Our focus on audit quality

2025 Mexico Audit Quality Report

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To our stakeholders

At PwC, we understand how companies build and maintain trust and the critical role auditors play in a world that is rapidly transforming through evolving technologies and shifting stakeholder expectations. Based on a deep understanding of the opportunities and uncertainties this transformation brings, we've taken action to:

- **Continue investing in our quality journey** by providing our engagement teams with relevant and timely guidance, training, and tools, as well as the support of the Chief Auditor Network, Quality Management Network, and National Office

  These actions will help us continue enhancing our system of quality management and monitor effectiveness through inspections and root cause analyses

- **Prepare for an AI-driven future** by embedding AI responsibly across our firm—equipping our people with the AI skills and tools to innovate and the knowledge and experience to apply judgment in using AI responsibly and in addressing the risks associated with the use of AI in financial reporting

- **Address regulatory challenges** by investing in our people and processes to strengthen our capabilities in areas of increasing regulatory focus, such as sustainability reporting

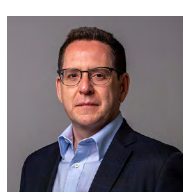
- **Drive continuous growth and learning** by reinforcing our apprenticeship culture, which fosters continuous learning and teaching, and emphasizing more in-person time together to reignite personal connections, enhance collaboration, and accelerate learning and development

- **Support our people's personal and professional goals** by giving our skilled audit professionals opportunities for growth, compensating them with competitive rewards and benefits, and using technology to help them personalize their careers—including skill development, deployment, and well-being benefits

We remain committed to investing in both our people and technology so we can stay ahead of evolving challenges and opportunities within our markets. This Audit Quality Report provides a comprehensive view of the factors we consider when assessing our performance against quality expectations and shares insights regarding the state of our audit practice and the quality of our audits.

Audit quality is—and always will be—our number one priority. Thank you for engaging with us on quality and for your interest in our continued progress.


Ana Paula Jiménez
Country Senior Partner

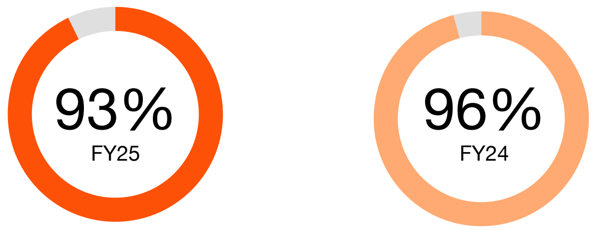



Felipe Córdova
Assurance Lead Partner

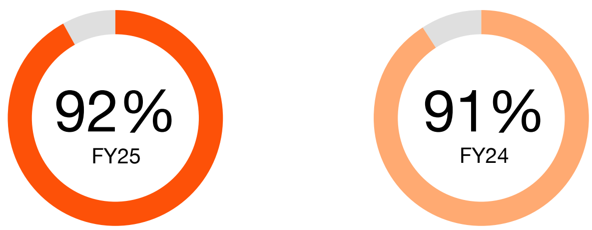
A snapshot of our transparency data points[1]

Audit professionals surveyed who report:

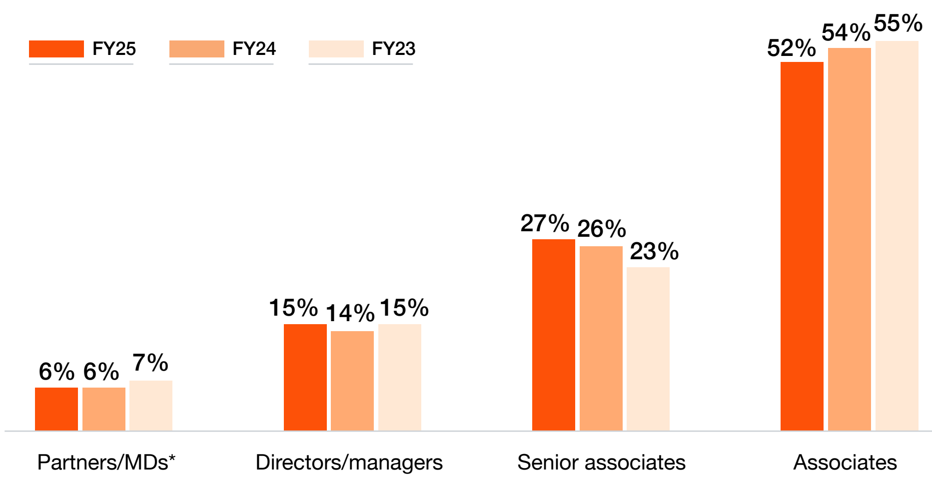
Receiving consistent messaging on the importance of audit quality



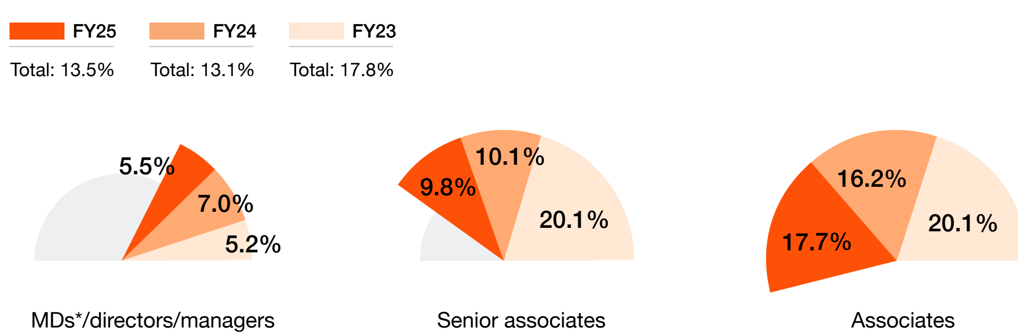
Understanding the firm's audit quality objectives



Audit professionals by level



Average annual voluntary turnover rate of audit professionals

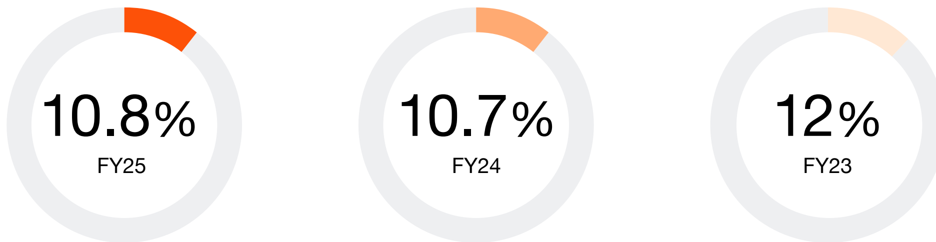


Additional context regarding each of these Transparency Data Points (TDPs) is provided later in this report, when appropriate endnotes further describe the manner of their calculation.

**MDs: Managing directors, DAT: Digital Assurance and Transparency*

A snapshot of our transparency data points[1]

Percentage of audit hours provided by specialists



Audit partners' average years of experience at PwC

27
FY25

28
FY24

28
FY23

Ratio of partners/MDs in technical support roles to total partners/MDs

Leverage ratio for audit professionals

Partner to manager

FY25	FY24	FY23
1 to 3.4	1 to 4.0	1 to 3.4

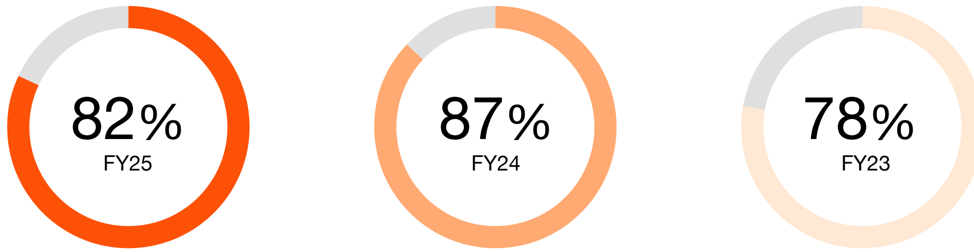
Manager to staff

FY25	FY24	FY23
1 to 7.3	1 to 5.9	1 to 7.4

**MDs: Managing directors, DAT: Digital Assurance and Transparency*

A snapshot of our transparency data points[1]

Compliance rate of audit and attest engagements selected for internal inspection



Average training hours completed per audit professional

3,211

hours of training completed by our audit and DAT* professionals on Artificial Intelligence

77%

People Engagement Index measuring the pride, advocacy, commitment, and overall satisfaction of our people

<5%

Public Interest Entity audit client annual financial statements restated over the past five years

**MDs: Managing directors, DAT: Digital Assurance and Transparency*

Our culture and values

Our purpose is to build trust in society and solve important problems.

At PwC, we[2] embrace change, push boundaries, and continuously evolve to stay ahead. Being at the leading edge of quality in the profession means being sustained by a culture that focuses on quality, transparency, integrity, and independence.

While our purpose grounds our existence, our values guide our actions and enable our success:

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

For more information about how we are building trust and delivering sustainable outcomes in business and society, refer to pwc.com.

Our strategy

The world is evolving, and so is PwC. In April, we announced a new look, one that brings to life our focus on **driving to the leading edge** with proven expertise, bold insights, and tech-forward innovation. Our firm strategy is grounded in a foundation of quality and integrity, which—together with our purpose—guides how we think, work, and collaborate across the firm.

As a multidisciplinary firm, we build, and draw from, the deep technical knowledge and industry experience, diverse backgrounds and perspectives, and distinct skills of professionals across all lines of service to benefit our people and stakeholders. Our Assurance practice,[3] which delivers the audit and assurance services on which our reputation is built, aims to bring our strategy to life by delivering the right team, a full-business perspective, and tailored experiences.

As described later in this report, our audit teams involve, when appropriate, individuals with specialized capabilities. Ready access to their unique skills, experiences, and perspectives further supports a core tenet of our Assurance strategy—**to deliver quality always**.

Responsible AI is human-led and tech-powered, integrating technology and human experience to drive quality and maximize opportunity and value for our teams and clients.

In FY25, our audit and Digital Assurance and Technology professionals collectively received over 3,000 hours[4] of training on the use of AI.

