

As a member of the PwC network, PwC Cambodia 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:

- 1** 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.
- 2** 'Independence Checkpoint' which facilitates the pre-clearance of publicly traded securities by all partners and practice managers before acquisition and is used to record their subsequent purchases and disposals. Where a PwC firm wins a new audit client or there is a change in the restriction status of a security, this system automatically informs those holding relevant securities of the requirement to sell the security where required.
- 3** 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.
- 4** Joint Business Relationships (JBR) 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.
- 5** 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. 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.

We have in place a system and database to facilitate our monitoring of compliance with relevant audit rotation policies for engagement leaders, other key audit partners and quality review partners involved in an audit.

We also have in place these specific systems:

- An application to monitor all approved simple business relationships entered into by PwC Cambodia
- An application to monitor all approved directorships and declarations from our partners and staff, and personal relationships with an audit client or its related entities
- A rotation tracking system which monitors compliance with our audit rotation policies for engagement leaders, other key audit partners and quality review partners involved in an audit

## **Independence training and confirmations**

PwC Cambodia 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 Cambodia's independence policy and related topics. Additionally, face-to-face training is delivered to members of the practice on an as-needed basis by our 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 PwC Cambodia'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 the 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 audit clients.

## **Independence monitoring and disciplinary policy**

PwC Cambodia 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 Cambodia's monitoring and testing are reported to the Country Management Team.

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

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



## Data privacy

At PwC, we maintain a professional and well-articulated approach to the management of all personal data. Everyone in our organisation has a role to play in safeguarding personal data so that data subjects and stakeholders can apply their rights.

To protect personal data, we have raised staff awareness and encouraged the proper handling and use of data, including confidential information. We have also implemented operating systems, designed processes, invested in security and embedded well-established data management practices across our business to ensure that personal data provided by clients is securely protected.

Furthermore, we have ingrained a respect for personal data protection in our working culture which is reflected in the standards and policies in place. Our principles have been incorporated in our Data Protection Policy and Network Data Protection Programme (NDPP) which has been implemented by PwC member firms around the world. These standards and policies on data protection provide the requirements and define specific principles for protecting personal data to be aligned with the applicable laws relating to personal data protection.

To foster a culture of accountability and awareness, personal data protection standards have been cascaded to our staff through mandatory online training about the PDPA and regular communication informing them of their roles and responsibilities in upholding these standards and policies. Additionally, we conduct periodic compliance testing to evaluate the effectiveness of our operating systems, policies, and overall adherence to data protection obligations.

Through these combined efforts, our personnel are fully equipped and committed to protecting personal data. This empowers us to deliver high-quality services while upholding our clients' trust.

# Incident management

PwC recognises that security incidents are disruptive and may cause damage to individuals, clients or the business function. We must be prepared to combat these threats and quickly respond to prevent impacts that may result in financial, legal or reputational implications. In order to be properly prepared, an incident management programme has been implemented to identify, classify, escalate, respond and resolve security incidents in a timely manner and reduce impact to the individuals and the business.

Adequate controls have been implemented to properly detect and defend the firm against malicious software designed to disrupt computer operations. To keep up with the changing threats, encryption and up-to-date malware protection software has also been implemented to protect data on servers, workstations, laptops, mobiles and removable devices.

Detection or suspicion of a security incident is critical for early identification and containment of its impacts. PwC personnel are required to be familiar with the process and points of contact to report and escalate any suspected violation or perceived security incident.

## **Network and system monitoring and logging**

Monitoring, logging, scanning or other security utilities are necessary with detection of network or system vulnerabilities. All security, audit and system tools have been configured, registered and protected with restricted access privileges, including output that is considered confidential, and secured in accordance with PwC policies and procedures.

Monitoring and logging are detective controls to identify unexpected system activity that may include a decline in expected system performance or unauthorised activity. Early identification provides support teams with warning indicators of system performance trends that can be addressed to ensure system availability. Appropriate monitoring and logging of systems, applications and networks provide a tracing capability, and combined with proper levels of activity recording, are critical controls for the containment and remediation process. In addition, filtering and monitoring controls for ingress and egress points prevent malicious activities, cyber attacks, data leaks and other harmful events.



## Business continuity management (BCM)



**Figure 4:**  
Key elements of our business continuity management

### 01

#### **Business continuity strategy**

Our business continuity strategy ensures that critical business services and processes are supported by resilient solutions, and that the firm is able to manage major incidents and crises. Business continuity planning is done throughout the firm as a formal work programme to ensure systems supporting critical business services and processes can be recovered within a defined and acceptable timeframe and sensitive and critical information are protected.