Artificial Intelligence

At PwC, we believe that AI is essential to business—both for our firm and our clients. We are committed to responsibly integrating AI across our firm—in the way we work, the services we offer, and the solutions we deliver to navigate an increasingly complex world. We are equipping our teams with cutting-edge AI tools, harnessing the best capabilities across our lines of service, expanding our alliances, and investing in R&D to stay at the forefront of AI-driven change. Our goal is to embed AI into the tools and capabilities used across our business to deliver tangible, practical benefits, all while using the technology in a responsible way. Our strategic relationships with tech leaders inform how we prepare for the secure and responsible deployment of GenAI. With training in responsible AI, GenAI prompting, leadership in the age of AI, and more, we are equipping our people with the knowledge and skills needed to use these tools effectively and responsibly.

In Assurance, this commitment is exemplified by our Next Generation Audit (NGA) journey, a global transformation that reimagines the audit experience. NGA is not just an upgrade to existing platforms; it is a bold shift toward an AI agent-powered audit platform that enhances quality, productivity, and insight delivery, all within a globally connected and scalable audit ecosystem.

Together, these efforts reflect PwC's vision for a future where AI enhances human judgment, drives innovation, and delivers trust in what matters most.

For our audits, we are taking profession-leading steps in deploying AI in our audits, leveraging the full breadth of AI experience and expertise from across our firm. Integrating AI and leading AI agent technology is a paradigm shift in driving innovation into the audit process, and we are making significant investments in this transformation. We are increasing the use of AI tools in our audits today and developing a first-of-its kind, AI native audit platform that will redefine how we deliver our audits. At the same time, we're proactive in our approach to establishing and maintaining business rules and policies that prioritize quality as well as providing extensive guidance and training on the responsible use of AI in our audits.

Tone at the top

We build a culture of quality by setting a clear tone at the top, considering areas such as how we win new work, accept new clients, develop and share thought leadership, recruit and develop our people, and create an inclusive and respectful work environment. Our senior leadership serves as ethical role models and inspires our people to put our purpose and values front and center—consistently sharing a clear vision of who we are and what we stand for.

In various communications, including practice-wide and firmwide emails and webcasts and during career milestone events and training, our Assurance leadership team delivers messages and shares experiences that encourage expected behaviors. These communications serve to emphasize the critical importance of quality, ethical behavior, and accountability to our purpose and brand, to our success as individuals and as a firm, and to the strength of the profession. Key messages communicated to our people by our Senior Partner and Assurance leadership team are reinforced by others, including sector and team leadership and engagement partners.

> "True leadership goes beyond individual success; it's about guiding others to discover their own journey. Together, we drive meaningful change."
>
> **Ana Paula Jiménez**
> Senior Partner

Percentage of audit professionals surveyed who report:[5]

Receiving consistent messages about the importance of audit quality from both sector[6] and firm leadership

93%	96%
FY25	FY24

Understanding the firm's audit quality objectives

92%	91%
FY25	FY24

"Audit quality" means we consistently:

- Comply with professional standards
- Exercise professional skepticism
- Use our experience to identify and resolve issues timely
- Apply a deep and broad understanding of our clients' businesses and the financial environment in which they operate in identifying and responding to risks relevant to our audit

Our audit quality principles are achieved through our audit quality practices and mean that we:

- Ask tough questions
- Apply an objective and skeptical mindset
- Embrace the supervision and review process as a way to continuously improve
- Stay current on professional standards
- Have timely, meaningful exchanges with audit committees and management
- Plan our work and resolve issues in a timely and thorough fashion
- Remain alert for issues that need deeper analysis
- Act with professionalism
- Take actions that recognize our role in the capital markets to contribute to confidence in the information provided by companies

Our purpose and values are the basis of the PwC Global Code of Conduct and its Mexico companion. Each provides a frame of reference that underpins the high standards of ethical behavior expected of all our people.

Ethics, including independence and objectivity

Demonstrating ethical behavior, acting with integrity, and maintaining independence are hallmarks of the audit profession. Professionals across our firm understand the necessity of acting with integrity and the value of demonstrating objectivity in all we do.

We recognize that we operate in a complex environment with competing demands and expectations and with the potential for actual or perceived conflicts of interest. Our leaders firmly believe, and make it clear to our people, that no client, fee, or opportunity is worth compromising our values or independence.

Our policies related to ethics, including independence, integrate the requirements of the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA code) and the relevant standards and regulations established by Mexican and US standard setters and regulators, such as the National Banking and Securities Commission (CNBV by its Spanish acronym), Securities and Exchange Commission (SEC), and Public Company Accounting Oversight Board (PCAOB). Further, in performing audits of public interest entities (PIEs), we also apply the independence standards for PIEs[7] in the IESBA code.

We require our partners and employees to complete training on our policies, including integrity, independence, information security, record-keeping, and fair competition, during our required new hire, new manager, new partner, and annual training. Individuals at our Acceleration Centers (ACs) (see page 38) receive similar training appropriate to their roles.

Compliance with these policies, and the laws that provide the foundation for such policies, is confirmed during our required annual compliance confirmation process. We monitor our compliance programs to confirm they are appropriately designed, operating as designed, and effective at meeting legal, regulatory, and firm requirements. We provide multiple ways for people to ask questions, obtain policy guidance, or voice concerns, including a dedicated Compliance Resource Center and an Ethics Helpline through which concerns may be reported anonymously.

As auditors, our stakeholders expect us to be independent, in both fact and appearance, to support our ability to exercise professional skepticism and draw objective conclusions.

Our Personal Independence at PwC site provides an overview of PwC's personal independence requirements applicable to PwC partners, employees, third-party contractors, and their immediate family members.

Independence compliance programs

Our independence compliance programs include systems and processes that support our people in maintaining independence and, when possible, leverage technology to automate important activities. These systems and processes include:

- Recording and making available information about the entities for which independence is required for teams to be able to search which entities are restricted, including: the client name, affiliates and other client-related entities, securities, and assurance deliverables
- Reviewing for the permissibility of requested non-audit services for restricted clients, prior to engagement, including involvement of independence specialists in certain situations
- Pre-clearing, recording, and maintaining securities and certain other financial arrangements of our professionals and their immediate family members, including an automated rules engine that determines whether the relationships are permitted or prohibited based on the restriction status of the entity and the current independence rules
- Automatically recording purchases and disposals of certain security transactions to assist our professionals in maintaining a complete and accurate portfolio of securities to be monitored
- Assessing the permissibility of proposed business relationships and monitoring the continued permissibility of previously-approved existing business relationships
- Centralizing and automating the gathering of certain information related to an independence assessment, including prior to acceptance of a new assurance engagement
- Facilitating the process for obtaining advice on independence matters and documenting independence-related consultations

Our overall independence compliance programs consider independence in both fact and appearance and often go beyond regulatory requirements, as they are designed to reinforce our purpose and values as well as to mitigate the risk of violations of the relevant rules and standards.

To further mitigate potential independence risk in the execution of non-audit services and to enhance audit committee pre-approval communications, our process for reviewing and authorizing certain non-audit services for SEC issuer[8] audit clients includes:

- The review and assessment of the scope of services for permissibility by an independence specialist
- The review of the related audit committee pre-approval communications, when certain criteria are met
- The performance of pre-engagement independence coaching sessions and independence in-flight reviews for certain engagements

We regularly consider our policies and update them accordingly based on changes in regulatory requirements or professional standards as well as other developments.

A team of dedicated professionals assists our people by designing and overseeing the operation of our overall independence compliance programs, including consulting on independence related matters, being available for when questions arise; and develops our annual independence training. In FY25, this team engaged in various independence-related consultations, and we continue to encourage a culture of more voluntary consultations with our independence specialists.

Our independence compliance programs periodically identify exceptions to our independence policies related to financial, service, and other relationships. These independence policy exceptions typically result from the inadvertent failure to follow the firm’s processes. However, in some cases, they result from a service provided or relationship that existed during a period when the firm was not required to be independent or was subject to different independence requirements under which the service or relationship was not prohibited.

When a potential exception is identified, the matter is analyzed with the firm’s independence specialists to determine whether an exception to independence policy, rules, or standards has occurred. If it is determined that a violation of independence rules or standards has occurred, an analysis is completed to determine whether the firm remains objective and impartial. In certain situations, the firm and/or the firm’s clients may consult with the regulator related to the matter. The nature of the violation, including its duration, the relevant mitigating factors, and the overall impact on the firm's objectivity and impartiality are communicated, in writing, and discussed with those charged with governance at our audit client so that we can obtain their perspectives. If we or those charged with governance conclude we are not objective and impartial, we would not be able to continue the audit relationship.

We have an accountability framework that identifies specific actions and behaviors that are expected of our people to comply with independence policies and regulatory requirements related to financial, service, and other relationships. When exceptions occur, the accountability process involves multiple coaching discussions held with the partner or employee to reiterate the continued importance of maintaining independence, including additional training when needed. The framework includes consequences when exceptions occur, which may include financial impacts or may affect a partner's or employee's continued service or employment with the firm. These impacts are determined based on behaviors and circumstances that contribute to the firm's risk, including considering any recurring patterns or negative behavior. We remain focused on continually promoting awareness of the requirements and our policies, emphasizing the importance of compliance, and implementing processes, controls, and technology that facilitate compliance by our partners and employees.

Partner rotation

Partner rotation strikes a balance between bringing "fresh eyes" to the audit and maintaining a deep understanding of the client's operations, in part, through industry knowledge and continuity of other team members. Our practice leaders use systems and processes to manage current and successor partners' portfolios, including understanding their skills and capacity to maintain audit quality.

Public companies' and financial entities' lead audit partners and quality review partners are required to rotate off engagements every five years according to the CNBV requirements as well as the SEC requirements for Foreign Private Issuers (FPI) and significant audit components.[9] We also have rotation policies (between 5 and 10 years) for certain auxiliary partners and partners on audit engagements not subject to the CNBV or SEC rotation requirements depending on the type of engagement.

Accountability and incentives

Partners are evaluated based on their contributions toward our strategic agenda and their individual goals, inclusive of impact and quality. All partners, including lead audit partners, quality review partners, auxiliary partners, and specialist partners are subject to our accountability program, which considers the results of external and/or internal inspections.

Partner accomplishments are measured based on the partner's relative performance against established goals. Partners receive a share of the firm's profits based on their level of responsibility, individual quality results, the firm's performance, and the partner's overall performance. Through audit quality awards, we further recognize and incentivize partners who exhibit outstanding behaviors with respect to audit quality consistent with our strategy and values, for example, demonstrating preparedness for and positive interactions during inspection, or managing particularly challenging matters, including delivering difficult messages in an exceptional manner. Our audit partners are not evaluated or compensated for selling non-audit services to audit clients.