### 02

#### **Disaster recovery and technology resilience**

To ensure that critical services and processes that rely on technology applications and infrastructure are available when needed, we have specified the key applications requiring disaster recovery (DR) solutions and pre-arranged a DR site.

### 03

#### **Incident management**

We have planned process outlines and the responsible person to identify, investigate, contain, and recover from any potential threats to data security and the integrity of the PwC brand.

### 04

#### **Business continuity planning (BCP)**

Our BCP provides guidance to restore critical services in the event of a disaster. Our BCP is reviewed and updated annually or when there are significant changes to key factors, i.e. the organisation, threats and risks.

### 05

#### **Business continuity activities**

Our BCP includes a recovery plan matrix which enables critical business services and processes to resume to an acceptable level within an agreed timeframe following a disruption.

### 06

#### **Business continuity plan testing**

Our annual testing covers BCP, DR and call tree. The outcomes of BCP testing are reported to and approved by the firm's leadership.

## 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.

## Information security

Information security is a high priority for the PwC network. PwC firms are accountable to their people, clients, suppliers, and other stakeholders to protect information that is entrusted to them.

Failure to protect information could potentially harm the individuals whose information PwC Cambodia holds and can lead to regulatory sanctions or other financial losses, and impact the PwC reputation and brand. Our Information Security Policy (ISP) outlines the minimum security requirements with which every PwC firm must comply.

PwC firm compliance with the ISP is measured through quarterly data-driven assessments as well as a yearly evidence-based assessment for each PwC firm.

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





## PwC's approach to anti-corruption

Corruption is at the centre of some of the world's most pressing problems. PwC is opposed to corruption in any form and recognises the importance of making smart choices when it comes to its business relationships.

The PwC ethics and compliance standards and policies specifically set out how member firms are expected to identify and mitigate the risk of bribery and corruption in their activities. The standards require us to establish systems, policies and procedures to prevent bribery and corruption. In complying with the network standards, we have:

- Appointed an experienced individual who is responsible for implementing the standards' requirements, with appropriate leadership oversight
- Prepared an annual risk assessment to evaluate (a) the level and type of risks the firm faces, and (b) the policies and procedures the firm uses to comply with the standards and/or to respond to local risks
- Implemented local policies on anti-bribery, facilitation payments and gift-giving which clearly state that bribes must not be solicited, accepted, offered, promised or paid, with facilitation payments in cash or kind strictly prohibited
- Delivered annual training for all personnel (including new joiners) on local and network policies and guidance
- Taken steps to identify and resolve any departures from or violations of policies in place
- Annually monitored and assessed compliance with anti-corruption standards as well as local and network policies and guidance, and resolved any deficiencies, where identified
- Each year, all partners and staff at PwC Cambodia are required to sign a personal confirmation of their anti-corruption compliance

04

## Our people

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# 04 Our people

We recognise that our people are our greatest asset and our competitive advantage. To support them in their career journey, we follow the PwC Professional to help accelerate and enrich our people's development and set our brand apart.

To really stand out and stay competitive in a rapidly changing world, we need to offer more than functional and technical competencies. Crucial attributes we want our people to demonstrate are leadership, an awareness of the business environment at local and global levels, and the ability to develop business relationships as trusted advisors who deliver sustained outcomes. We need transformational and inclusive leaders who inspire others and who can lead clients, teams and others throughout the change journey.

## People strategy

Our people strategy was developed in support of our broader business strategy. 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 wellbeing of our people and enabling effective delivery, developing inclusive leaders for a shifting world, and enabling our workforce for today's realities and tomorrow's possibilities.

Our people are the cornerstone of our firm's success and remain central to everything we do. We are committed to fostering an environment where individuals feel valued, supported and empowered to thrive. We pursue our network's People Value Proposition (PVP) 'Grow here, go further' to provide meaningful opportunities for development at every stage of the career journey. This reflects our dedication to nurturing talent and enabling long-term growth. We also focus on creating Moments That Matter – ensuring that every interaction and experience throughout the employee lifecycle is connected, meaningful and valued.

## Digital and AI upskilling

We've put in place a Digital and AI Upskilling Programme, which includes instructor-led training sessions, guest speaker events, and access to leading online learning platforms like Coursera and LinkedIn Learning. This gives our people access to learning on AI-related topics such as generative AI fundamentals, prompt engineering, practical use cases for AI, and digital courses tailored to individual requirements.

## AI tools

We've made significant progress in providing AI tools and developing AI and digital capabilities for all our people. We achieved our FY25 target of having more than 80% of our workforce using AI tools.