Our non-partner professionals are assessed against their annual strategic objectives, as incorporated into our Employee Expectations (see page 25), as well as the dimensions of the PwC Professional framework. They are eligible to participate in our annual performance bonus plan based, in part, on the achievement of quality goals and objectives.

When necessary, partners, managing directors, and directors/managers are required to implement a responsive action plan to address quality issues. Each plan is approved by the partners to whom they report along with applicable sector leadership. Implementation of each plan is monitored to confirm agreed-upon actions are undertaken.

Our audit sectors

Our audit practice is divided into three major sectors or groups: (1) a group dedicated to serving financial services clients, (2) a group dedicated to serving nonfinancial services public clients, and (3) a group dedicated to serving nonfinancial services private clients. The first two groups include SEC clients, including components, as well as clients that are public or financial entities in the Mexican market. Each of these three sectors also delivers non-financial reporting attestation services in connection with sustainability, cybersecurity, and other reporting. Having teams dedicated to each type of client supports a consistent approach and collective team experience, facilitates knowledge sharing, and allows for uniform policies across each category of client. With this structure, we look to further drive audit quality, standardization, industry focus, and differentiation in the marketplace.

Read more about our private company practice at:
www.pwc.com/mx/empresasprivadas

We accept new or continue existing audit relationships only when supported by our assessment of risks and when we believe our audit procedures can be satisfactorily designed and executed.

Acceptance and continuance

Our approval processes govern the acceptance of new audit clients and continuance of existing audit clients based on the audit team's responses to a series of questions, which, in aggregate, form the basis of our risk assessment. For the acceptance of new audit clients, our process requires approvals by lead audit partners, quality management partners, and sector leadership. For existing client continuance assessments, the extent and level of approval depend on the nature of the client and results of the required risk assessment. Additionally, an event-driven reassessment of our relationship with the client is performed when certain events occur, or become known, that were not considered at the time of the latest assessment.

When applicable, we perform inquiries with the predecessor auditor and evaluate those communications before agreeing to accept a new audit engagement. In determining whether to accept new or continue existing audit relationships, we consider:

- The applicable professional and regulatory standards as compared to our professional competence and capabilities
- The integrity, conduct, and reputation of key management, board members, and significant shareholders
- The nature of the company's operations, its industry, and applicable laws and regulations
- The potential impact on independence, conflicts of interest, and/or relationships with other entities and whether there are circumstances that might impair our independence or objectivity as auditors of the company
- The timing and resource needs of the engagement, including any potential constraints that would affect our ability to comply with applicable standards

Before agreeing to accept a new or continue an existing audit engagement, we also consider whether the amount of audit fees is commensurate with the expected level of effort. At times, we have made some difficult decisions to give up audit engagements when fees have not been sufficient to support a sustainable quality audit, and we will continue to do so as needed.

Our role in the financial reporting ecosystem

Performing audits in accordance with professional standards is an important way that we fulfill our purpose, and we are proud of the important role that audit opinions play in the capital markets. Each year, we issue audit reports on the financial statements of hundreds of public and non-public companies.

In the Mexican financial reporting ecosystem, our main regulators are the CNBV for issuers and financial sector entities; the National Insurance and Bonding Commission (CNSF by its Spanish acronym) for insurance entities; the Tax Administration System (SAT by its Spanish acronym) for tax reports; and the SEC and the PCAOB for SEC issuer audit clients.

During FY25, we issued **over 60** audit reports that included key audit matters (KAMs) in accordance with International Standards on Auditing (ISAs) framework and **three** audit reports that included critical audit matters (CAMs) in accordance with the PCAOB's reporting standards. The requirement for auditors to communicate KAMs or CAMs is intended to be responsive to calls from investors to understand more about the auditor's judgments and have insight into the auditor's approach to an audit and related communications with the audit committee. Our experience has been that communicating KAMs or CAMs in our audit reports complements robust financial reporting by management and appropriate oversight of the financial reporting process by the audit committee.

As auditors, we provide value in several ways, including through the independent assessments and judgments we make when performing audits. This includes having the courage and integrity to ask difficult questions, challenge questionable accounting, and voice concerns. Not only are these actions important to providing quality audits, which is our most important responsibility, they also promote compliance with the respective accounting framework, thereby reducing the number of qualified opinions we issue to our nonpublic engagements. We believe this has influenced our profession and contributed to good governance practices that enhance the financial reporting ecosystem.

Active participation in regulatory and standard setting activities

Standard setters and policy makers in Mexico and worldwide, including the Mexican Board for the Research and Development of Financial Reporting and Sustainability Standards (CINIF by its Spanish acronym), the International Auditing and Assurance Standards Board (IAASB), International Sustainability Standards Board (ISSB), and the CNBV continue to undertake standard setting and rulemaking initiatives. These developments, including the sustainability standards issued by CINIF and ISSB along with the CNBV's sustainability reporting requirements, have the potential to significantly impact both the financial reporting process and the audit.

We play an active role in initiatives from regulators and standard setters that are designed to enhance the quality and usefulness of financial and non-financial information available to the capital markets. Subject matter specialists from our firm contribute as leaders and members of working groups and other key roles within the Mexican Institute of Public Accountants (IMCP by its Spanish acronym) including participation in the National Executive Committee through the Vice Presidency of Legislation (responsible for monitoring and issuing professional regulations in Mexico) and collaborating on commissions such as: (1) the Auditing and Attestation Standards Commission (CONAA by its Spanish acronym), (2) the Financial Reporting Standards Commission (CONIF by its Spanish acronym), (3) the Quality Technical Commission, (4) the Tax Audit Report Commission, and (5) the Sustainability Reporting Standards Commission (CONIS by its Spanish acronym). In addition, we participate as members of the CINIF Board Oversight Committee and the Technical Advisory Committees on Financial Reporting and Sustainability.

We monitor and evaluate the implications of new local and global financial reporting and sustainability standards and regulations including the International Financial Reporting and Sustainability Standards (IFRS accounting and sustainability), Mexican Financial Reporting Standards (MFRS), and the Mexican Sustainability Reporting Standards (NIS by its Spanish acronym), as well as tax and regulatory matters.

Approximately 360 audit, accounting, tax, and regulatory communications and publications were shared internally with our partners and staff, which were viewed **more than 37,500** times.

Thought leadership

Through presentations, client interactions, publications, and webcasts, we foster quality reporting by informing our audit teams, clients, and other stakeholders on current and emerging topics, standard setting activities, tax and regulatory matters, and other developments.

Through Consult@ble, our online subscription-based platform, we provide clients with technical training on accounting, financial, and tax matters via e-learning courses, monthly webinars, virtual classrooms, and technical publications.

Viewpoint is our digital platform allowing seamless access to US and global authoritative and interpretative accounting, auditing, and financial reporting guidance—including technical content and related PwC insights.

In FY25, our National Office released or updated publications and webcasts, covering a wide variety of current topics and developing areas, including:

- Mexican Sustainability Reporting Standards issued by the CINIF for entities reporting under MFRS as well as the sustainability reporting requirements under the ISSB standards for non-financial issuers regulated by the CNBV—both were required to be adopted as of 1 January 2025—and other sustainability reporting developments that could impact Mexican entities
- Amendments and new accounting standards under MFRS or IFRS accounting and other regulatory developments, such as the requirements to disclose sustainability risks and the new accounting standard for assessing going concern for entities under MFRS

Our publicly available content is available on our website.

Stakeholder engagement

Our Governance Insights Center (GIC) in Mexico is focused on providing insights and perspectives to the boards of directors of our clients to help them tackle corporate governance issues.

Our GIC, in coordination with its US counterpart:

- Conducts individual board and committee educational sessions to enhance the board's understanding of contemporary issues, sharing our research, latest activities, and practical insights
- Provides, through presentations and publications, the need-to-know highlights for audit committees regarding the latest financial reporting and corporate governance developments
- Participates in events and attends meetings with boards at our client to discuss the latest governance topics and foster sharing of effective practices among peers

Numerous director-focused publications are available on pwc.com.

Insights and non-audit services

Our independence and objectivity—combined with our understanding of an audit client's business and operations, the industry and environment in which they operate, and their financial reporting processes and controls—allow us to provide unique observations and insights.

When combined with our firm's broad range of capabilities, we are well positioned to deliver permissible non-audit services to our audit clients, in areas including tax compliance and reporting, digital assurance and transparency, board governance, and sustainability.

Our independence compliance programs are designed to address the risks to independence from providing non-audit services to our audit clients that may impact our objectivity and impartiality. If we determine that a permissible non-audit service presents unnecessary potential risks to our objectivity and impartiality, we take action as appropriate to decline or cease the provision of such service. The majority of our non-audit services revenue comes from clients with whom we have no audit relationship.

We continue to expand our capabilities and the assurance and other non-audit services we offer related to, for example, sustainability and climate-related risks. Over the past year, we've issued review and examination reports on select sustainability data to contribute to confidence in the reliability of that data.

Our people

The number of audit professionals was **1,036 in FY25**, 1,088 in FY24, and 990 in FY23. Partners and managers[10] comprise **21% of the total for FY25**, 20% for FY24, and 22% for FY23.

Our audit workforce

Attracting, retaining, and developing top talent is fundamental to our ability to deliver quality services and help build trust. We are committed to delivering a meaningful experience that supports development for our people and the skills to serve their professional goals. Our people strategy is about maintaining an experience for our people in which:

- There is increased emphasis on growth and development
- Rewards and benefits are customized
- Well-being is stitched into our daily experiences
- There is flexibility to support our people as their lives and needs shift

Our inclusion strategy enables us to foster a culture where every individual feels they belong, can thrive, and has the opportunity to grow. Bringing people from different lived experiences and educational and professional backgrounds together fosters a strong diversity of thought and experience that enhances the quality and value of our work. It starts with an inclusive workplace that supports individual opportunities within the firm from recruitment to partnership.

During FY23 we started using PwC ACs. The ACs represent a global talent pool of people who work seamlessly with other team members to complete certain audit procedures for both public and nonpublic audits. By engaging AC audit team members, we can manage workloads to meet the needs of our clients, while also creating opportunities for our audit professionals to take on more challenging work earlier in their careers and provide value-add insights to our clients. AC audit team members are able to leverage their experience across a wide range of clients performing certain audit procedures and project management-related tasks to help standardize work and enhance quality.

Voluntary turnover in the public accounting profession can fluctuate based on several factors, including changes in external demand and competition in the market for jobs in accounting and auditing. The experience of our people can have a significant impact on voluntary turnover, and we remain focused and committed to our people strategy.

Average annual voluntary turnover rate of audit professionals by staff level[11]

	FY25	FY24	FY23
Managers[10]	**5.5%**	7%	5.2%
Senior associates	**9.8%**	10.1%	20.1%
Associates[12]	**17.7%**	16.2%	20.1%
Total	**13.5%**	13.1%	17.8%

Attracting talent

The pace of developments in standards and technology—combined with stakeholder expectations that are higher than ever—is transforming how we perform our audits and requires that we bring together a team of individuals with diverse skills, backgrounds, and perspectives. Our recruiting efforts reflect these needs, and we continue to adapt how and where we source talent. We're committed to taking action that benefits our profession and builds the future talent pipeline. For example, we have been developing the Future Ready program, a program focused on identifying, developing, and recruiting the next generation of high-performance talent. The program is aimed at young people in their last year of university, and we connect them with opportunities to prepare to face the labor market, develop a professional style, and access the professional world.

Our hiring standards include a structured interview process with behavior-based questions built from The PwC Professional framework, a review of relevant prior experience (if applicable), and background checks. In FY25, we hired **over 130 entry level audit professionals**[13] to supplement our workforce. In FY24, we hired over 310 entry level audit professionals.

We support alternative pathways into accounting that build competency, preserve mobility, and help increase the number of aspiring professionals who attain their Certified Public Accountant (CPC by its Spanish acronym) licenses. As part of our recruitment efforts, we have already invested in developing programs to increase interest in the profession and reduce barriers to obtaining a CPC license and will continue to do so. Achieving a professional credential supports our firm's commitment to quality through consistent examination and certification standards. Obtaining a Mexican CPC certification issued by the IMCP is an important element of our audit professionals' career progression and a prerequisite for admittance to our partnership. Our staff are incentivized to achieve their credential well before they are admitted to our partnership, through protected time to study and the firm's payment of the enrollment fees in accordance with the firm's policies.

Our apprenticeship culture fosters continuous learning and teaching, providing our people with opportunities for growth, regardless of where or how they work.

Apprenticeship, professional growth, and development

The composition of our audit teams provides newer team members the opportunity to work with more seasoned team members, which promotes meaningful on-the-job apprentice-style learning opportunities. Judgment is honed by observing how seasoned auditors approach issue identification, management, and resolution.

We continue to invest in our apprenticeship culture by providing our professionals with practical ways to establish strong team dynamics, develop others, and benefit from in-the-moment learning. In FY25, we enhanced training to reinforce the impact of apprenticeship and behaviors that drive audit quality and implemented facilitator-led, small group discussions designed to complement existing training for new reviewers. In addition, we emphasized more in-person time together through additional mandatory classroom training and organized in-person opportunities.

> "The audit profession is continuously evolving, and a culture that values apprenticeship builds confidence and trust among our people—pointing out the way to a brighter future together."
>
> **Felipe Córdova**
> Assurance Lead Partner

Technology and tools continue to support ongoing growth and development at all levels. For example, My Feedback is a tool that provides a simple way to give upward and peer feedback to help individuals improve the effectiveness of their leadership skills. Team Polling is a tool for leaders to get a quick pulse check on what's going well and where there are opportunities to enhance their team's experiences.

Audit partners' average years of experience[14] at PwC:

FY25	FY24	FY23
27	28	28

To help provide a strong foundational start for all of our first-year associates, their formal training takes into consideration the evolving expectations of associates. They begin at an in-person leadership program, which brings all our entry-level hires together in advance of multi-day technical training. This is followed by sessions that reinforce key learnings, enhance development, and drive quality. The first-year associate experience supports our newest joiners in focusing their first year at the firm on building their networks and honing their skills through client and project work as they receive ongoing feedback and coaching without the pressure of a peer-relative performance assessment at year end.

Employee Expectations

Each year, based on strategic priorities, we establish a plan for each staff category that includes specific objectives and expected behaviors and metrics. The plan is incorporated into the Employee Expectations used to assess the performance of our people. The Employee Expectations include specific targets related to upskilling, training and development, project management, and ethics and independence compliance.

The PwC Professional framework

This year we launched our revised PwC Professional framework, our global leadership development framework that provides a single set of expectations across our lines of service, roles, and territories. It assesses skills and competencies, expressed as observable behaviors and related impact across two dimensions—trusted leadership and distinctive outcomes. It also includes specific quality dimensions to guide our non-partner audit professionals in building critical skills and behaviors related to delivering audit quality such as professional skepticism, review and supervision, audit and/or attest skills, issues management, and accounting and financial reporting knowledge.

The performance of audit professionals, excluding partners, is assessed against the dimensions of the revised PwC Professional framework. Each non-partner audit professional is aligned to a Development Leader, who provides mentoring and career support through personalized quarterly discussion aided by performance data inclusive of the individual's progression against the dimensions.

Our revised PwC Professional framework aligns with our Career Development experience, a cornerstone of our My+ strategy. Through enhanced tools and resources, the Career Development experience supports data-driven decision making and empowers Development Leaders to inspire their assignees' accelerated growth and development through meaningful and timely feedback. The experience is also expected to continuously improve based on feedback from our partners and people.

In FY26, we launched the Human Skills Project—a three-year initiative to build the human skills of our people and our communities' need to thrive alongside transformative technology, boosting resilience and extending impact to the evolving workforce in our communities.

Rewards, benefits, well-being, and flexibility

We continue to enhance the employee experience with personalized rewards and benefits that reflect the evolving needs of our people and recognize the growth and impact of the individual, including their contributions to delivering quality and value. We remain committed to our market competitive strategy and proactively increasing base pay for our audit professionals when needed to align with our ongoing evaluation of market conditions. During FY25, we continued to support performance-based raises and bonuses at all levels. We also launched My Milestone Rewards, a tenure-based rewards program with frequent, personalized reward options including well-being or purpose-driven experiences, time away, and cash.

Our personalized benefits—including mental, physical and financial health benefits, parental leave and family medical leave, elder care assistance, retirement plans, life insurance plans, and vacation—are competitive and flexible to help meet an employee's needs at every stage of life. Our personalized benefits platform provides enhanced support to help select providers, manage costs, and get one-on-one help when needed.

To help our people take the time they need when they need it, we prioritize protected vacation time and flexible work options that can evolve with their lives and careers. We have tech enabled our process for securing time away, including system-generated Development Leader notifications of their assignees' upcoming vacation, automatic time entry, and out of office set up with the click of a button. One of our firm's most meaningful perks is our twice-a-year firmwide shutdown, during which our people collectively rest and recharge.

Global People Survey

In May of 2025, the PwC Network administered the **Global People Survey**, which, among other components, measures the pride, advocacy, commitment, and overall satisfaction of our people (a measurement we call our People Engagement Index (PEI)). Many internal and external factors have the potential to impact our PEI; market demand for our talent and our total rewards and benefit programs are two factors that impact the commitment and overall satisfaction of our people. Our PEI has a substantial influence on how we define and adjust our people initiatives.

Our PEI in FY25 for the Assurance practice was 77%.[15] We believe this result reflects our continued focus on our purpose and values and commitment to the development and well-being of our people.

Continuing education

Learning that occurs through on-the job supervision, review, and mentoring is supplemented through completion of in-person and virtual classroom courses and on-demand training programs.

The way we deliver training continues to evolve to align with what audit work is done, by whom, when, and how. We reinforce the importance of learning to an individual's professional development, including providing our audit professionals with sufficient time to complete in-person and virtual training courses specifically targeted to their roles and experience levels. We also continue to increase the amount of in-person classroom opportunities for our people.

In addition to the training received from the PwC Network, our National Office team designs training that is responsive to developments impacting our audits, including:

- New accounting and auditing standards, financial reporting and regulatory developments, and consultations on accounting and auditing matters
- Observations from our pre-issuance reviews and internal inspections, as well as observations from the CNBV, PCAOB, and other regulators (when applicable)
- Feedback from surveys and focus groups with audit professionals
- Other inputs related to monitoring quality, such as our analyses of quality drivers

Our mandatory auditing and accounting training for audit professionals includes courses that address and integrate foundational auditing and accounting technical knowledge, PwC audit methodology, and interpersonal and strategic skills and use simulation-based activities for a more effective learning experience.

Average training hours completed per audit professional:[16]

Growth Centre, our new intelligent learning platform, aggregates mandatory, expected, recommended, and elective learning in one place along with an AI coach to answer questions about learning topics and suggest learning content tailored to individual goals, roles, and skills.

Our partners, managing directors, and directors/managers also receive sector-specific training and training related to new or revised professional standards and regulations, tax updates and other practice or financial reporting developments, when applicable. AC audit team members are provided training that is aligned to the training provided to other audit professionals performing in similar roles. Some years ago, we began digitally upskilling our workforce, building digital IQ regarding data wrangling, data visualization, and automation. We continue to provide numerous learning tools to support the digital acumen of our audit teams, expand the use of digital solutions (including AI) on audits, and foster a mindset of continual improvement and innovation.

Completion of mandatory auditing and accounting training, as well as required annual independence, ethics, and compliance training, is a component of individual performance. Mandatory auditing and accounting training includes a learning assessment as part of the overall learning experience, as appropriate, which requires the participant to earn a passing score to be granted credit for course completion to either meet the mandatory training requirements and/or earn Mexican CPE, as required. We take steps to communicate and continually reinforce the understanding that assessments are required to be completed on an individual basis.

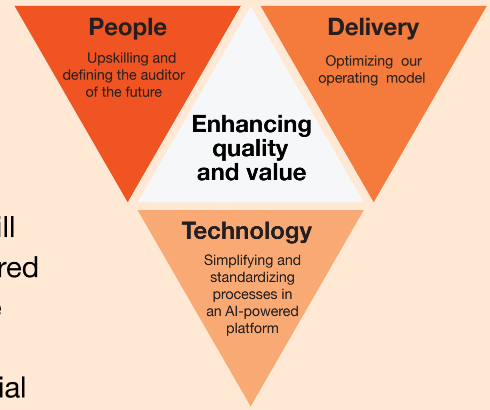
The amount of mandatory auditing and accounting training can vary from year to year based on a number of factors, including the issuance of new accounting and auditing standards. Our audit professionals who hold a Mexican CPC certification are required to achieve a minimum number of hours of continuing professional education to comply with the Continuing Professional Education (DPC by its Spanish acronym) Standard. Compliance with the DPC Standard is also required to maintain the SAT registration required to file audited tax reports. Failure to complete mandatory training can impact an audit professional's performance evaluation and compensation.