We've deployed multiple AI tools that support our people and their work. These include ChatPwC (an in-house generative AI tool supporting multiple AI models and features), Microsoft Copilot, and Harvey.AI, a legal AI assistant for automating legal tasks. What's more, we've developed local digital tools to enhance productivity and efficiency, such as a platform to assess clients' tax risks and an AI chatbot to help our people find policy information faster.

## Inclusion and diversity

At PwC, we're committed to fostering a culture of inclusion and belonging for our people, clients and external stakeholders. We focus on ensuring that our ways of working embrace diversity and foster an inclusive environment, making us a leading employee destination for diverse talent. Our goal is that our people are comfortable bringing their whole selves to work and feel that they belong and can reach their full potential. As demonstrated through our core values of Care and Work Together, we strive to more deeply understand and empathise with different backgrounds, perspectives and experiences. We know that when people from different backgrounds and with different points of view work together, we create the most value for our clients, our people and society.

## Recruitment

We aim 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 over 40 new people.

## 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.

## Career progression

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

## Retention

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

## Global People Survey

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

## Feedback and continuous development

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

# Health and safety of our staff

## Wellbeing and engagement

Staff wellbeing, both physical and mental, is our top priority. PwC Cambodia has addressed its importance through the 'Be well, work well' programme which included a communication campaign on how to create and sustain good physical and mental health. We've also rolled out activities that help engage staff and create a sense of belonging.

PwC Cambodia is also thinking carefully about how to make our working model more flexible and inclusive. To support work-life flexibility, we launched a hybrid working model to improve the employee experience and support a work-life harmony that allows everyone to work smarter whilst maintaining our quality of service. We aim to provide a workplace that enables both high performance and a work-life balance that supports and respects personal values. This hybrid working model aligns with our existing WeFlex policy to provide flexible working for everyone.

In terms of employee engagement, PwC has an annual Global People Survey with the main objective of collecting feedback and then taking the survey results into the action plan to help address staff areas of concerns/priorities and improve the engagement level within teams and across the organisation.

To assess and improve employee engagement, we conduct our annual Global People Survey. The survey's main objective is to collect feedback and integrate the results into an action plan addressing staff concerns and priorities to improve the engagement level within teams and across the organisation.

### Audit Quality Measures

- Ratio of partners and managers to staff
- Average years of experience of partners and staff
- Staff turnover rate
- Percentage of our staff and partners who participated in the Global People Survey
- Highlights from the 2025 PwC Global People Survey

## PwC Professional

The PwC Professional supports the development and career progression of our staff by providing a single set of expectations across all lines of service, geographies, and roles, outlining the capabilities needed to thrive as purpose-led and values-driven leaders at every level.

### 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, including classroom, virtual classroom and on-demand learning, and on-the-job real time coaching and development. Our flexible training portfolio facilitates personalised learning with access to a variety of educational materials, including webcasts, podcasts, articles, videos, and courses.

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

#### Audit Quality Measures

- Average Assurance training hours achieved by partners and staff
- Hours of auditing and accounting training mandated by PwC annually

## Continuing education

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

This formal learning is delivered using a blend of delivery approaches, which include remote access, classroom learning, virtual classroom, and on-the-job support. The curriculum supports our primary training objective of 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 curriculum allows us to select, based on local needs, when we will deliver the training. Our Learning and Development leader considers what additional training is appropriate – formal and/or informal – to address any additional specific local needs and new developments, such as local GAAP, auditing and taxation, industry specific, business skills, digital upskilling, use of AI in the audit and language programmes.

### Our training investment in people

#### Assurance training FY25

Average hours achieved by partners and staff

34	61	95
online	classroom	total

FY25 total training hours completed

**23,375**

#### Assurance training FY24

Average hours achieved by partners and staff

32	72	104
online	classroom	total

FY24 total training hours completed

**23,534**

**Mandatory  
training  
attendance**

**100%**

of partners and staff completed all mandatory training in FY25

**Figure 5:** Our investment in people and training

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## Our approach

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# 05

## Our approach

### Our approach

Our audit quality and effectiveness is critical to all of our stakeholders. We therefore invest heavily in the effectiveness of our audits, in the skills of our people, in our underlying methodology, in the technology we use, and in making the right amount of time and resources available. We pay close attention to the internal indicators and processes that routinely monitor the effectiveness of our risk and quality processes, and provide timely information about our audit quality and any areas for audit efficiency and improvement. Details of these indicators and processes can be found in the Monitoring of Assurance Quality section.

Additionally, we consider what our various stakeholders require from us, what they tell us we need to improve and the findings of regulatory inspections on our work quality. Details of the most recent regulatory findings can be found in the section 'Monitoring of Assurance Quality' on [Page 56](#) for further details.