Our audit experience

We have an ongoing process to assess our audit approach, including the technology and tools used by our teams, so that it continues to align with our strategy and drive audit quality. In FY25, we took action to address various auditing, accounting, reporting and other practice matters, including the following:

- Addressed accounting and auditing considerations related to new and developing areas, including the imposition of new tariffs and the ongoing evolution of trade policies through guidance and training
- Augmented procedures related to identifying and responding to fraud risks—including fraud inquiries, team discussions, and brainstorming related to fraud, whistleblower program evaluations, unpredictability procedures, and communications with audit committees
- Expanded our GenAI capabilities with the introduction of a centralized collection of proprietary ChatPwC prompts and plugins, designed to assist our audit teams with day-to-day tasks such as document summarization and review preparation
- Provided comprehensive guidance and resources to address the risks associated with AI and Gen AI in financial reporting and support responsible use of GenAI in the audit
- Enhanced our guidance, methodology, and training to reinforce appropriate direction, supervision, and review throughout the audit
- For audits under PCAOB standards, introduced new tools, guidance, and training to support the implementation of new and revised audit standards, including the PCAOB's AS 1000, *General Responsibilities of the Auditor; and AS 2310, The Auditor's Use of Confirmation*
- Refined existing audit guidance to further support consistency, for example, with respect to identifying significant accounts and disclosures

We are reimagining the PwC audit experience through a comprehensive multi-year transformation of our assurance practice. We are building a new human-centered, AI-powered, and data-driven audit platform that will redefine the way our audits are delivered globally, with a simplified and intuitive approach to providing robust and independent assurance across financial and non-financial information.



The next generation of audit is more than transforming our audit technology; it is upskilling our people, simplifying and standardizing the way they work, and taking a fresh look at our delivery model, processes, and methodologies. The PwC Network-dedicated innovation team includes hundreds of professionals who are focused on transforming our people's experience and further elevating the quality and value we deliver to our clients. This team leverages internal and external learnings from our community of solvers to focus on the needs of our stakeholders and identify new ways for our people to work with one another and with clients.

Our bold vision for the audit starts with a bold vision for our people. Continuous upskilling drives a culture of innovation and quality that delivers and scales human-led, tech-enabled solutions addressing needs across our practice. Technology innovations occur not only within our central innovation and technology team but also within specific sector-aligned teams who are empowered to innovate with their respective audits in mind, leveraging our platforms as appropriate.

Our audit process and technology

Our top-down, risk-based audit starts with obtaining an understanding of the company's industry and business, financial systems, processes, and internal controls. We combine deep, dynamic, tech-enabled analysis with the digital skills, industry and technical knowledge, and the professional judgment of our people to obtain this understanding and complete a data-driven risk assessment that guides the controls we select for testing and our substantive audit response. The timely involvement of more experienced audit professionals, including partners and managing directors, facilitates the appropriate consideration of materiality, audit risk, and planned response. Establishing audit planning milestones supports our audit teams in better allocating and managing resources and avoiding late surprises by performing audit work earlier in the audit cycle.

We conduct our audits following applicable auditing standards in order to obtain reasonable assurance regarding whether the financial statements are presented fairly, in all material respects. Although reasonable assurance is a high level of assurance, it is not a guarantee. An audit involves examining the underlying audit evidence, including information and reports provided by the company, on a test basis. In some circumstances, we also rely on—and for some companies, test and opine on—a company's internal control over financial reporting, which due to inherent limitations may or may not prevent or detect misstatements.

Today, our audit teams utilize **Aura**, the PwC Network's cloud-based audit platform, to conduct all of our audits across the globe (**more than 100,000** auditors across the PwC Network use Aura), driving quality and consistency on a worldwide basis. Aura enables sequential and intuitive audit planning and execution, leveraging embedded sector-specific content that drives consistency in execution.

We are designing, developing, and deploying next generation capabilities now, within and alongside our current audit technology, including new ways of securely ingesting, analyzing, and using data to deliver faster anomaly detection, earlier risk identification, deeper insights, easier collaboration with component teams, and more.

Rooted in our rigorous risk and governance standards, our comprehensive suite of audit tools allows us to:

Exchange data faster with:

- Sophisticated data acquisition capabilities and direct data feeds that securely extract, transform, and manage client data for assessment and analysis, eliminating handoffs and minimizing room for error
- A global engagement workflow tool that facilitates the sharing of documents and deliverables securely and quickly
- Real-time audit status dashboards that enhance transparency into audit progress

Analyze deeper with:

- Dynamic dashboards, visualizations, and process flowcharting that enable data-driven risk assessment and guided account scoping
- Visualization and analysis of full populations of data to facilitate more focused analysis on outliers, trends, and risks

Audit smarter with:

- Improved project management dashboards that enhance monitoring and task prioritization
- Advanced automation that enhances the efficiency and effectiveness of our procedures, including the testing of information technology general controls, configurations, security, and key reports
- Automated document generation that provides a streamlined and simplified experience for drafting engagement letters, audit reports, and technical memos
- Efficient and interactive financial statement disclosure assessment capabilities
- Built-in digital checks that identify areas where audit documentation updates are needed
- Sector-specific audit process enhancements

When needed, a network of professionals with advanced digital skills and training is available to support our audit teams in identifying and adopting the most impactful tools and automations for their engagements. Additionally, our unique technology-sharing platform, Digital Lab, enables audit professionals to find, enhance, and share digital assets, including AI-driven automations, to enhance audit quality and efficiency.

Our audit teams also have access to GenAI capabilities that automate tasks and put information, data, and insights into their hands faster, including:

ChatNational—a powerful, PwC-developed, GenAI tool that uses Viewpoint, PwC's global research platform, to generate natural language responses to accounting, auditing, and reporting questions along with relevant Viewpoint search results, tools, training, and templates

ChatPwC—a PwC-developed, intelligent assistant tool in a secure PwC environment where users can engage in diverse conversations and address a vast range of topics–our prompt library includes widely used prompts to provide quick solutions at scale

Microsoft's M365 Copilot—an AI-powered assistant designed to help with a wide range of tasks, from summarizing important documents and meeting action items to generating first drafts of emails and deliverables

To expand the responsible use of GenAI powered tools in our audits, we proactively issued business rules, policies, guidance, and training.

Delivering more value and a better audit experience

As we look toward the future, we are piloting aspects of our new end-to-end AI-powered platform that will equip our auditors with the latest cognitive technologies. This platform will include agentic AI that will work in concert with our auditors across the audit to transform complex auditing activities into streamlined workflows that automate routine tasks and further augment our auditors' knowledge and expertise.

Intuitive, guided experiences and workflows will help our people and clients complete the right tasks at the right time, more easily adapting and scaling in response to the needs and complexities of each engagement. The platform will also serve as a virtual meeting place where our worldwide audit professionals can come together to collaborate and where we can meet our clients to share information and updates, unlocking a new level of visibility and enhancing coordination across territories. It **will redefine how we digitally enable the ways we work to enhance quality and elevate the audit experience** for our people and our clients.

Multi-location audits

When we audit the financial statements of a company with operations in multiple locations or business units (i.e., components), our audit approach, including the nature, timing, and extent of our involvement in the work of component auditors, is influenced by our assessment of risks associated with a given component and the nature of the work being performed by the component auditors as well as our understanding of the component auditors. We continually refine how we use the work of component auditors and the level of our involvement in their work.

Communications with the audit committee

Throughout the audit, we stay connected with our clients to anticipate and resolve complex issues and discuss relevant emerging topics and insights. We also communicate with audit committees or those charged with governance on a timely basis.

We encourage audit committees and those charged with governance to ask us candid questions and engage in an open dialogue to help foster an environment of accountability and to enhance audit quality.

Audit committees have an important role, as they are responsible for with overseeing the appointment, performance, and independence of auditors as required by Circular Única de Auditores Externos (CUAE), which outlines the obligations and responsibilities to be fulfilled by audit committees and external auditors of public companies (issuers) and financial sector entities. Similar requirements applicable to external auditors exist in other financial sector regulations aimed at insurance companies, financial groups, pension funds (Afores), and others. Through timely, meaningful exchanges, we obtain the audit committee's perspectives and fulfill our professional responsibilities to communicate certain items and provide all necessary information as required by the CUAE and similar regulations.

Our audit teams comply with the auditor obligations of the CUAE to timely provide the audit committees of our issuer and financial sector audit clients with, for example:

- If applicable, a report of irregularities or aspects that are identified during the course of the audit that could affect the stability, liquidity, solvency, or business continuity of the issuers or financial sector entities, based on their professional judgment
- A declaration of independence and summary of observations
- A consent letter to include the auditor's report in the annual report, if applicable
- A communication to be delivered prior to issuance of the audit report covering significant aspects of the audit performed and other matters identified by the

external auditor, such as risks of material misstatement, results of control testing, quality of the information received, significant deficiencies, nature and amount of adjustments, as well as general audit information, including the names of the external auditor and the specialists involved, level of materiality, and quality of the information received

For issuers and financial sector entity audits and other supervised entities our communications occur several times during the year.

Examples of topics we commonly discuss with the audit committee include:

- Our independence, including, when applicable, the potential effects of proposed non-audit services
- Our role and the roles of management and the audit committee
- The audit committee's views about fraud risks in the company
- Our audit approach, including our risk assessment process, consideration of fraud risks, and results
- The scope of our audit, including multilocation considerations, when applicable
- Our client service team, including specialists and component teams
- Our planned use of the work of others
- Our timeline and communication plan
- Audit fees
- Management's accounting policies and practices, including adoption of new accounting standards and significant transactions
- Audit observations and insights, including related to relevant trending topics such as economic developments and new laws and regulations affecting the company
- The quality of the company's financial reporting
- Our compliance with the applicable quality control standards
- Audit results, including areas of significant estimates and judgments
- Firm PCAOB inspection results related to FPI clients

"Regular communication between auditors, audit committees, and management strengthens control processes and enhances the accuracy and transparency of financial reporting, ultimately fostering greater stakeholder confidence."