### Our tools

As a member of the PwC network, PwC Cambodia has access to and uses PwC Audit, an audit methodology and process designed specifically for our staff. This methodology is based on the Cambodian International Standards on Auditing (CISAs), with additional PwC policies and guidance provided where appropriate, for example the requirements of United States Generally Accepted Auditing Standards (USGAAS) issued by the American Institute of Certified Public Accountants (AICPA) and PCAOB Audit Standards.

PwC Audit policies and procedures are designed to facilitate audits conducted in compliance with all CISAs requirements that are relevant to each individual audit engagement. Our common audit methodology provides the framework to enable PwC member firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements.



# Tools and technologies to support our audit

## Our technology

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

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

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

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

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

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

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

# Tools and technologies to support our audit

## Other technology adopted by PwC Cambodia

PwC's Smart Audit Platform is a secure portal developed by another PwC firm to further streamline audit testing activities with cutting-edge machine learning and automation. PwC Cambodia invested in this technology along with audit technology tools integrated with Aura. The platform currently supports six modules:

- **Mathematical Accuracy Test** streamlines the testing of mathematical accuracy in financial statements.
- **Smart PDF Extract** quickly and accurately extracts information from PDF documents, transforming it into consistently formatted and structured Excel workbooks.
- **Prior Year Test** automates the checking of comparative numbers presented in a financial report.
- **OPEX Test** streamlines the testing of operating expenses by automatically analysing supporting documents that need to be matched against the general ledger.
- **PP&E Additional Test** streamlines the testing of fixed asset additions by automatically analysing supporting documents that need to be matched against the general ledger.
- **Internal Consistency Test** uses automation to help check the consistency of data presented multiple times within financial statements.

## Our next generation audit

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

By exploring and investing in new technologies and redefining underlying audit processes, PwC will further standardise, simplify, centralise, and automate our audit work. PwC's investment will accelerate ongoing innovation and enable us to respond to changing stakeholders' needs while taking advantage of emerging technologies, providing a transformed audit experience focusing on continuous quality enhancement.

PwC's vision for a next generation audit 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.

## Reliability and auditability of audit technologies

Our firm has designed and implemented processes and controls to underpin the reliability of these audit technologies. This includes clarification of the roles and responsibilities of audit technology owners and users. In addition, we have guidance focused on the sufficiency of audit documentation included in the workpapers related to the use of these audit technologies, including consideration of the reliability of the solution, and the documentation needed to assist the reviewer in meeting their supervision and review responsibilities as part of the normal course of the audit.

# Supporting engagement performance

## Evolving delivery model

We continue to evolve the way we deliver our services to give our clients an even better experience, further enhancing the quality of what we do and creating 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 leaders and senior engagement team members are responsible and accountable for providing quality coaching throughout the audit. They supervise the work completed by junior team members, coach the team and maintain audit quality. Engagement teams use Aura, which effectively monitors the engagement's progress to determine that all work has been completed and reviewed by appropriate individuals, including the engagement leader.

## Technical panel support

Engagements involving complex issues may require the support of a technical panel of Assurance Leader, experienced client-facing partners, Risk Management Partner, and in some cases, technical experts or specialists in audit or industry areas. Engagement partners and leaders consult a technical panel when issues of major importance affecting a client or the firm arise or a difference of opinion cannot be resolved. Panel decisions are binding upon engagement leaders.

We stress setting up technical panel consultations in an early enough stage in the audit process to effectively address risks to our clients or the firm.

## Consultation culture

Consultation is key to ensuring audit quality. Reviewing work and consulting with appropriately qualified people before engagement delivery improves the quality of service and reduces risks. Consultation is one of PwC's fundamental strengths. While we have formal protocols about mandatory consultation, in the pursuit of quality, we regularly consult more than the minimum requirement. For example, our engagement teams routinely speak with experts in areas such as taxation, risk, valuation, actuarial and other specialties as well as individuals within our technical support teams.

We have made great efforts to create a consulting culture where our people are encouraged to talk to others whenever they're in doubt. We've developed internal databases that allow our teams to get the consultation they need and also allow our internal technical experts to respond to and monitor the progress of enquiries they receive.

## Technical support teams

Our technical support teams comprise technical accounting, auditing, and financial reporting specialists as well as risk and quality. These specialists play a vital role in keeping our policies and guidance current in these areas by tracking new developments in accounting and auditing and providing those updates to professional staff. They also provide enquiry and consultation support related to their expertise. Refer to the 'Our quality support teams' section on [page 22](#) for further details.

## Supporting engagement performance

### Quality review partner (QRP)

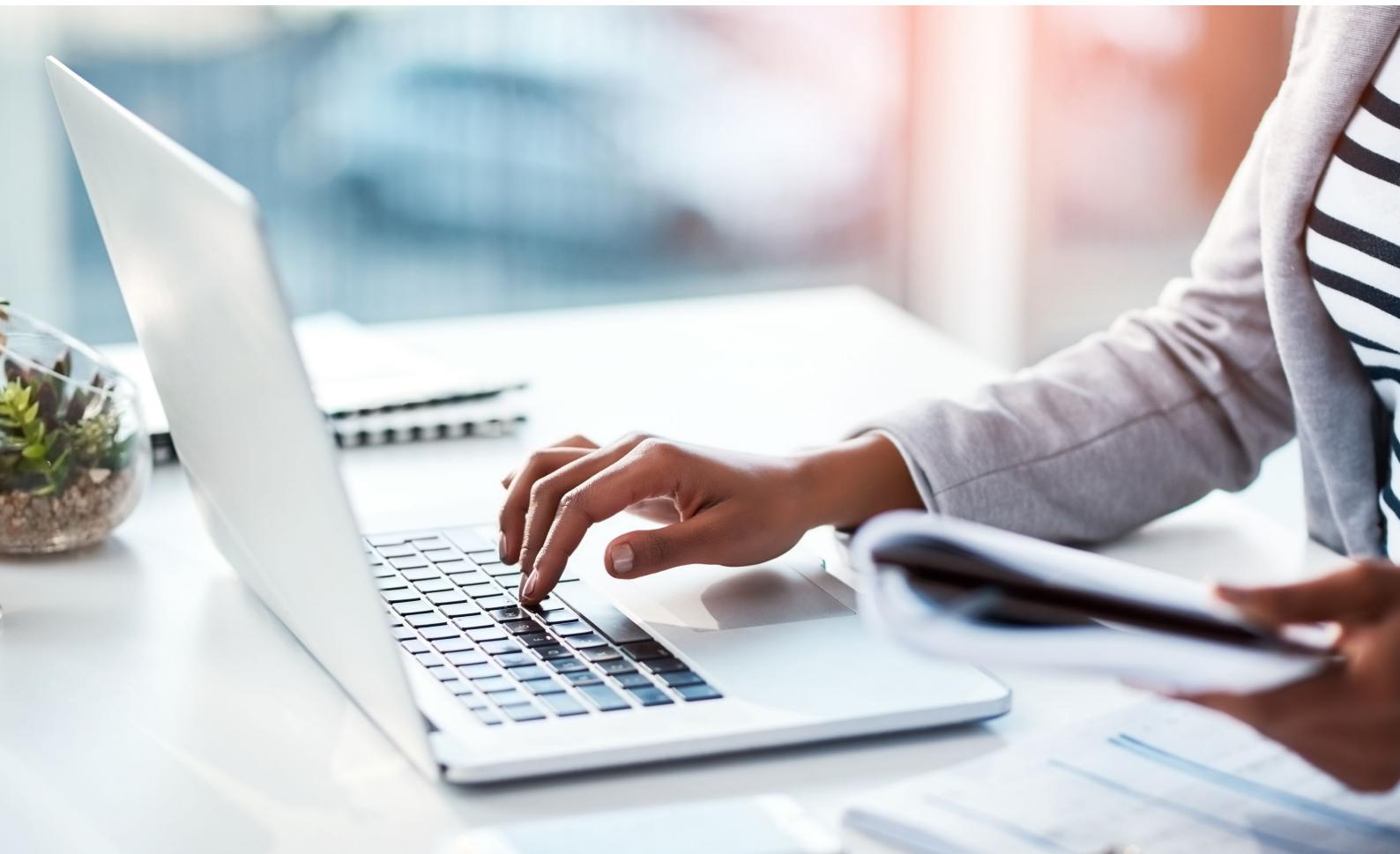
As part of our SoQM and in line with professional standards, a QRP is assigned to higher risk clients, such as listed entities, high-profile clients and clients preparing for an initial public offering. The Assurance Leader appoints QRPs in consultation with the Assurance Risk Management partner.

QRPs must have sufficient technical knowledge, appropriate experience, industry expertise, time and authority. They must be able to objectively evaluate an engagement team's significant judgments and conclusions. First-time QRPs are required to complete mandatory QRP training before taking on the role.

QRPs are involved in the most critical aspects of the audit. For example, they may advise on matters of firm independence, risks of material financial statement misstatement and a team's responses to those risks, and specific accounting, auditing, financial reporting and disclosure issues. The QRP's involvement is monitored and reported in the partners' KPI dashboard on a quarterly basis as part of their KPIs. QRPs have access to real-time review findings, which allows them to monitor audit quality and follow up on issues with audit teams.