Michelle Orozco
Audit National Office Leader and ESG Solutions Leader

Data security

Our standards of behavior emphasize the importance of integrity and require our people to protect the confidentiality of client data and information. Our information security policies outline controls with which every partner and employee must comply in using or building technologies to support the audit. We use security technology and processes so confidential data is shared only on a need to-know basis. Our Security Operations Center is tasked with monitoring and managing the global security systems that establish the security of firm and client assets and data. Teams of highly skilled professionals are focused on threat detection and response around the globe.

Our audit teams

Our audit teams are composed of individuals who bring the right blend of technical capabilities and industry knowledge to deliver quality and value to our clients. In a complex, increasingly digitized business environment, this can also mean considering the convergence of industries, and our agile approach to assigning audit professionals allows us to leverage our broad bench of audit professionals across industries as needed.

Leverage ratio for audit professionals[17]

	FY25	FY24	FY23
Partner to manager	**1 to 3.4**	1 to 4.0	1 to 3.4
Manager to staff	**1 to 7.3**	1 to 5.9	1 to 7.4

Our practice leaders manage current and successor partner portfolios considering several factors, including an individual partner's skills and capacity to maintain audit quality as well as relevant rotation requirements.

Acceleration Centers

We continue to reimagine the end-to-end audit experience by allowing audit teams to assign more routine audit activities to resources located in centralized ACs. While the use of AC team members to date has been limited relative to our total audit hours, over time we have seen increased adoption of this model with three primary benefits:

- Increased standardization and enhanced quality as work is performed consistently by individuals who are focused on specific aspects of our audits
- Additional time for other audit professionals to focus on more complex and challenging aspects of our audits, gain more insights into our clients' businesses, and further develop working relationships with audit committees and management teams that are so vital to audit quality
- Improved experience for our people as they seek to develop professionally

We expect that this will positively contribute to our goal of retaining high-performing professionals.

Quality Review Partners

Quality Review Partners (QRPs) and QRP assistants are a component of our quality control system. An individual serving in these roles must have the requisite technical knowledge, training, experience, and time to perform the role effectively.

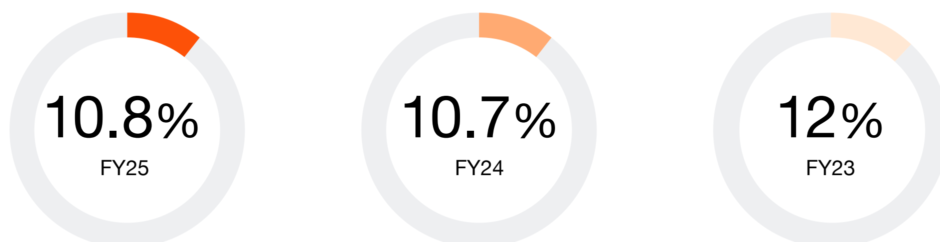
QRPs and, for certain engagements, QRP assistants are involved in the most important aspects of the audit, including reviewing the audit plan; considering the firm's independence; evaluating the significant risks of material misstatement in the financial statements and our responses to those risks; and reviewing certain accounting, auditing, and financial reporting and disclosure matters.

Other resources

Specialists

Our audit teams utilize our broad network of multidisciplinary specialists to better understand our clients' businesses, identify and address relevant risks, stay informed on developing matters, and obtain insights related to the audit. Our teams combine experience across a broad range of capabilities to address various accounting and auditing areas, for example, the potential impact of complex income tax matters; valuation processes related to the use of fair value in financial reporting and impairment calculations; information technology innovations; cybersecurity threats; and forensic investigations.

Percentage of audit hours provided by specialists:[18]



To conduct quality audits, audit teams must apply reason and judgment to difficult accounting and financial reporting issues and reach appropriate conclusions. While accounting standards provide specific guidance for many situations, there are other situations that require interpretation. One of our core values is working together, and this is a key part of the process we follow. When difficult matters arise, the audit partner is expected to leverage the appropriate resources across the firm. This includes, among others and as appropriate, our National Office, Chief Auditor Network, Quality Management Network, the QRP, and partners who lead the audit practice.

National Office

Our National Office is organized by technical competencies, enabling these resources to effectively bring specialized knowledge and experience in a broad range of technical accounting, auditing, regulatory and reporting matters to audit teams and clients across all industries. Our National Office resources work collaboratively with the US National Office as well as relevant groups within the Global Network. For example, for technical content, we actively participate in knowledge sharing with the Global Corporate Reporting Services Network to drive consistency on our IFRS accounting and sustainability practices with the rest of the PwC Network. National Office resources provide informed perspectives on client-specific matters, play an active role in standard setting and regulatory activity, and deliver thought leadership to our stakeholders. These resources are responsible for keeping our policies and guidance in these areas current.

Our policies identify matters that require National Office consultation and are updated as appropriate. Additionally, audit teams are encouraged to voluntarily consult with the National Office whenever they believe they could benefit from additional insights. In FY25, our National Office conducted hundreds of consultations with our audit teams on the application of auditing and accounting standards to client-specific facts and circumstances. In the event an audit partner initially has a different view than the National Office consultant, a resolution process provides guidance for elevating the discussion until a firm position on the matter is reached.

Ratio of partners/managing directors serving in technical support roles[19] to the total number of audit partners/managing directors:

1 to 6.3	1 to 7.0	1 to 6.9
FY25	FY24	FY23

The ratio of our partners/managing directors serving in technical support roles to the total number of audit partners/managing directors is based on our periodic evaluation of our technical support resource needs and leverage model and is intended to ensure that sufficient, quality technical resources are available for our audit teams. This ratio also reflects the resources needed to prepare guidance, policies, and publications to address new accounting and auditing standards or other developments impacting financial reporting.

Chief Auditor Network

Our Chief Auditor Network provides our audit teams with on-the-ground support focused on advancing audit quality. They leverage their in-depth knowledge of our methodology and their sector-specific auditing experience to:

- Support the design of effective and efficient audit approaches, reinforcing key learning points from audit training and guidance and matters noted during inspection cycles
- Contribute to sector and industry group meetings focused on audit quality topics and serve as instructors for many of our audit related training courses
- Provide advice on auditing methodology matters by facilitating training and interactive sessions with audit teams as they plan their audit procedures, addressing quality reminders and recent developments

In addition, the Chief Auditor Network executes pre-issuance review programs such as Assurance Quality Reviews (AQRs), performs targeted reach-outs to audit teams on specific audit quality-related topics, engages in informal consultations with engagement teams, and supports both internal and external inspection processes. Through these activities, the Chief Auditor Network helps drive audit quality and provides leaders with insights on the practice environment and overall trends in the performance of our audits.

Quality Management Network

Our Quality Management Network is composed of **ten experienced audit partners** serving in local, regional, and national roles in support of our audit practice. Quality Management audit professionals are responsible for the design, development, and administration of our quality management policies and guidance.

The design of our Quality Management Network allows the Quality Management partners to provide support to audit partners and teams as they navigate complex issues with our clients and other stakeholders. A Quality Management partner is assigned to each audit partner and assists in assessing risks (including whether to undertake or continue an audit engagement) and applying the firm's quality management policies. Audit teams are required to consult with Quality Management on a variety of topics, including specific circumstances related to the determination of materiality, evaluation of errors, potential illegal acts, going concern, and lead auditor considerations. Given the levels of collective experience, audit teams are encouraged to consult with Quality Management when they become aware of complex matters to evaluate the risks, consider the potential impact, and gather insights even when consultation may not be required.

Percentage of Public Interest Entity audit client annual financial statements that include restatements from prior years reflected during the year:[20]

1.4%	4.1%	0.0%	3.3%	1.2%
2025 (1 restated)	2024 (3 restated)	2023 (0 restated)	2022 (3 restated)	2021 (1 restated)

Our approach to quality management

Global network

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

In many parts of the world, accounting firms are required by law to be locally owned and independent. The PwC Network is not a global partnership, a single firm, or a multinational corporation. The PwC Network consists of firms that are separate legal entities.

The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC Network are members in, or have other connections to PwCIL, an English private company limited by guarantee. PwCIL does not practice 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 coordinate the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual member firms where appropriate. Member firms of PwCIL can use the PwC name and the resources and methodologies of the PwC Network are made available to them. 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 agree 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 that contain “PricewaterhouseCoopers;” however, there is no ownership by PwCIL. A member firm cannot act as an 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 member firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions. PwCIL has no right or ability to control any member firm’s exercise of professional judgment.

The governance bodies of PwCIL are:

- The Global Board, which represents the interest of all members of the PwC Network, has overall responsibility for the governance of PwCIL and the PwC Network and for the oversight of the Network Leadership Team
- The Network Leadership Team sets the strategy and standards for the PwC Network
- The Strategy Council, which is made up of the senior partners of some of the largest PwC firms, agrees on the strategic direction of the Network and facilitates alignment for the execution of strategy
- The Global Leadership Team, which reports to the Network Leadership Team, is responsible for key service line and functional areas across the PwC Network

Quality across the PwC Network

Quality audits across the PwC Network are vital to our firm’s brand. To support member firms in delivering quality services in an effective and efficient manner that meets the expectations of our stakeholders, the PwC Network has established the Quality Management for Service Excellence (QMSE) framework which integrates quality management into how each member firm runs its business and manages risk. The QMSE framework is designed to meet the requirements of applicable quality control standards, including International Standard on Quality Management 1 (ISQM 1).

The QMSE framework introduces an overall quality objective that is focused on a member firm having the necessary capabilities and deploying its people to consistently use its methodologies, processes, and technology to deliver quality audits in an effective and efficient manner. To help member firms achieve this objective, the PwC Network invests significant resources into maintaining a strong quality infrastructure, supported by the right people, underlying tools and technology at both the Network and firm levels, and a program of continuous innovation and investment in technology. The PwC Network's Global Assurance Quality organization aims to support member firms in promoting, enabling, and continuously enhancing quality through effective policies, tools, guidance, and systems.

Each member firm designs, implements, and operates its own system of quality management to identify and respond to risks to achieving the overall quality objective and a series of underlying quality management objectives in the QMSE framework. In addition, each member firm is responsible for monitoring and continuously improving its system of quality management and implementing remedial actions when areas of improvement are identified as well as setting clear expectations regarding the behaviors that support quality and reinforcing those expectations.