### Differences of opinion

Protocols exist to resolve situations where a difference of opinion arises between the engagement leader and either the QRP, another Assurance partner or technical support teams. Resolution protocols include the use of technical panels consisting of partners independent of the engagement.



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## Monitoring

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# 06 Monitoring

## Monitoring 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 Cambodia. 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.

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The overall quality objective under the QMSE framework is to have the necessary capabilities in our firm and to deploy our people to consistently use our methodologies, processes and technology in the delivery of assurance services in an effective and efficient manner to fulfil the valid expectations of our clients and other stakeholders.

Our firm's monitoring includes an ongoing assessment aimed at evaluating whether the policies and procedures which constitute our SoQM are designed appropriately and operating effectively to provide reasonable assurance that our audit, non-audit assurance and related services engagements are performed in compliance with laws, regulations and professional standards (also referred to as our ongoing monitoring). This includes the use of Real-Time Assurance.

### Aim to prevent: Real Time Assurance (RTA)

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. The RTA's key objectives are to:

- Evaluate real-time quality improvements on selected engagements
- Assist engagement teams with enhancing audit quality, including documentation
- Assist engagement teams to comply with PwC audit methodology, accounting and auditing standards, and our risk management policies

### Audit Quality Measures

- Number of Assurance engagements inspected (including NAAE) and number of engagements with non-compliant rating
- Results of inspections performed by regulators
- Number of RTA completed
- Number of quality findings identified and remediated

## Our periodic monitoring

In addition to the ongoing monitoring noted on the previous page, our monitoring also encompasses periodic assessment of our SoQM. This includes the review of completed engagements (Engagement Compliance Reviews - ECR), as well as periodic monitoring of our SoQM by an objective team sourced from within our firm and other PwC firms in the same region. The results of these procedures, together with our ongoing monitoring, form the basis for the continuous improvement of our SoQM.

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

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 use a range of checklists and tools developed at the network level when conducting their inspection procedures. The network inspection team supports review teams by monitoring the consistent application of guidance on classification of engagement findings and engagement assessments across the network.

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

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



## Learn: Root cause analysis (RCA)

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, network inspection of our SoQM, and audits both with and without deficiencies – whether identified through our own internal inspections process or through external inspections. We also consider other inputs such as our Global People Survey and financial statement restatements and accounting errors to help us 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:

- Engagement information (e.g. type of client, industry, year-end, budget and actual hours, realisation rate)
- Engagement leader and manager information (e.g. number of years at PwC and at current grade, number of years on the engagement, number of other engagements, non-client responsibilities, mandatory training completion)
- Key engagement team metrics (e.g. utilisation, actual audit hours incurred, time charge data)

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

A dedicated RCA team is appointed by leadership to validate the root causes as identified by the business process owners. This is to ensure that the right root causes are identified, which allows us to design and implement appropriate remedial actions that address the root causes. The RCA team also works closely with the business process owners to agree the remedial actions and to follow up the status of the actions.

The potential causal factors identified from the RCA process are critical inputs for developing a quality improvement plan prepared for each inspection cycle. The linkage of potential causal factors to the quality improvement plan will assist our leadership team in assessing whether the planned actions address the identified potential causal factors, and are therefore more likely to improve audit quality.

Based on the root cause analysis results, we develop a Quality Improvement Plan that addresses the root causes. The Quality Improvement Plan is presented and approved by our leadership team and then implemented and regularly monitored by the dedicated RCA team, which reports to the firm's leadership and Quality Committee.

## Inspections by regulators



### Accounting and Auditing Regulator (ACAR)

The regulators have inspected PwC Cambodia's assurance practice over the past ten years.

In Cambodia, there is a joint audit quality inspection by the local regulators. The Accounting and Auditing Regulator together with the Securities and Exchange Regulator of Cambodia and the National Bank of Cambodia have inspected PwC Cambodia's Assurance practice. The latest inspection was undertaken in August 2023 with the scope of inspection covering the firm's SoQM and selected engagements. We received an overall rating of "Satisfactory" for the engagements reviewed. They also found no quality control defects and concluded that the firm's SoQM is adequate. There was no inspection during the period.

### Communicate: Results of quality monitoring programme

The inspection results are reported to our firm's leadership, which is responsible for analysing the results, along with the findings identified from all sources of information, and implementing remedial actions as necessary. In situations where adverse quality matters on engagements are identified, based on the nature and circumstances of the issues, the responsible partner or our firm's Assurance leadership personnel may be subject to additional mentoring, training, monitoring or further sanctions in accordance with our firm's Recognition and Accountability Framework [page 26](#).

Assurance engagement leaders of our firm receive information from the results of the network inspection, 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 Measures

- Results of inspection performed by ACAR

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## PwC network

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# 07 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 omission



### 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 [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.

08

# Legal and governance structure

# 08

## Legal and governance structure

PwC has had a presence in Cambodia for more than three decades. Our clients include some of the largest Cambodian and multinational companies, and government institutions. Our close interaction with both economic and state bodies allows us to keep up with the fast-changing business environment. Around 278 people work at PwC Cambodia.

PwC's Assurance practice works with organisations to improve their corporate reporting and help them comply with regulatory requirements and contractual agreements.

Our audit approach is based on our extensive industry knowledge. It's tailored to suit the size and nature of our clients' organisations. Our deep understanding of regulations and legislation means we can help clients with complex reporting issues.

### Leadership structure

Our leadership structure helps us maintain our commitment to quality in every facet of our business. See Figure 7 for the leadership structure on [page 62](#).

Our R&Q practice agendas are part of all leadership meetings and incorporated in the firm and Assurance business strategies.

PwC Cambodia is led by our:

- Territory Senior Partner and Office Managing Partner
- Country Management Team
- Partners

### Our global and Cambodia resources

# 364,782

(as at 30 June 2025)

people committed to delivering quality assurance, advisory and tax services.

PwC in Cambodia has been established since 1995 and has about 278 people many of which are ACCA (the Association of Chartered Certified Accountants) qualified members and students.

PwC Cambodia (as at 30 June 2025)	
Partners	6
Professional staff	266
Others	6
<b>Total</b>	<b>278</b>

Figure 6: Staff headcount

# Our management structure

## Office Managing Partner

Kuy Lim is the firm's Office Managing Partner and the Territory Assurance Leader. His role is to lead the partners and their teams, and to manage the firm, including setting its short- and long-term strategic direction.

The Office Managing Partner is ultimately responsible for the firm's risk management, quality, and independence matters. He develops processes and structures to ensure strategies are reviewed thoroughly, associated risks are identified, and appropriate internal controls are implemented to manage the risks.

Kuy Lim is member of the Leadership Team and the Cambodia Management Team.

## Cambodia Management Team

Our Management Team is responsible for setting broad business objectives and ensuring compliance with PwC policies.