The PwC Network coordinates an inspection program to periodically review certain elements of the member firm's system of quality management as well as the member firm leadership's own assessment of the effectiveness of its system of quality management.

In addition, each member firm executes risk-focused reviews of completed engagements covering, on a periodic basis, individuals in the member firm who are authorized to sign audit or non-audit assurance or related services reports. These reviews assess whether work was performed in compliance with applicable professional standards and engagement-related policies and procedures. These reviews are planned and executed and results are assessed using guidance and tools developed at the Network level. The results of these reviews are reported to member firm leadership who are responsible for analyzing the results of the inspections along with the matters identified from all sources of information, performing root cause analysis, and implementing remedial actions as necessary.

PwC Mexico partners receive information about the results of the Network inspection program to consider in planning and performing their audit work when applicable.

Our system of quality management

The CUAE and similar regulations include the minimum quality control standards to be observed by audit firms for the provision of audit services related to the clients supervised by the CNBV and other regulators. The regulations require compliance with both the international and Mexican quality control standards as well as with pre-existing regulations for auditors of financial sector entities.

Our system of quality management is designed to meet the requirements of the PwC Network's QMSE framework as well as the relevant quality control standards of the CNBV, CNSF, PCAOB, and IAASB. The evolution of our system of quality management has positioned us well to adapt to future regulatory developments, such as the PCAOB's new quality control standard, QC 1000. We have made progress in our implementation of QC 1000 with ongoing oversight from Assurance leadership and expect to pilot certain of the provisions of the new standard during FY26 prior to our adoption, which will occur on or before the effective date of December 15, 2026. During this pilot period, we will continue to comply with and evaluate our system of quality management under currently effective standards.

Those assigned ultimate responsibility and accountability for our system of quality management evaluate and conclude on an annual basis as of March 31 whether it provides the firm with reasonable assurance that the objectives of the system of quality management are being achieved. Annually, certain firm leaders, including our Senior Partner and Assurance Leader, sign a certification as to the design, evaluation, and disclosure of information related to our system of quality management, including procedures related to ethics and independence.

This evaluation and certification are supported by functional leaders and control owners who complete internal certifications related to the controls for which they are responsible. The purpose of this evaluation and certification is to acknowledge (1) their responsibility, (2) whether they are aware of any exceptions in the design or operation of their controls that could impact reasonable assurance, and (3) their understanding that other leaders within the firm are relying upon these certifications to conclude on the overall effectiveness.

During the year, we completed our assessment of the firm's system of quality management in accordance with ISQM1. On behalf of PwC Mexico, the Senior Partner and the Assurance Leader evaluated whether our firm system of quality management 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 that we conduct engagements in accordance with such standards and requirements
- Engagement reports issued by the firm or engagement partners are appropriate in the circumstances

Based on all relevant information with respect to the firm's system of quality management as at March 31, 2025, we believe, except for the matters related to the deficiencies described below that have a severe but not pervasive effect on the design, implementation, and operation of the firm's system of quality management, that our system of quality management provides us with reasonable assurance that the quality objectives prescribed by the relevant quality control standards, including ISQM1, have been achieved.

Our internal engagement monitoring results identified a limited number of inspected engagements that were rated as noncompliant as they were, in certain respects, not conducted in accordance with applicable standards and requirements (see pages 49-50). Our assessment of the impact on the relevant engagements determined that the conclusions in the audit reports of those inspected engagements were appropriate.

We evaluated the root causes of the deficiencies and assessed the nature, relative importance, and severity of the related deficiencies to the system of quality management. The main root causes were related to project management, including the engagement team members' understanding of the objectives of their tasks and timing of the planning phase, managing delays in receiving client information, and sufficiency of engagement staffing. While we believe the remediation measures implemented in prior years to address similar root causes are responsive to these deficiencies, additional time and attention is needed for these measures to have their intended impact and to demonstrate effectiveness. Further refinement to these measures and other enhancements were determined to be appropriate to respond to our current-year deficiencies. Accordingly, we implemented and enhanced our Quality Improvement Plan (QIP) in FY25, which included increased data-driven monitoring activities to make timely decisions, for example when there are delays in the audit process. We believe that the remedial actions that we have implemented during the current system of quality management period are responsive to these deficiencies; however, it will take time to see their full effect on our quality outcomes.

The design and operating effectiveness of our system of quality management over our audit practice is tested annually by our QMSE team. Our Senior Partner and Assurance Leader have both signed a certification as to the disclosures made in this Audit Quality Report, including the above conclusion about the effectiveness of the system of quality management as of the date of the most recent annual evaluation (see Appendix I).

Leveraging technology and data, we take a proactive, risk-based approach to designing and operating our system of quality management to achieve our quality objectives. Our system operates in a continual and iterative manner and is designed to be responsive and resilient to changes in the nature and circumstances of the firm and developments in the auditing environment and the regulatory landscape. We also continue to invest in and reimagine our system of quality management to capitalize on the rapid technological change and changing business environment, including harnessing data and using technology to monitor audit quality on a real-time basis.

Our system of quality management identifies risks and includes controls in the following areas:

- Organizational structure, including tone at the top and leadership's responsibility related to quality
- Independence, integrity, and objectivity
- Practice environment
- Personnel management, including training, assignment, and evaluation
- Acceptance and continuance of clients and engagements
- Engagement performance, including technology used in our audits and review and supervision
- Participation by Network firms
- Engagement partner and QRP assignments
- Monitoring, including internal inspections and root cause analyses of results
- Administration, including design and maintenance of quality management policies and procedures

Assurance Quality Committee

The Assurance Quality Committee (AQC) consists of partners and some non-partners who have the collective experience and deep understanding of the regulatory environment applicable to entities in Mexico. The AQC is an important part of how we drive our quality strategy.

The AQC has been a valuable resource for our Assurance leadership team over the course of FY25—acting as a sounding board on our quality initiatives and monitoring programs, use of technology, our approach to non-financial reporting, and ways to improve the phasing of audit work. The AQC regularly discusses matters related to audit quality and our system of quality management. This includes recent inspection results and trends, consultation themes, our investment in AI and its governance, the role this technology plays in the audit, and our plans to address new standards and rules.

We are a learning organization, including as it relates to our system of quality management. We identify opportunities for enhancement through a range of monitoring activities, including pre-issuance reviews and internal and external inspections.

Monitoring

Pre-issuance reviews

One way we monitor quality is to review audit work on certain audit engagements prior to the issuance of their respective audit reports. Our pre-issuance reviews, which include the AQRs performed by the Chief Auditor Network and the Continuous Quality Assurance program (CQA) monitored by the Audit Services Group within our National Office, provide audit teams with timely feedback that can be incorporated into audits prior to the completion of fieldwork, and the results are considered as part of our continuous improvement process.

Each year we reassess the scope and areas of focus of these reviews, considering factors such as changes in professional, regulatory, and/or firm policy requirements, recent inspection results, the results of other monitoring procedures, our analyses of quality drivers, and knowledge gained by those charged with supporting audit teams' quality efforts.

In FY25, our Auditing Services Group and the Chief Auditor Network combined performed **33 pre-issuance reviews**[21] (29 performed in FY24).

Internal inspections of completed engagements

Our internal inspections program assesses audit and attest engagements' compliance with firm policies, procedures, and applicable professional and regulatory standards. The selected engagements are inspected after the issuance of their respective reports.

Under the firm's internal inspections program, audit and attest engagement partners are generally selected for inspection at least once every five years. Overall, the engagement selection process results in a sample of audit and attest engagements that is representative of our audit practice (e.g., sector, geography, size) and meets or exceeds the requirements in the applicable quality control standards. The internal inspections program is generally conducted from June through August each year and includes both issuer and non-issuer audit engagements as well as attest engagements. In each of our 2023, 2024, and 2025 internal inspection cycles, we performed reviews of **18 or more audit and attest engagements**.[22]

The number of inspections performed within a cycle varies based on several factors including but not limited to (1) application of partner review frequency policies, (2) nature, timing, extent, and results of previous monitoring activities, and (3) unpredictability.

The PwC US Inspections group oversees the internal inspections program, including its design and execution. This group, along with support from US and other Network firm audit professionals and specialists (if applicable) with relevant sector or technical experience, executes the annual inspections. More than 25 partners and professional staff participated as reviewers in the most recent internal inspections cycle.

The PwC US Inspections group prepares a report, which is reviewed by our AQC and is used to develop a communication to our assurance practice regarding inspection observations and results. From these internal inspections results, our Quality Management Network communicates inspection observations and results to the audit practice and works with other groups in the National Office and firm leadership to provide input into (1) the identification of potential causal factors for inspection observations and (2) the development of actions we could take to continue to enhance quality.

Compliance rate of audit and attest engagements selected for internal inspection:[22]

82%	87%	78%
FY25	FY24	FY23

External inspections

To monitor compliance and effectiveness of the established programs, the CNBV and other regulators carry out reviews of selected audit firms and certain engagements audited by those firms. These inspections provide a data point for audit quality and represent an important check on our internal monitoring and assessment processes.

The CNBV's last inspection of the firm's quality control system was in 2020. As a result of that inspection, the CNBV provided no observations to the firm that would indicate there were deficiencies in our quality control system and/or noncompliance with the regulations established by the CNBV.

The PCAOB performs inspections of our SEC issuer audits at least once every three years. The PCAOB's report regarding its most recent inspection of our audit practice is dated February 22, 2024 (our "2023 Inspection Report"). It describes the results of the PCAOB's 2023 inspection of three (or approximately 6%) of our 2022 year-end SEC issuer audits.

As the PCAOB states in the most recent inspection report, its "selection of audits for review does not necessarily constitute a representative sample of the firm's total population of issuer audits," therefore the results cannot be used to draw conclusions about the frequency of deficiencies throughout the firm's portfolio. The PCAOB's approach is designed to be weighted towards targeting items of interest to their regulatory purposes. There are inherent differences in the purpose and methods used by the PCAOB to select audits for inspection compared to those used for our internal inspections.

Part I of the PCAOB inspection report

Part I, which is the public portion of the PCAOB inspection report, contains an overview of the inspection procedures and observations on the engagements inspected.