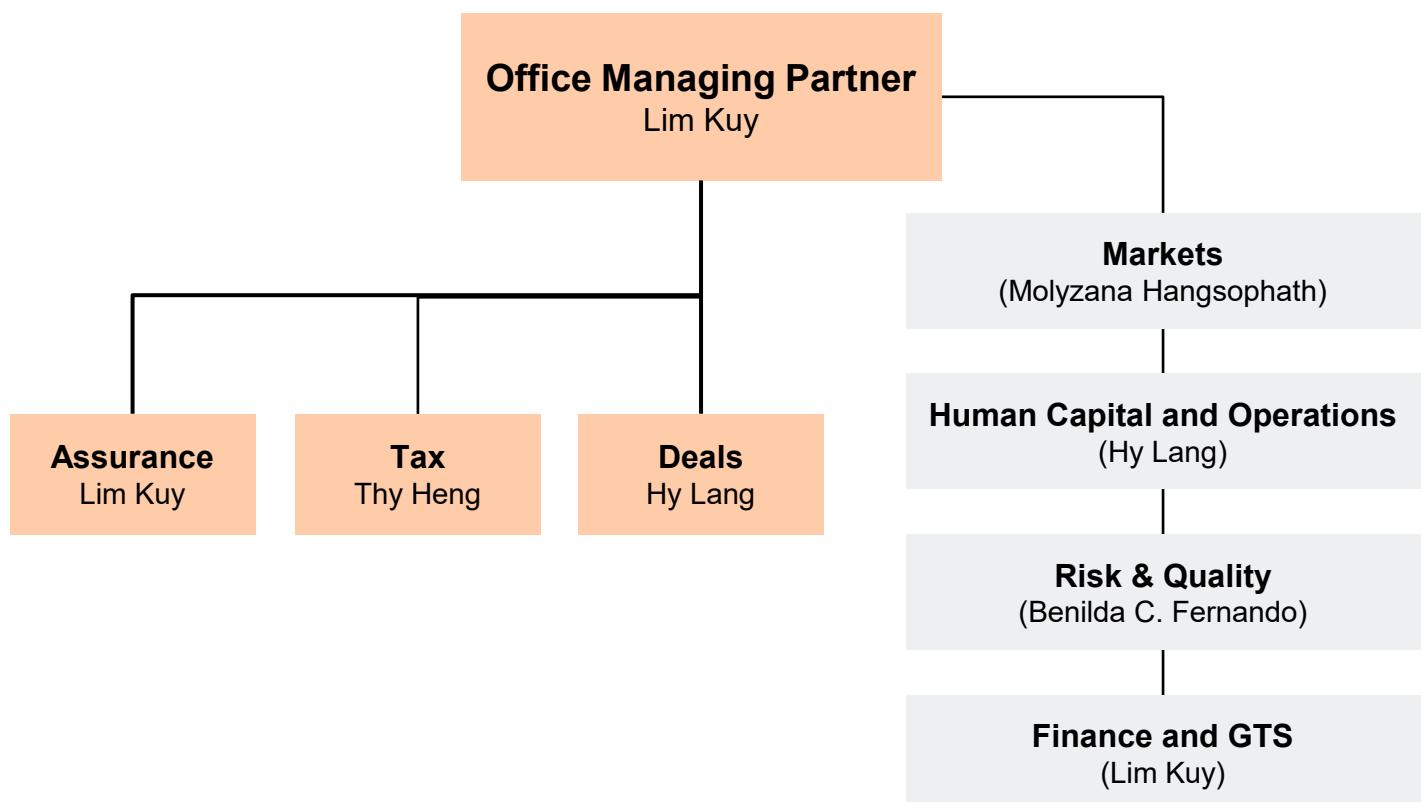


Figure 7: PwC Cambodia Management structure

# 09

## Corporate responsibility

# 09

## Corporate responsibility

### Committing to net zero

We've made a worldwide commitment to achieve net zero greenhouse gas (GHG) emissions and to set science-based targets. We're decarbonising the way we operate and decoupling our business growth from our emissions. Our global strategy also commits us to increase transparency and to help develop robust sustainability reporting frameworks and standards. A key part of our commitment is making sure we're doing what we can to limit our own impact on the environment. We lead by example. Our global reach means we can play an important role in driving the transition to a net zero economy.

### Our decarbonisation targets

Our science-based targets are aligned with a 1.5C climate scenario and have been validated by the SBTi. Our near-term targets are to:



Reduce scope 1 and 2 absolute emissions by 50% from aFY19 base by FY30



Transition to 100% renewable electricity in all territories byFY30



Reduce absolute business travel emissions by 50% from a FY19 base by FY30



Commit that 50% of our purchased goods and services suppliers (by emissions) have set science-based targets to reduce their own climate impact by FY25

Our long-term target is to:



Reduce scope 1, 2 and 3 absolute emissions by 90% from a FY19 base by 2050

In addition, through high-quality carbon credits, we'll continue to offset those scope 1, 2 and 3 emissions we cannot reduce today. We plan to transition our carbon credit portfolio to 100% carbon removals from FY30.

# Our effort to help solve important problems through community engagement.

At PwC, we are committed to helping more people to play a greater part in our economy and society. We want to help communities develop the skills they need to thrive. So we are working with NGOs as well as social, micro and small enterprises to share the skills, knowledge and talent of our people.

Throughout 2024 and 2025, PwC Cambodia staff dedicated their time to virtual and on-site initiatives, sharing their expertise with external stakeholders. These engagements aimed at delivering meaningful and impactful outcomes, contributing to the broader goal of community development.

## Key collaborations

### PwC Cambodia collaborate with ACAR to provide small and medium practitioners about quality management

As part of our social contribution, PwC Cambodia contributed to a project led by the Accounting and Auditing Regulators (ACAR) to improve accounting and auditing in Cambodia. Together with the Kampuchea Institute of Certified Public Accountant and Auditors, PwC Cambodia led a workshop to bring awareness to small and medium practitioners highlighting the importance of both audit quality and quality management.



## Seminars and webinars

PwC Cambodia held seminars on Tax and Accounting updates in Phnom Penh and in Sihanoukville joined by companies in different sectors.

In addition, PwC Cambodia hosted free webinars 'Accounting Talks' on accounting matters.

Topics covered included:

- Accounting for employee benefits/pension fund
- Accounting matters for property developers
- Accounting matters for retailers



## Pro bono services

PwC Cambodia provide pro bono service to Kantha Bopha Foundation of Cambodia, a foundation established by the government to support Kantha Bopha Hospital provide the medical and health needs of Cambodian children.



A meaningful **CSR activity**: a **7 km marathon** around the iconic temples. It's a great opportunity for team bonding while enjoying the beauty and calm of the surroundings.

A great opportunity for team bonding while enjoying the beauty and calm of the surroundings.

A memorable experience filled with fun, connection, and relaxation.

At PwC Cambodia, we believe in the power of collective generosity. Together, we can make a significant difference in the lives of those less fortunate in our community.





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