Part I.A includes discussion of deficiencies identified by the PCAOB in its inspection of issuer audits. No deficiencies were identified in Part I.A of our 2023 Inspection Report, reflecting an improvement in the inspection results and the positive impact of the investments we have made in audit quality.

Part I.B of the PCAOB inspection report includes certain deficiencies that relate to instances of noncompliance with PCAOB standards or rules other than those for which the firm had not obtained sufficient appropriate audit evidence to support its opinion(s). No deficiencies were identified in Part I.B of our 2023 Inspection Report.

Part I.C of the PCAOB inspection report includes instances of potential noncompliance with SEC and certain PCAOB rules related to independence for issuer audit clients, identified through our own compliance procedures and the PCAOB's inspections. Part I.C of our 2023 Inspection Report includes three instances on one issuer audit client identified through our own compliance procedures ("firm-identified"). Two of the three instances identified related to financial relationships, including investments in and other financial relationships with an audit client, including its affiliates. The third instance is related to a business relationship with a company that is an affiliate of the issuer. The personal financial relationships of partners and employees of PwC Network firms, including PwC México, are monitored through our tools for pre-clearing, recording, and maintaining securities and other financial arrangements described on page 12, and in Mexico alone, hundreds of acquisition and disposal transactions are recorded in these tools and an annual basis.

As acknowledged by the PCAOB in Part I.C, we have evaluated the instances noted within that section. For each, the firm and the audit committee determined that the firm's objectivity and impartiality were not impaired. In reaching conclusions about our independence, we follow the processes described on page 12.

We continue to review and enhance, as appropriate, our independence compliance programs and related training and guidance based, in part, on our analysis of identified instances of noncompliance.

Part II of the PCAOB inspection report

Part II of the PCAOB inspection report reflects observations identified during the PCAOB's review of certain practices, policies, and processes related to our system of quality control. The Sarbanes-Oxley Act mandates that Part II not be made public if a firm addresses the quality control observations to the PCAOB's satisfaction within 12 months of the date of the inspection report. Our 2023 Inspection Report did not include any deficiencies identified related to our system of quality control.

Analyses of quality drivers

As part of our formal efforts to identify the root cause of identified audit deficiencies, we perform a root cause analysis of audits with and without deficiencies identified through internal and external inspections. As part of a robust and mature process, a dedicated team of reviewers from our National Office who are independent of the engagement team identifies and considers factors relevant to technical knowledge, supervision, review, professional skepticism, culture, and behavior as well as factors related to other elements of our system of quality management that may have contributed to audit quality. These potential causal factors are identified by reviewing audit workpapers (including the review of guidance referenced and the use of tools/ templates) performing interviews, and evaluating certain characteristics related to the engagement and certain members of the engagement team.

In addition, we analyze data for audits with and without deficiencies to identify whether certain factors may correlate to audit quality. Examples of this data include the hours incurred on the audit, whether the client recently undertook an initial public offering, whether key engagement team members are in the same sector as the client, the number of years that key engagement team members have been on the engagement, the number of other audits the engagement partners are involved in, whether the engagement was subject to a pre-issuance review, and the timing of when the audit work was planned and performed.

The results of these analyses are communicated to Assurance leadership and used to identify actions that may be useful to implement across all or certain elements of our practice to enhance audit quality and improve our system of quality management. Further, we monitor progress, including the effectiveness of the actions we take, and make further adjustments or implement new actions as appropriate.

We continue to explore ways to enhance our root cause analysis. We have found that, by leveraging technology in our analyses and continually enhancing our efforts to monitor progress, we are able to identify potential causal factors and appropriate actions earlier and to a greater level of precision—driving appropriate change more rapidly and effectively.

Governance structure

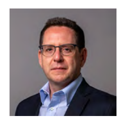
Governance structure of the firm

The firm's Senior Partner manages the firm.

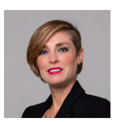
The Assurance management team, led by the Assurance Leader, establishes and implements the strategy for the firm's Assurance business. The Senior Partner and Assurance Leader are responsible for the establishment and maintenance of the system of quality management related to the Assurance services of PwC Mexico (see page 58).

Senior Partner and Assurance Leadership Team members as of July 1, 2025—PwC Mexico

Ana Paula Jiménez**
Country Senior Partner

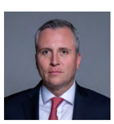


Felipe Córdova
Assurance Lead Partner

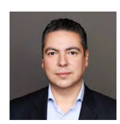


Diana Pereda
Private Sector Team Leader

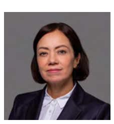
Guillermo Robles
P&S Sector Team Leader



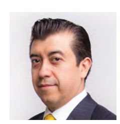
Arturo Martínez
Financial Services Sector Team Leader



Jose Ernesto Garcia
Digital Assurance and Transparency Leader



Michelle Orozco
Audit National Office Leader and ESG Solutions Leader



Pablo Noreña
Non-Audit Assurance Engagement Leader

Víctor Hugo Gallegos
Risk and Quality Leader

**Also a member of the PwC Network's Strategy Council

We recognize that quality is an ongoing journey and there are always opportunities to do more. We will continue to listen to our stakeholders' views about what they need and share our perspectives. As the world around us continues to change, we will continue our focus on audit quality.

End notes

[1] Our fiscal year ends June 30.

[2] References to "we," the "firm," "our," and "PwC" in this document relate to PricewaterhouseCoopers, S.C. or PwC Mexico. The scope of this document pertains solely to the PwC Mexico firm registered with the PCAOB and supervised by the CNBV and the CNSF. This report was prepared to provide our stakeholders with relevant information related to our Mexican operations.

[3] "Assurance practice" includes audit professionals (see endnote 5), and other staff and partners included in the Assurance line of service. It excludes staff and partners in our Tax and Advisory lines of service.

[4] Hours of training on the use of AI is based on the total number of learners who completed specifically identified training courses multiplied by the total training hours awarded.

[5] Percentage of audit professionals that responded "agree" or "strongly agree" to these questions in our September 2024 Values survey.

Throughout this report, "audit professionals" refers to our core audit professionals at the associate level or above. Audit team members from Acceleration Centers and specialists (see endnote 19) are excluded. Short-term assignees from third parties or other PwC member firms are also excluded.

[6] Our Assurance practice is organized into various sectors aligned to the industries in which our clients operate.

[7] "Public Interest Entity" refers to a publicly traded entity, an entity defined by law or regulation as such (including all regulated financial, insurance, and bonding sector entities, such as AFORES and SIEFORES), or an entity for which regulations require its audit to meet the same independence standards as those for a publicly traded or regulated entity.

[8] "SEC issuer" refers to any Mexico-based Foreign Private Issuer (FPI), significant audit component, or other entity required to file periodic filings with the SEC for which the firm was a principal auditor or was not principal auditor but played a role in the audit.

[9] "Significant audit component" refers to an audit component of an SEC issuer that is of individual financial significance to the group, or that, due to its specific nature or circumstances, is likely to cause significant risk(s) of material misstatement to the group financial statements.

[10] "Managers" includes managers, senior managers, directors, and managing directors.

[11] Average annual voluntary turnover is calculated by staff level by dividing actual voluntary terminations of employment by average headcount. Excludes specialists and AC team members.

[12] "Associates" includes audit professionals who are still attending university in their undergraduate programs and work on a shorter schedule.

[13] Entry-level professionals are those without prior employment experience within the auditing or accounting profession (typically hired directly from college or university). Experienced professionals are those with prior employment experience within the auditing or accounting profession (there is no minimum years of experience applied for purposes of this number). In FY25, we hired four experienced professionals and eight in FY24.

[14] Audit partners' average years of experience at PwC Mexico is based on the average number of years employed by PwC for audit partners, rounded to the nearest year. Excludes years of experience for specialist partners.

[15] Our PEI is a composite score based on "agree" or "strongly agree" responses to certain questions, including questions about sense of belonging and values, in our annual Global People Survey, administered in May 2025.

[16] Average training hours for audit professionals is based on the total training hours awarded throughout the year, divided by total number of audit professionals at the end of the year. Training hours include mandatory accounting and auditing training as well as other training completed throughout the year.
[17] Leverage ratio is calculated using the number of audit team members at each level and total audit team members as reported on page 37.
[18] In this report, specialists include professionals in our information technology (Digital Assurance & Transparency) group, National Office, and tax and advisory lines of service. The percentage of audit hours provided by specialists includes the chargeable hours incurred by these specialists.
[19] Partners/managing directors in technical support roles include those assigned to our National Office or Chief Auditor Network as of June 30. Excludes Quality Management (see page 41) and independence specialists (see page 13).
[20] The percentage of issuer audit client financial statements has been adjusted to present five years of information and to reflect the restatement in the calendar year in which the restated financial statements were reissued/filed. It was also adjusted to present the percentage restated, rather than the percentage that were not restated. If presented consistent with the prior year report, the percentages reported would be 98.6% (1 restated), 95.9% (3 restated) and 100% (0 restated) for FY25, FY24 and FY23, respectively. Includes restatements filed through June 30, 2025. Excludes restatements related to unaudited interim (quarterly) financial statements.
[21] Engagements selected to participate in the pre-issuance reviews are based on engagement risk profile, timing of last review for the partner, and unpredictability, among other criteria. The list of engagements selected for review is approved by the AQC. The scope of pre-issuance reviews varies by year and by engagement.
[22] The number of reviews performed in each inspection cycle and the compliance rate for engagements selected for internal inspection have been updated to include engagements performed under attestation standards. The compliance rate for audit engagements, excluding engagements performed under attestation standards, is 75%, 95%, and 75% for the 2025, 2024, and 2023 inspection cycles, respectively.

Appendix I

Certification as to the disclosures made in this 2025 Audit Quality Report

We are responsible for the establishment and maintenance of the system of quality management related to the Assurance services of PwC Mexico.

We have reviewed this annual Audit Quality Report for the year ended June 30, 2025, which includes conclusions about the effectiveness of the system of quality management as of the date of the most recent annual evaluation.

Based on our knowledge, this Audit Quality Report, with respect to the period covered by this report:

- Does not contain any untrue statement of a material fact; and
- Does not omit to state a material fact necessary to make the statements made not misleading in light of the circumstances under which such statements were made.

Ana Paula Jiménez
Country Senior Partner

Felipe Córdova
Assurance Lead Partner

2025 Mexico Audit Quality Report